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## Global Non-governmental Administrative System. Geosociology of the Third Sector

Non-governmental organizations are not independent agents of social change. Most of financial and political support within global third sector comes from governments of affluent OECD countries. Hence, I propose to conceptualize NGOs as interdependent administrative units, elements of global non-governmental administrative system, on which institutionally is reliant a postnational apparatus of global governance. The most important function of the non-governmental system is redistribution and allocation of economic and social resources aimed at management of the social and geographical spheres of social risk, influencing peace and order through maintaining a sense of safety.

As a sociologist, I am devoted to the idea of society. I am deeply interested in both the functioning of society in general and of different individual societies in particular. Specifically, I am outstandingly interested in the concept of civil society, as a specific form of the general society. However, I found it surprising that literature concerning civil society treats it as an unstructured, decentralized, and even chaotic entity, encompassing a broad scope of individuals. Most concepts of civil society deal with it as an amorphous and fluid entity. In my opinion, this is opposite to the very idea of a society in general. My concept, hence, is to focus on institutions of civil society, as well as structural differentiation of this society, and to treat it as every other society which is present in sociological theory. When we look at the work of anthropologists, we can find that even the simplest primitive societies have their own structure, specific institutions, and recognizable membership. While civil society may look to someone as an example of the effects of an invisible hand, it is better to look for patterns and regularities within the field. We have to examine institutional framework, power relations and patterns of activities of social actors within this distinguished society if we do not want the term "civil society" to be just empty and meaningless.

One must be aware that, in fact, civil society has a common meaning, which may be considered idealized and prescriptive rather than descriptive. This meaning is covered by an altruistic and ethical veil of principles. Its aim is legitimizing the existence and activities of non-governmental organizations by maintaining the charismatic power of distinctive unselfishness with the purpose of principled agitation. According to this civil society is often presented as a decent entity opposite to the evil forces of state or free market. Following that way of thinking, this paper is nothing more than just another proposition of an alternative conception of civil society, although I claim that it is much closer to an ideal of objectivity. The aim of this attempt is to represent institutions of civil society as structured in administrative networks—bodies intended for regulating and controlling social reality. This theory legitimizes networks of NGOs as power structures, according to Weber, in a more modern way, through bureaucratic rationalization, out of prescriptive and ethical connotations.

One must be also aware, that there is also a quite opposite stream of thinking about NGOs, a very skeptical one. There exists a vast array of publications about negative functioning of NGOs – about corruption and fraud among them. I do not use them, because condemning NGOs is not my aim, although I reckon corruption and fraud to be symptoms of bureaucratization. My aim is to present broader structure by allowing conceptualization NGOs as fruitful, able to develop further in a new way. My purpose is to find a way in-between those presented above – by no means negative, but also trying to be not positive. I've already met with disapproving opinions about portraying NGOs as institutions structured as administrative systems. I think it is rather a third way of conceptualizing NGOs and the most objective one, compared with two others I observed. This approach is not critical of the NGOs but rather to dominant ways of thinking about NGOs and that is an important difference.

Non-governmental organizations, called also nonprofit or voluntary organizations, are the most important and most noticeable, if not the only, institutions of civil society at the present time, one has to take into account. I am concentrated on those institutions in the following paper. Increasing growth of the non-governmental sector on the global scale demands closer research which should take into consideration its structure and functions. My most rigid thesis is that contemporary networks of non-governmental organizations are the key institutions of the new global administrative system governing the day-to-day reality of many individuals. What led me to this statement was the idea of a world government as a way to manage global peace with the effect of the diminishing of the anarchic system of inter-state rivalry and United Nations advocacy. A global administration system has to precede announced and expected global democracy and global order

(see Bauman 2000), whose functioning will be dependent upon those institutional settings. In other words, if one wants to think about global government, one must think about global administration that will allow governing. My point is that, if one thinks about global administration, one has to consider NGOs as fundamental elements. While thinking about a particular NGO, one does not have to consider it to be an element of global governance. While thinking about global governance, one must concentrate on NGOs as its agents. That means also that I treat the term globalization not as a pandemonium of chaos, anarchy, and lack of control, but rather as a compound process of transformation, building, and consolidation of a new global order.

My second thesis is that, within networks of non-governmental organizations, we can observe hierarchical differentiation, which can be considered administrative in the Weberian sense, with the distinctive centers as well, although one has to notice that Weber expressed only ideal types (of Prussian bureaucracy) – how the reality of the life of administration is far from this has been shown by Guy Peters (Peters 1984). My work focuses first on the cooperation between OECD governments and the World Bank on the one hand, and non-governmental organizations on the other. Secondly, it focuses on institutional differences between Northern and Southern non-governmental organizations. These two rather political dimensions can be expanded with a third functional one, whose two most diverged points are occupied by think tanks (which gather, collect, analyze and disseminate data) and grass-root organizations (which implement policies and experiment). Both political dimensions overlap each other, while, for example, most think tanks are clustered in North.

My third thesis is that this new global administrative system supplants national governments and administrations in its redistributive and social functions, which is mostly seen in cases of poor countries. While the World Bank's policy towards these countries has been focused on shortages of social services (upon which the loans depended), at the same time the World Bank was sponsoring non-governmental organizations in these countries, which work on most basic social problems (Hudock 1999: 52). Two-thirds of all nonprofit employment is concentrated in the three traditional fields of welfare services: education, health, and social services (Salamon et al. 2000: 4). I have to stress that this movement from welfare state to supporting non-governmental organizations (in financial means) and by non-governmental organizations (in functional terms) is worldwide and present both in the rich and poor countries in the form of outsourcing and contracting out. In my opinion, this process shows the changing function of the states (but not their diminishing, as some authors suggest). It shows that the governments reduce their direct involvement in the provision of social responsibilities and support,

while increasing the use of violence, juridical control, and taxation apparatus (see: Bauman 2000).

I do not want to focus in my work on particular organizations to show their position and functions within a developed system. I point out that many authors to whom I want to express gratitude have already done this work. My aim is to propose a more general, as well as global, conceptual framework concerning non-governmental organizations using their research. Moreover, the framework I intend to develop, differs instantly from main approaches to the dilemma of functioning of NGOs from the perspective of the issue of global governance (Ronit, Schneider ed. 2000: 10; Schmitz 2000: 87-95).

The first perspective developed on the grounds of international relations theory in my opinion overestimates the very role of the state. In international relations theory, a state is regarded as the most important actor while the NGOs are treated as non-state actors functioning by interventions within the stable structure of the nation-state order. As non-state actors, in a simplistic way NGOs gain power in a zero-sum game in which states lose. This view leads to a dead end, and does not offer an accurate picture.

The second perspective comes from studies of social movements in which the state is almost absent. As incorporated in transnational social movements, NGOs are regarded outside of the state and achieving their goals by themselves. As a part of a separate social movement, NGOs lack broader institutional framework, which could allow analyzing power relations in which they are engaged.

Hence, both perspectives are characterized by opposite extremisms, which overestimate or underestimate the role of the state. NGOs act either within a state dominated framework either outside of it. My aim is to treat both states and NGOs in different way that includes both kinds of entities in one coherent system of global order. Both states and NGOs fulfill specific, supplementary rather than contradictory or competing functions, for which identification and characterization are to be developed. Relationships between states and NGOs are more complex than social movements or international relations theories portray.

Moreover, both above methodologies focus only on innovative and transformative capabilities of NGOs as vehicles of social change. But assuming the rapid development period of the Third sector is already accomplished, one must rather concentrate on stabilization of the non-governmental system. "For social movements are usually taken to be agents of progressive social change, capable of altering government policies or transforming the life-styles of their members. But the acronym 'NGO' implies little about objectives. NGOs may pursue change, but they can equally work to maintain existing social and political systems. Besides, while social movements may be open-ended and anarchic in form, NGOs - as

generally defined - possess a formal institutional structure" (Morris-Suzuki 2000: 68). Thus NGOs as elements of new structures of power can not only be unengaged in social change but even work in favor of and guard established preserves of power. Their abilities may be used and mobilized to prop up existing structures of power, within which they are incorporated and of whose they are the parts. However, one must be aware that contemporary structures of power are new, globalized ones.

Both existing approaches idealize also the situation of NGOs by presenting them as independent and autonomous organizations, while they always rely on other institutions for something, whether it is access to community groups, resources or technical assistance. Thus, analysis of NGOs usually focuses on internal rather than external aspects of organizational performance. It also concentrates on the use of disposed resources, rather than on how NGOs acquire means that allow them to function. There is also a question of how cooperation between organizations influences their structure and functioning. (Hudock 1999: 18-20) Moreover: "One of the most fundamental weakness of the NGO literature is its suggestion that NGOs possess a value base that drives them to act on 'altruistic' motives. This absolutely contradicts one of the key tenets of organizational analysis; namely that organizational survival is every organization's goal and that, to survive, an organization must place its own interests before those of others, especially those, which are potential competitors. As the myth is propagated that NGOs are somehow organizationally unique and operating on a value base rather, than on organizational operatives like survival, the true complexity of NGO's situation with respect to acquiring resources is obscured" (Hudock 1999: 20-21). Thus, in Bangladesh, for example, it was observed that NGO strategies have a tendency to turn away from building organizations of poor people to building up the NGO itself (Hashemi and Hassan 1999). In Mozambique "many local organizations which call themselves NGOs have, in fact, been set up purely to provide jobs and services to foreign NGOs; they know that nice offices, slick laserprinted reports, and clean accounts are much more important than whether or not they actually do anything in rural areas" (Hanlon 2000: 137).

Moreover, privatization of social services has led to penetration of the private sector through regulations, obligations, and restrictions that accompany governmental and inter-governmental institutions contracting them out. Instead of shrinking the role of governments and inter-governmental agencies (like the World Bank especially), collaboration with NGOs diminishes and constrains the independent community sector by the interventions of governmental agencies and the contracting regime of non-governmental organizations (see: Lipsky &

Smith 1993: 204). The almost incredible growth and expansion of the non-governmental sector on the global scale would not be so amazing if one considered financial and political support from wealthy governments.

Aware of those theoretical difficulties, I turned my attention to bureaucracy and public administration theories. This allowed treatment of both states and NGOs as interdependent and functionally differentiated elements of a very complex, flexible and fluctuating, and yet coherent system of global governance or "international public policy" (Duffield 2001: 9). The main task to explain NGO networks as global administrative structure is to illustrate their hierarchical differentiation and identify centers of bureaucratic power within them. Thus, the primary goal of this research is proving "Weberianity" (that is, its idealization through identification with classic theories of administrative systems) of a global non-governmental administrative system (see: Gerth & Mills, 1946). There are three pivotal characteristics of bureaucratic systems: hierarchy, functional differentiation or specialization, and distinctive qualification or competence (Heady 2001: 76). I would argue that NGOs fulfill those requirements both at the internal level of particular organization as well as at the external level of systemic engagement. Hence, I propose to consider professionalization and bureaucratization of non-governmental sector not in negative terms, as proposed by Lester Salamon (Salamon 2001: 26), but in a more objective, even positive way as I hope some can recognize it.

## Organizational legitimacy

According to Max Weber there are three ways in which domination can be legitimized: traditional, charismatic and rational (Weber 1978: 215). The first one is not very important from the perspective of the functioning of the non-governmental sector. Seldom does a particular NGO underline its heritage and history, and does it only in a very individual way, not generalized with other organizations. There is no common tradition of a non-governmental sector that is formidably present in public discourse, although there are academic attempts to cultivate, rooted in the Enlightenment, a universalistic history of civil society (see: Seligman 1992).

In contemporary public discourse, the entire third sector is legitimized mostly in a charismatic way. Charismatic legitimacy rests "on devotion to the exceptional sanctity, heroism or exemplary character of an individual person, and of the normative patterns of order revealed or ordained by him" (Weber 1978: 215). Charismatic legitimacy of non-governmental organizations is founded on the basis of altruistic motives (Hudock 1999: 20) and public interest intentions (Sokolowski

2000: 192) that is ethical principles or rather claims (Lipsky & Smith 1993: 171). As Wojciech Sokolowski presented, organizational choice, topping non-governmental organization preference as a form of activity, is embedded in the occupational interests of people engaged in it. "Defining professional work as public service changes its perceived value by expanding the scope of its potential beneficiaries while shrinking the scope of its social costs" (Sokolowski 2000: 192). On the other hand, altruistic idealization fosters engagement of non-governmental activists by influencing their self-esteem and sense of prestige (Zaleski 2001: 206-213). Hence, altruism as a form of legitimizing discourse helps to mobilize human resources to work in non-governmental organizations. However, "although the evidence is far from conclusive (and no organization can afford to stand still), there are signs that NGOs are losing touch with the values of social solidarity which originally motivated them as they move further and further into the market and its orthodoxies" (Edwards 1999: 266).

What is argued in this paper is that rational legitimacy of non-governmental organizations is becoming increasingly significant for functioning of these institutions. Rational legitimacy rests "on belief in the legality of enacted rules and the right of those elevated to authority under such rules to issue commands" (Weber 1978: 215). Therefore, the most important question is: according to which laws and orders are non-governmental organizations functioning? In the contemporary political order, it is still primarily the state with its government which is responsible for issuing rules and commands that shapes activities of non-governmental organizations (alongside inter-governmental institutions). Beginning from permission to establish and run that very specific form of institution, through issuing laws regulating that type of activity through direct control, by direct funding or contracting them out, and evaluating their work, the state administrative apparatus is in power to legitimize the legal foundations of non-governmental organizations. From the point of view of public administration, efficiency, effectiveness, and accountability give the principal mandate to the delegation of its power of governing social reality to NGOs. We can observe the growth of importance of inter-governmental bodies controlling the performance of NGOs, especially in poor countries. Hence, governmental and inter-governmental bodies are nowadays the most important sources of legitimacy and support for non-governmental organizations. Networks of NGOs are legitimized as power structures through bureaucratic rationalization.

However, both above legitimizations should be criticized as mostly dogmatical without strong empirical evidence proving their adequacy to field research findings. First, although NGOs hardly condemned the World Bank and IMF for their lack of engagement in reduction of poverty, there is data showing that NGOs are

not strongly determined to work on that issue as well: "The role of NGOs in the lives of the poor is limited, and the poor depend primarily on their own informal networks. Given the scale of poverty, NGOs touch relatively few lives, and poor people give NGOs mixed ratings. In some areas NGOs are the only institutions people trust, and in some cases they are credited with saving lives. Where there is strong NGO presence new partnerships between government and NGOs are beginning to emerge.

However, poor people sometimes also report that, besides being rude and forceful, NGO staff members are poor listeners. Surprisingly, the poor report that they consider some NGOs to be largely irrelevant, self-serving, limited in their outreach, and also corrupt, although to a much lesser extent than is the state. There are relatively few cases of NGOs that have invested in organizing the poor to change poor people's bargaining power relative to markets or the state. Because the studies were conducted in some countries with the world's largest NGOs (some of which are also the world's most successful NGOs), there are important lessons to be learned. The main message is still one of scale, however - even the largest and most successful NGOs may not reach the majority of poor households" (Narayan et al 1999: 5-6).

Second, the very rationality of non-governmental organization and the system of subcontracting is problematic according to difficulties in accountability of organization providing 'human services'. "One can hold a social worker accountable for making a visit to a family, following up with phone calls, and performing other appropriate tasks. But one cannot know if her judgment was sound and her intervention ultimately effective. This is why social service agencies seem so vulnerable to criticism when a child abuse case tragically ends in the death of the child: it is very hard to demonstrate that routine practice of the agency is effective" (Lipsky & Smith 1993: 199).

Thus both types of legitimizations are vulnerable to criticism, which reveal their dogmatical character. Being propagandist, they are questionable and can be treated as the results of power relations and fight within political field - the effect of "selective mobilization of symbols" (Lipsky & Smith 1993: 214). Research of those efforts and struggles is a subject of this paper.

## Public management

It would be noteworthy to compare current enthusiasm towards NGO's, their ability to solve problems, and supported proliferation on the global scale to the situation that took place shortly after World War II: "The 1950s was a wonderful

period. The “American Dream” was the “World Dream” – and the best and quickest way to bring that dream into reality was through the mechanism of public administration (...). The net result of all this enthusiastic action was that in the 1950s public administration was a magic term and public administration experts were magicians, of a sort. They were eagerly recruited by the United States’ aid-giving agencies and readily accepted by most of the new nations, along with a lot of other experts as well” (Heady 2001: 20). 1955 was the year of culmination of certain policies: “A vintage year in a time of faith – faith in the developmental power of administrative tools devised in West. It was a sanguine year in a time of hope – hope that public administration could lead countries toward modernization. It was a busy year in a brief age of charity – the not-unmixed charity of foreign assistance” (Heady 2001: 20).

That administrative reform policy was replaced in the end of 1960s with economic orientation aimed at fostering economic growth as mark of development of poor countries. In 1990s this project was again replaced with an agenda of global networks of non-governmental organizations’ support, substituting social functions of economically limited governmental administrations, that is global administration. This passage shows a general pattern of globalization of administrative structures governing social reality, side by side with economic, juridical, and military formations. It also shows the importance of administrative and administrative-like structures for social acceptance of systems of governance. According to Weber, bureaucratic rationalization is the most essential technique of legitimating contemporary systems of power.

Rapid expansion and dissemination of governmental administrative systems in the rich West was the effect of the growth of the welfare state as the direct answer of capitalism to the threat of communist system achievements at the beginning of the Cold War division. The political juncture of development of capitalist social systems began after the Soviet revolution followed by economic depression, which in effect led to implementation of the New Deal policy. Until the economic crises of 1975 and 1982, there was a noticeable increase of administrative systems aimed in neutralization of class struggles, maintaining class and social conflicts, sustaining internal peace and social stability (Wolch 1990: 29). Crises were critical to restructurization of welfare systems as an answer to contradictory forces: from one side economic deficiency required shortages in administrative expenditures, from the other side the same economic problems activated the growth of social demands and pressure towards welfare systems. The system responded in selective dismantling (reductions and cutbacks), internal transformation (namely decentralization) and intensified externalization (i.e. contracting out, subcontracting, and outsourcing) (Wolch 1990: 42). This last factor was extremely important

to the explosion of non-governmental organizations providing services for the state (as “subsidiary bodies” in NGO rhetoric). It was the 1980s when we could observe a boom in the Third sector supported by state administration restructurization and provision. Direct transfer of welfare state responsibilities was conducted with the “three Es” of pragmatism of market propaganda: economy, efficiency, and effectiveness, to which private and non-governmental organizations were suited. The Third sector developed not as an area in between the state and the market, as most authors assume, but rather as a hybrid of both. Non-governmental organizations are sponsored by state administrations with the expectation of invisible hand like market efficiency. Jennifer Wolch thus describes the Third sector as “The Shadow State” (1990). There is strong correlation between governmental support and the size of non-governmental sector (Salamon et al. 2000: 14). Instead of thinking of NGOs as active agents of social change it is more correct to conceptualize them as passive objects of social change, namely crisis and transformation of the welfare state of which they are just a Janus face.

Governing ideas of externalization of social services claimed that contracting is cheaper, limits government growth, and provides greater flexibility. While prices of subcontracting were at the beginning really lower, it was only because private organizations could pay their workers less than government institutions, not because of the dynamics of market competition. On the other hand, subcontracting allowed governmental expenditures to expand and to increase the number of people working for the government through relocations of finances and contract employment hidden from public scrutiny. Only flexibility is defensible to critique, although not fully, according to the tendency to carry on contracting to certain providers rather than to reevaluate each contract and look for new ones (Lipsky & Smith 1993: 188-205).

The end of the cold war and the intensification of a wide range of economical, social, and political processes, led to the dissemination of non-governmental organizations with regard to the support of governmental and inter-governmental institutions. The spreading of non-governmental organizations can be explained by the transformation of the welfare state and further globalization of that process towards building an international public policy system (Duffield 2001: 9). One of the most important purposes of that process is the support of a global economic expansion and the free market development, by pacification and neutralization of social conflicts, potential struggles, revolts and revolutions in deprived countries, through managing social inequalities and influencing economic dependence. Donor support for NGOs can be seen as a part of the neo-liberal strategy, which strives to convert target communities into customers for NGOs in a private market of services for the poor. Such social services are provided by contracting NGOs,

which are not accountable, neither to citizens in general, nor to their recipients in particular (Kilby 2000: 58).

As an example widely considered the most successful NGO program of Grameen Bank in Bangladesh showed, non-governmental penetration of social structures changes social and community norms and relationships: "Meaning of household and community no longer include expression of collective responsibility but are recast in terms of the organization of social groups for the purpose of ensuring loan repayments (...) The reorganization of the social collective to ensure loan repayment serves as mechanism of social control rather than an area for building social solidarity and creating relations of social obligations and reciprocal exchange" (Feldman 1997: 60). Through NGOs a new global order is forced on the lowest levels of societies, which fall under the focus of global structures of power.

## Human resources

Looking at the contemporary social structure of global society one must notice that NGO activists belong to the well-educated and powerful category of people. A look at history shows that the emergence of the global Third sector is rooted in changes in political economy after the Second World War. Implementation of Fordism in scientific research caused a vast expansion in the supply of higher education throughout the world. Possessors of higher degrees, for most of the 1950s and 1960s, were smoothly absorbed by state administration. Up from the 1970s, the growing number of higher education graduates exceeded systemic demand for them and employment opportunities in state administration, began to shrink due to economic crisis. "In the United States, however, a growing number of educated cadres struck on their own, establishing the plethora of consultancies, think tanks and other such institutions so familiar to us today, disseminating knowledge and practice throughout the society and the world" (Lipschutz 2000: 87). Nevertheless, even this view is strongly idealized in expressing the belief in an invisible hand effect, grassroots liveliness and self-reliance of the top-down emergence of non-governmental organizations.

Shifts of human resources from the welfare state system to the Third sector were coordinated by the state administration itself. Institutional elites really did take matters in their hands by establishing a number of non-governmental organizations. However, one must be aware of the fact that it was strongly supported by that group of elites that had maintained their positions in public administration. Rapid growth of the non-governmental sector in the late seventies and eight-

ies was backed by the state by the contracting-out and outsourcing policy of welfare state bastions in public administration (Wolch 1990). There are direct relations between government administrations and non-governmental executives in rich countries. "Nonprofit provider executives deal directly with legislative and executive affairs for the purposes of influencing payment rates, service standards, and other policy matters. These activities are enhanced by job exchanges of top personnel moving between public and private sectors" (Lipsky & Smith 1993: 195). Hence, in 1995 the Third sector accounted for 6.9 percent of total employment in Western Europe and 7.8 percent in United States (Anheier, Carlson & Kendall 2001: 1). Almost decade later, similar process influenced by international institutions started to occur in poor countries. "Some analysts of African political economy speak of the existence of a 'bureaucratic bourgeoisie' depending on access to state resources for its existence. What we may be seeing in the 1990s is the emergence of a new 'NGO bureaucratic bourgeoisie' dependent on the huge amount of money now flowing to the NGO sector in Africa, rather than a hoped for new 'articulate and empowered' middle class. To use Bayart's 'politics of the belly' metaphor, if a large part of the 'national cake' is now being baked in a different oven, it stands to reason that African elites will visit the new bakery" (Gary 1996: 164).

However, in the poor countries, by contrast, links among NGOs and governments are indirect, but one must be aware of the fact that they are linked to governments of rich countries, not their own poor. Through a number of intermediary and umbrella bodies, NGOs active in poor countries have a stronger connection with the inter-governmental organizations or governmental institutions of rich countries than with their own governments. For example, an executive of a middle-range NGO in Poland has more frequent and effective contacts with the bodies connected to the European Commission than with local government. "The position of Polish NGOs vis-a-vis the international community is undoubtedly stronger than vis-a-vis national government. The initial, international, steady flow of ideas, contacts and exchanges of people and information has permitted many NGOs to legitimize their own existence and often to gain a stronger position within their own local environment" (Regulska 2001: 190).

The case of Mozambique shows that the work in an NGO, in comparison to other administrative jobs, is exceedingly attractive: "Government workers have been increasingly purchased and suborned by foreign agencies, either by simply paying them higher salaries to work for the new aid agencies, or by giving them bribes or perks such as foreign trips so that they would act in interest of the agencies" (Hanlon 2000: 39). In the poor countries, the NGO sector actively rivals with local administrations, taking over their human resources and truly weakening them severely. However, not only economic factors shape the behavior of institu-

tional elites. Political possibilities of influencing local (and global) social policies by NGOs attracts a professional middle-class cadre of "experts" as well (Bennett & Gibbs 1996: 4).

The facts mentioned above change the meaning of the following sentence: "It is a well known sociological phenomenon that those who are the most privileged in socio-economic status are also the ones who are the most interested in participation in organizations possessing genuine influence on social reality" (Gaventa 1999: 25). Work in the non-governmental sector could be more attractive than the traditional "Weberian" political or administrative career. NGOs have an ability to provide employment opportunities for the displaced, educated middle-class professionals. These opportunities are especially necessary in the absence of higher education posts, or business and industry positions. "In Chile, by 1990 there were 300-400 NGOs which had sprung up in response to the military regime's repressive policies and its efforts to reduce the public-sector role. This provided employment and income for the displaced professionals and political opponents of the regime" (Hudock 1999: 90). On the other hand, among NGOs we can find number of "non-politicized yuppie NGOs (...) rooted in the economic displacement of middle-class professionals from both public and private sectors" (Hudock 1999: 90). In 1995, 85 percent of Brazilian NGO leaders had college diplomas and 39 percent had graduate degrees (Hudock 1999: 90). "This is not to say that all membership NGOs and GROs are models of democracy and authenticity. In many cases successful NGOs and GROs emerged from the efforts of a small number of outsiders driven by a desire to help the community. Such 'outreach workers' are often members of the intelligentsia or business elite with few ties to the community. Only later did the movements take on a genuinely grassroots character. Some GROs are designed primarily to institutionalize the authority of patrons and other village elites and are beset with nepotism, corruption and patriarchal heavyhandedness" (Stiles ed. 2000: 121).

Research conducted in Poland shows that institutional possibilities of non-governmental organization can better fit expectations and aspirations of professionals than public administration or a private corporations. Occupational interests of institutional elites in non-governmental activity depend on valuation of for-public services. "While the retreat of the welfare state could be seen as the "push" factor that forced many service providers to look for alternative organizational venues, the value of defining professional work as public service represents the "pull" factor that attracted these practitioners to [non-governmental] form" (Sokolowski 2000: 208).

My own research conducted in Poland shows that non-governmental activity also gives other motivations. Work for a non-governmental organization is a

source of a sense of power and prestige, idealized in various ways. The main indicators of the sense of prestige are oppositional distinctions: active organizer vs. passive community, self-denying organizer vs. profit-oriented businessperson, and benevolence of social activity in an NGO vs. political struggle within local administration. The most important indicators of sense of power are: community as the object of organizer's activity, local government as the subject of collaboration or rivalry, supralocal institutions as transcendent resources of power, for which the organizer is a mediator.

From the perspective of functioning of NGOs in the local Polish context, a few additional observations can be provided. The efficiency and organizational success of most foundations and associations depend on their ability to operate in the jungle of legal regulations, knowledge of law, procedures and talent of formulating proper applications for subventions. Functioning of NGOs includes contacting many partners, also from abroad. Fluent knowledge of more popular languages, at least English, is then crucial. Organizers also have to be familiar with the bureaucratic jargon, which is essential for gaining institutional confidence. According to these reasons, most people employed in NGOs have to possess a university-level education. It is hard to imagine a simple peasant, with primary education at best, writing applications or conducting negotiations with local government or any foundation operating on national or supranational level. Organized social activity requires a high degree of competence, knowledge, and abilities. Hence, the power of NGO's activists is primarily based on their cultural capital. The symbolic capital allows them to formulate and force legitimated definitions of reality, which means in fact forming the public discourse by setting important problems and proposing the ways of solving them (Zaleski 2001: 206-213).

The growing non-governmental sector influences the structure of the global society. What we observe is the expansion of the middle-class on the global scale. Nonetheless, we must be aware that this global middle-class connects people from different countries but with similar educational and economic status more easily than people from the same country and different social position. "The fact that social movements are 'non-governmental' or that they operate multiversally does not guarantee that they will work in favour of the marginalized and disadvantaged" (Morris-Suzuki 2000: 84). The question is what is more essential for the expanding non-governmental system: its quality and value of performance and functioning or rather its own growth and development?

According to Michael Mann, the intellectual elites engaged in the formation of civil society in the eighteenth and nineteenth centuries played the central role in the processes of building up modern nation-states (Mann 1993: 42). Raising a post-national global order and system of global governance (see: Hardt & Negri 2001)

engages a cadre of “transnational intellectuals”. They engage in the examination of phenomena of transnationality and articulate their significance on the shape of new order by struggling for influence. “They also transfer both knowledge and practice via national and transnational coalition, alliances, and communications, and create the organizations and institutions that propagate these notions and carry them to various levels of government and governance (...) The emergence of global governance and a transnational welfare system could serve the interests of a narrow stratum of economic and political elites and prove profoundly conservative and reactionary” (Lipschutz 2000: 94).

We must be aware of the fact that processes of internationalization of the middle-class through formation of global non-governmental structures decrease “brain-drain” processes in poor countries, in which educated classes with economic and political interests move to rich countries. “Increased employment opportunities for middle-class professionals, and the development of this socio-economic stratum, help to create a politically and economically active class willing to protect its interests” (Hudock 1999: 90). As I previously showed in an article “The New Non-governmental Elite”, the very growth of the non-governmental sector influences the building up and institutionalization of the new Polish middle class (see: Zaleski 2001). For the Third sector, its own growth in terms of personnel, infrastructure, and economy (publicized through advocacy efforts and capacity-building rhetoric) is of crucial importance—the prevailing weight of its very effectiveness.

## Financial investments

The best way to illustrate power structures in the global non-governmental sector is to analyze the flows of capital. This is because “the way most NGOs seek and receive resources from their external environments subjects them to external control” (Hudock 1999: 2). As Ann Hudock pointed out, those NGOs, which receive all of their funds from donors to carry out donors’ programs, are essentially contractors and are little more than extensions of donor agencies. But the same is valid even if the amount of money covers only part of NGO activities, according to its stability and certainty as financial sources. Moreover, when an NGO receives government funds, it must follow stringent accounting and reporting requirements, which can constrain their ability to act flexibly and responsibly (Hudock 1999: 2). This last observation is crucial to my analyses according to the argument that NGOs function as a new apparatus of redistribution and allocation of economic resources on the global scale, and the assumption that most of the money in the

non-governmental sector comes from governments' budgets. With one simple condition: only wealthy governments contribute. That means that NGOs in both rich and poor countries get money from affluent countries' governments. To briefly illustrate it, it is enough to say that Polish NGOs, for example, are within their capabilities of functioning mostly along with funds from European Union and not from the Polish government (and private funding as well), while German NGOs get money straight from their government.

One of the most popular mythologies about NGOs is one about the importance of private philanthropy. This is rather good public relations, as it is supposed to be, at least in the eyes of private donors. Samples from 22 countries have shown, that philanthropy pays only for 11 percent of non-governmental budgets, while most of it comes from fees and public sector (Salamon et al. 2000: 5). In total, the World Bank estimates that 35 percent of the budgets of NGOs around the world come from government accounts (Hanlon 2000: 135). However, evaluations that are more specific in tracing flow of capital show slightly different settings. In the rich countries NGOs are financed straight by governmental agencies and the average amount of that money is estimated at 43 percent of NGOs' total budgets (Uvin 2000: 14). Respectively: "In Italy, 43 percent of the NGOs budgets were provided by public funds, in Germany - 68 percent, in Great Britain - 40 percent, in France - 59 percent, and in USA - 30 percent" (Kubik & Ekiert 2001: 281). Slightly different conditions are noticeable in the development and aid sector (performing in poor countries) within wealthy societies: "In 1994 Swedish NGOs received 85 percent of their funding from official aid resources. In 1993, official development assistance (ODA) to Canadian NGOs reached 70 percent, while US NGOs received 66 percent of their funding from official sources" (Hudock 1999: 3). One must also consider indirect financing of non-governmental sector by governments using tax benefits for private companies to boost direct flow of capital from for-profit to non-profit sector omitting state apparatus, which anyway is in charge of regulating this flow. This kind of state financial support is always considered independent from governmental influence. "The most dangerous part of the 1969 legislation is the new power given to the Internal Revenue Service to police foundation activities. The power to revoke or threaten to revoke tax exemption is a most effective instrument of control" (Berger & Neuhaus 2000: 175).

In poor countries the situation is different. Local governments there account for a much smaller proportion of NGOs' resources. "Third World NGOs depend foremost on foreign aid" and thus, up to 90% of capital available to non-governmental sector in poor countries is absorbed from external sources (Uvin 2000: 16). Estimations of the amount of direct financing of the non-governmental sector engaged in activity in poor countries in 2000 ranged from 8 to 13 billion of dollars

(Uvin 2000: 14; Hanlon 2000: 135). What these valuations are taking into account is the quantity of money devoted to subcontracting a vast array of NGOs engaged in the aid industry, which is considered to be as big as \$58 billion a year (Hanlon 2000: 135).

From the first sight, it may look as if the aid of the wealthy countries to the poor countries is vastly decentralized and uncoordinated. As well as a group of OECD countries, there are also inter-governmental actors like the European Union, NAFTA, and the World Bank which separately channel aid finances. However, international aid efforts are under pressure from the struggle toward multilateral coordination.

Within the OECD group the most important step toward centralization was the establishment of the Development Assistance Committee, whose main aim became the reduction of the number of people living in absolute poverty. In 1996, the OECD Council endorsed the Development Partnership Strategy, which became an "important basis for dialogue and concerted action to achieve further progress in poverty reduction" (Helmich & Smillie 1999: 3). One of the key aspects of the strategy was strengthening the coordination and policy coherence among the actors in the aid and development industry. This included governments with their Official Development Assistance programs and non-governmental organizations as agents of long standing commitment to poverty reduction and positive social change.

Poor countries' NGOs are deriving an increasing proportion of their total funding from Official Development Assistance programs of OECD countries. According to the World Bank's estimations, ODAs provided only 1.5 percent of international NGO income in 1970, and 30 percent in 1993. Including food aid, OECD donors channel about 5 percent of their ODA through NGOs, and at least one country, the United States, channels 11 percent of its ODA this way. These developments are reflected in the rapid growth in this sector in borrowing countries: for example, in India, registered NGOs handle \$520 million per year, or 25 percent of all external aid (World Bank 1996: 1). According to the Development Assistance Committee, NGOs traditionally handle one-tenth of OECD official aid flows, that is about \$6 billion a year in 1990s (Hanlon 2000: 135).

Side by side with ODA goes World Bank support to the non-governmental sector. World Bank policy towards civil society influenced substantial growth of the number of projects engaging NGOs in the last decade. Between 1973 and 1988, only 6 percent of projects financed by World Bank involved NGOs. From 1988 to 1994, the percentage of projects with NGOs "intended involvement" grew tenfold, up to 50 percent (World Bank 2000: 3) and in 2000 reached 70 percent (World Bank 2001: 4). The most important problem with evaluating financial support to

NGOs by the World Bank comes from the fact that the Bank does not directly fund NGOs but rather makes conditionalized loans to governments for them (Hudock 1999: 55). Thus, most of the financial support from the World Bank to the Third sector seems to be the effect of direct governmental assistance policies. An innovation of only the last few years is that NGOs might be contracted directly by the Bank to fulfill a variety of functions, such as assistance in project design, implementation, and supervision.

With small margins, most of the funds in disposition of inter-governmental organizations like the World Bank come from the contributions of wealthy OECD countries. The flow of money from inter-governmental agencies to non-governmental organizations is a way of channeling resources from the budgets of OECD governments. Speaking straightforwardly, that means that a particular NGO in Nigeria is supported mostly with money from American or German taxpayer, for example.

Characteristic for the Third sector is the centralization of the financial resources. In Poland, 2 percent of NGOs control almost 60 percent of money in the sector (BORDO 1998: 43). The top 15 development NGOs in Bangladesh, out of approximately 800, accounted for between 75 to 85 percent of all NGO allocations between 1991 and 1993. In Sri Lanka, Survodaya Shramadana controls 64 percent of the resources available to the 18 biggest NGOs, while the top three NGOs control 90 percent. One can observe the same situation in rich countries as well.

"In the environmental field, for example, a few Western interest groups have enormous intellectual and networking resources: Greenpeace, with a \$100 million budget, and the World Wildlife Fund (WWF), with \$170 million, have greater resources than the UN Environment Program or most of the Third World government agencies they deal with! The same holds for the development/emergency aid sector. Worldwide, there are some 2000 NGOs active in this sector; yet, no more than 8 INGO groups - including CARE, World Vision, Oxfam, and Doctors without Borders - control more than 50 percent of the \$8 billion aid market. Data show that 70 to 90 percent of all government funding for humanitarian and relief aid in the US and EC ends up with no more than 10 INGOs on each continent; a few INGOs have budgets in the hundreds of millions of dollars. In the US, 8 of the more than 150 members of INTERACTION (the federation of development and relief NGOs) account for 80 percent of all aid to Africa; even without government support, that figure is still 70 percent (with CRS and World Vision accounting for 45 percent)" (Uvin 2000: 14).

In the specialized literature, the biggest NGOs are called international, intermediary or umbrella bodies, whose most important function is channeling money from governmental and inter-governmental agencies to smaller NGOs. "Inter-

mediary NGOs are increasingly important to the NGO sector, particularly in developing countries, since donors and northern NGOs use them as conduits for channeling funding to other NGOs or membership organizations” (Hudock 1999: 12). Intermediary NGOs form multilevel structures of feudal-like donors – service providers, dependencies and obligations within the third sector structure function as an apparatus of redistribution and allocation of budgetary resources from affluent governments. At the very end of financial pyramid there are a plethora of community and grassroots organizations, which in Poland, for example, amounting to over 50 percent of number of organizations in the Third sector, manage only 1 percent of available resources (BORDO 1998: 43). Those organizations depend on the redistributive assistance of intermediary bodies to carry out their activities or even survive and many of them, in fact, have been formed on and motivated by the promise of outside resources (Hudock 1999: 89).

### Power consolidation

One cannot understand the Third sector, concerning non-governmental organizations, as independent, self-governing entities which exist only for their altruistic or for-public-good purposes. Once established, each NGO is engaged in the struggle for organizational survival. This is achieved mostly through fundraising practices, creating a hierarchical flow of money, cascading conditionalities and dependence.

Tracing the flow of money in the non-governmental sector leads to the conclusion that its support and development is grown from new policies of affluent Northwestern societies (including Japan) and inter-governmental institutions. These policies stem from the transformation to three significant world orders: postWestfalian, applicable to the establishment of the United Nations; postcolonial, related to the founding of Development Assistance Committee; and post-coldwarian, consisting of close cooperation between the World Bank and the International Monetary Fund. These three orders have been successively dominating in the second half of the twentieth century, giving basis to development of a new system of global governance.

From the historical perspective, the financing of the non-governmental sector in poor countries replaced the developmental policies of public administration technical assistance in the 1950s and 1960s and the industrialization in the 1970s and early 1980s—that is, the financing of governmental and private sectors. The late 1980s and 1990s became a period of “poverty reduction” policies, along with structural adjustment demands, which depart fundamentally in their functions and

purposes from the previous strategies of affluent governments towards the poor countries (see: World Bank 1996). The strategy of poverty reduction does not support transformation of societal approaches nor any economic policy, but rather forces into economic dependence. The new aid agenda reverses earlier goals of developmental incorporation into the world system economy. Instead, as Mark Duffield claims, it serves now as a policy of management and containment of politically insecure territories on the edge of the global economy (Hoogvelt 1997: 177). "The threat of an excluded South fomenting international instability through conflict, criminal activity and terrorism is now part of a new security framework. Within this framework, underdevelopment has become dangerous" (Duffield 2001: 2). If there is any development discussion, its nature links social regression to security issues and treats underdevelopment as dangerous and destabilizing (Duffield 2001: 7). This strategy directly moved resources to the non-governmental sector as a tool of social control, through peacekeeping programs as the flag activities.

At this time the structural adjustment policy of the IMF, which shapes cuts in local governments public expenditures and causes rapid growth of unemployment and poverty, is most important for NGOs engaged in the aid industry. At the same time, when local governments are forced to limit social assistance, the World Bank and ODA finance NGOs as agencies of aid and fight against poverty. The World Bank is applying this policy even through the use of local governments, channeling money to the approved NGOs via loans provided to the governments. Moreover, these loans are given under condition of putting into operation the structural adjustment policies of the IMF, with which the World Bank (and other donors) works in close cooperation:

"The 1980s saw increasing coordination of financial flows to developing countries by the aid donor community. Already experiencing economic problems, countries were refused development assistance (loans and grants) unless the government agreed 'an appropriate adjustment or economic reform programme'. In the overwhelming majority of cases, this means a programme, which had received an (informal or formal) IMF-World Bank seal of approval. There were many examples of this. In 1985, Tanzania was forced to reverse a policy of almost twenty years standing and open negotiations with the IMF on an economic stabilization package when all the country's bilateral aid donors refused to provide any further economic assistance until an acceptable programme had been agreed. Another instance was the withdrawal of \$200 million worth of aid to Zambia following the abandonment of the country's adjustment programme in the wake of the 1986 food-price riots" (Cleary 1996: 74).

Both in affluent and deprived societies, one can observe the transformation of the distribution of social services. The current situation is that in every country

NGOs provide a significant part of help to the poorest within these societies. The only difference is that, while in wealthy countries it is the government that provides most of the financing for local NGOs, in poor countries the financing of NGOs comes from abroad. This means also that the whole global non-governmental sector is administered and financed mostly by governments of merely fifteen OECD countries, directly or through inter-governmental bodies. Thus, "while ideas may emerge in the independent sector, they will take effect only if they mesh with the priorities of powerful states" (Stiles 2000: 131). Moreover, "in terms of international relations theory, we need to see contracting NGOs as an extension of industrialized country governments. Formal relations through embassies and aid agencies are now carried out through a much wider range of actors. The global goals of powerful countries to maintain control over weaker countries has not changed; only the methods vary" (Hánlon 2000: 143). Non-governmental organizations are accountable to external powers and not to citizens of a given territory.

While the non-governmental sector includes a vast array of organizations, in terms of institutional forms, size, command over resources, goals and social basis, this diversity reflects the unequal distribution of power in the world, in the same way as inequalities between states. "Indeed, the largest NGOs, with budgets in the hundreds of millions of dollars and PhD-laden personnel, are all in the OECD, and mostly in the US. A disproportionate number are located on the same 50 square miles of the world's surface as are most of the other powerful institution (the World Bank, the IMF, ministries of foreign affairs and bilateral aid agencies); they employ people with the same backgrounds and incomes - with individuals constantly changing employment from bilateral agencies to INGOs to IOs - and are in the same business of channeling billions of dollars to the Third World" (Uvin 2000: 15).

## Functional stratification

There are many attempts to examine the diversification in the Third sector. One of the most popular methods is to distinguish the fields of activities of NGOs by subjects as, for example, education, health, agriculture, environment (World Bank 1996: 15). However, such a classification is rather horizontal and does not embrace vertical, i.e. hierarchical, dimensions of the non-governmental sector.

In 1995 the World Bank recognized two main types of non-governmental organizations. The first type are operational NGOs, whose primary purpose is running or funding programs designed to contribute to development, environmental management, welfare, or emergency relief. The second type are forum (advocacy in

Bank's rhetoric) NGOs, whose primary purpose is representing a specific point of view or a concern and which seek to influence the policies and practices of inter-governmental, governmental, and other bodies. The first type includes international organizations, typically headquartered in the developed countries, national organizations, which usually operate in individual developing countries, often as intermediary NGOs, and community-based organizations, which serve a specific population group in a narrow geographic area. The second type consists of NGOs based mostly, but not exclusively, in developed countries. Indeed, a number of very effective developing country-based advocacy NGOs are now emerging. They are effective at networking internationally, and they increasingly draw evidence from partners based in developing countries (World Bank 1996: 1-2). In other words, NGOs of the first type function as bodies implementing policy, whose most important function is poverty reduction, as expressed by the World Bank—that is, crisis management in critical areas by reducing expectations of economic autonomy. NGOs of second type function as bodies gathering, collecting, analyzing, and disseminating data as a fundamental tool of governing populations and as systems of early or critical warning as, for example, NGOs affiliated by the United Nations.

The typology of NGOs by Adil Najam developed a little beyond basic classification, dividing every type into two categories. Thus, among operational NGOs there are “innovators”, which develop and demonstrate ways of doing things differently and highlight the policy value being missed by options that are not adopted or considered; and “service providers”, which directly act to fulfill a service need, especially to the marginalized and under-served. Among forum NGOs there are “monitors”, which act as critics and evaluators of policies and their implementation; and “advocates”, which carry out information dissemination, public education and resource mobilization (Najam 1999: 152-3).

While operational NGOs form a hierarchical structure of financial dependences and obligations, the monitoring and advocacy functions of forum NGOs are crucial for operations of this prevailing multitude, which constitute intellectual leadership of the Third sector. Non-governmental research institutes proliferated rapidly on the global scale after 1970. Accompanying that process was a growing competence among them and, in effect, their specialization. As specialized institutions, forum NGOs provide expert legitimacy and testimony for governmental and inter-governmental agencies (Stone 2000: 199). “Consequently, certain think-tanks are contracted or co-opted into governance functions that include basic information provision for international organizations, negotiation reporting and domestic signaling to national elites, as well as rule development and monitoring of international agreements” (Stone 2000: 205). Critics acknowledged “information being extracted

from local communities and concentrated in industrial countries in order to advance the power and influence of industrial-country NGOs who act as interlocutors with their governments and the Bretton Woods institutions" (Cleary 1996: 93).

Moreover, the so-called New Public Management policy beginning in 1980s caused establishment of evaluation efforts initiated by governments and inter-governmental institutions. Evaluation of performance of operational NGOs become of greatest importance for coordination, efficiency, and coherence of the non-governmental system. On the other hand, for the rapidly growing non-governmental sector, self-consciousness and surveillance became crucial to its own development.

### Territorial interdependence

While in rich countries, NGOs function as subsidiary and dependent to their governments, in poor countries they are substituting and competing with local governments, owing to subsidies from abroad. The difference in relations between governments and the non-governmental sector in affluent and deprived countries exposes the new situation of the state and its questionable sovereignty. State sovereignty is "disproportionately concentrated in the national territories of the highly developed countries" (Sassen 1996: 10). Nevertheless, until recently, theories of the influence of the processes of globalization on states were focused only on economic issues, that is, mainly on operations of transnational corporations. What these theories miss are the new policies of globalized governance and its administrative tools.

Paradoxically, non-governmental organizations criticizing policies of the IMF as favorable to private sector, were not acting in the interests of governments, but in their own.

"NGOs insisted that the conventional adjustment model was not necessarily the most appropriate to all conditions. The majority of NGO critics of the structural adjustment programmes have addressed the 'typicality' of all programmes and have identified six objectives for every adjustment programme: reduction of public expenditure; increase in domestic savings; reduction of the state's economic role; liberalization of the economy; promotion of exports; and promotion of foreign private investment. These objectives have two broad goals: to reduce or remove direct state intervention in the productive and distributive sectors of the economy, and to restrict the state's role to the creation, mainly by manipulating fiscal and monetary instruments, of an institutional and policy framework conducive to the mobilization of private enterprise and initiative. At their root, NGOs argued, was an almost mystical faith in the private sector which, operating under freer domestic and exter-

nal market conditions, will provide the motive power for a resumption of economic growth and development” (Cleary 1996: 75-6).

That critique did not influence a return to public administration assistance, because “aid donors believed that developing countries’ economic policies were wasting scarce land resources” (Cleary 1996: 74). Instead, in the 1980s, in the strengthening third sector, cooperation between civil society and subcontracting policies were initialized. Supported NGOs with energy started to constrain the autonomy of the poor nation-states. Among these, the most important are anticorruption, human rights, environmental and women’s organizations. Apart from their virtuous meanings, what is inherent in their activities is a constant struggle against state policies, accompanying a takeover of state social policy functions. Those activities are systemically transformed into external pacification of governmental policies. From this perspective, NGOs are a medium of implementation of internationally institutionalized norms in the targeted country.

For example, “(...) both the international human rights mobilization and the ensuing confrontation with the Kenyan government cannot be understood without recognizing the profound impact of identity and the activities of non-governmental organizations to exploit vulnerabilities of their targets” (Schmitz 2000: 103). The most important effect of NGOs’ activities is the undermining of legitimacy of local governments through the lessening of social trust in their intentions and performance. These strategies are extremely important for the transformation of dictatorship states into democracies, but are not abandoned afterwards. Rather, they change with the system. While the activity of Amnesty International is exercised in the environment of despotic regimes, their replacement with democratic structures engages Transparency International. In a more general view: “Particularly ironic to social actors within our countries is that the attack on national bureaucracies and institutions should have come from large international bureaucracy with no accountability to anyone but themselves” (Hashemi et al. 1996: 211).

However, poor governments are subjugated to external forces by NGOs in a more material way with strategies influencing their direct lessening. “Non-government organizations and other aid agencies play a critical role in forcing the state to shrink (...)” (Hanlon 2000: 138). Government workers are bought and attracted by non-governmental organizations simply by paying them higher salaries to work for new aid agencies or by giving them bribes or extra benefits, like trips abroad or attendance at international conferences. “Many of the most skilled and experienced Mozambicans began to work in much lower level jobs, even as secretaries, for the United Nations and for NGOs. This created a vicious cycle, decapitating the government and backing the donors’ arguments that they had to take over tasks the government could no longer do. To do these jobs, they often hired

Mozambicans from the government for five or ten times what the government paid them" (Hanlon 2000: 139).

Non-governmental organizations create parallel structures to undermine and surpass the state. "Where once health workers, agricultural extension officers, and food relief distributors had been part of state systems, now they increasingly worked for independent agencies, usually NGOs, and sometimes even competed with state systems. For example, when Mozambique began in the early 1980s to plead with the US to end destabilization, one of the first concessions that the US demanded was that control of a highly effective but state-run food aid distribution system be handed over to US NGOs" (Hanlon 2000: 138). Transitional President of Afghanistan Hamid Karzai complained in the fall of 2002 of international donors bypassing the government, pointing out that for \$890 million spent already on aid, \$800 million went straight to UN and other foreign aid agencies, which do not help the country to develop its own strong institutions (Gall 2002).

A supranational system of non-governmental organizations now handles provision of basic needs. "In the face of onslaught globalization, states are forced to beat a retreat from providing basic needs, while the NGO sector is promoted as an alternative to government providing services" (Silliman 1999: 34). On the one hand, while social service systems are now handled by a supranational structure of non-governmental organizations, on the other hand, the main responsibility of local governments is in now the area of law enforcement and maintaining social order over a particular territory. International peacekeeping operations are examples of external enforcement of law and order in critical circumstances, when local government has become extremely unaccountable within global order. Such international police interventions are supported with intensive activities of aid agencies and NGOs providing services in the absence of governmental bodies. "The conflict resolution and the post-war reconstruction concerns of liberal governance could be seen as 'riot control' end of a spectrum encompassing a broad range of 'global poor relief' activities including, for example, NGO developmental attempts to encourage self-sufficiency in relation to food security and basic services" (Duffield 2001: 9). The establishment of a democratic government liable to external powers influences the withdrawal of military forces but not NGOs. Non-governmental organizations stay, proliferate, and substitute governmental institutions with their supply of social services.

"Bypassing the state as provider of and guarantor of [social] services diminishes the government's sovereignty and legitimacy as well as whatever democratic control exist over government agencies" (Silliman 1999: 38). Governments are thus more accountable to supranational powers than to their own citizens. "However, this does not mean that states have necessarily become weaker

(although many have, especially in the South); it primarily suggests that the nature of power and authority has changed. Indeed, contained within the shift in aid policy towards conflict resolution and societal reconstruction, Northern governments have found new methods and systems of governance through which to reassert their authority" (Duffield 2001: 8). Hence, while the hands of poor governments maintain the stick, the carrot is taken over by the global non-governmental system. This system of global security is constructed of states maintaining police and juridical apparatuses, while global public policy depends on non-governmental organizations.

### Cosmopolitan reconciliation

My main proposition is to treat non-governmental organizations not as independent, self-governing, altruistic, public interest entities, but as interdependent administrative units, administering and administered parts of the cosmopolitan system of global governance and micro-governance. This is a new kind of cosmopolitan administrative system, differing significantly in its structure, character, and performance from modern nation-states' administrations. The most visible characteristic of the global administrative system is its flexibility and persistent transformations, following its adjustments to the changing global order and local circumstances. It is even hard to reckon whether this system already exists or we are still observing the very dawn and the beginnings of its functioning. One thing is certain, that the growth and spread of non-governmental organizations at the end of twentieth century was not an accidental and spontaneous process, but rather an effect of political struggle, decisions, and choices.

To understand the non-governmental system of governance one must compare it to, and notice differences from, "traditional" modern governments. "Direct governmental distribution programs emphasize fairness, equity, and accountability, with only modest responsiveness to clients as unique individuals. Conversely, social services administered through nonprofit organizations do emphasize responsiveness to individual need and show greater dependence on local capacity and initiative" (Lipsky & Smith 1993: 218). Differentiation of the non-governmental administrative system comes from its function to control and manage separated and segmented social forces. Non-governmental administration thus does not work towards integration of social conflicts and coherence of apparatus to repress them, as in cases of modern national administrations. Rather, its aim is to control differences. Political ends are separated from bureaucratic means—that is, administration does not target the universality and equality of social reality as in

nation-states, but the singularity and adequacy of the actions to specific ends. Hence, it is not aimed towards social integration, treating all equally, but rather towards differentiation and dissemination, treating each one differently. It is impossible to point out any single strategy of the global administrative system, whereas its means are heterogeneous and indirect. Globality of the non-governmental administrative system is realized in the principle of its local effectiveness and thus flexible adaptation to distinct residentialities (see Hardt & Negri 2001: 339-343). Differentiation of the non-governmental sector mirrors the diversification of contexts of its activities. "Government agencies normally strive to display a degree of service uniformity across jurisdictions. Contracting for services radically solves the problem of tailoring the program to fit local conditions. Letting contracts to community agencies may facilitate local organization program design in accord with community need and sentiment" (Lipsky & Smith 1993: 218). Thus, it is better to describe the non-governmental system, not as the "Leviathan" but rather as a "chameleon", adopting itself flexibly to local contexts and situations (Deakin 2001: 37). Thus the idea of deconcentration and decentralization of power in the form of intermediary institutions, an idea coming from the contemporary trend of interpreting such the thinkers as Montesquieu and Tocqueville as describing civil society, although they do not use the term (Ehrenberg 1999: 144-169), finds its new manifestation. This manifestation combines civil society as intermediary organizations with civil society as constituted by political interests of people engaged in private property and economic activity as expressed in writings of Locke, Fergusson and Smith (Ehrenberg 1999: 83-108). The non-governmental sector constitutes, thus, a hybrid of intermediarism and liberalism in a brand new synthesis uniting administration and market principles—that is, order and competition. Thus I question the theory common nowadays that civil society is somewhere in-between state and market. It is not an alternative to them – rather it is the hybrid of both.

The policy of non-governmental organization influences mostly their position on political scene. The "Fifty years is enough" campaign against Breton Woods institutions changed the policy of the World Bank toward NGOs, not toward deprived countries. The most important point of NGO criticism was for greater participation of civil society in all stages of World Bank project cycles influencing, in effect, rapid growth of NGO involvement in Bank projects (Cleary 1996: 86). Political lobbying and advocacy campaigns mostly influence the importance of the non-governmental system, affecting its expansion. Resistance, as a means of non-governmental policies, is simply employed by the organism of governance toward the management of differences in the distribution of power. No matter how the altruistic motives of NGO activists may be, their work is easily transformed into practices of a system of social control.

From the perspective of the phenomenon of global civil society, most significant for the non-governmental sector is the difference between its own constituency and the objectives of its activities. Non-governmental organizations are actively engaged in building new social divisions and stratifications. In the global society, non-governmental activists stand for a transnational middle class, maintaining closer relations between their own set, rather than between them and the objects of their activities, who are mainly members of local and localized deprived classes. Hence, a dangerous product of the activity of the non-governmental sector is maintaining an economic dependence of the underprivileged, and consequently the perpetuation of their legitimizing gratitude. The non-governmental system develops its own logic and purposes, which are not necessarily consistent with the needs of objects of their activities. Once established, it fights for its own institutional survival, legitimizing its existence by embracing a broader and broader spectrum of social spheres.

The transnational system of non-governmental administration supplements the very role of national apparatuses, concentrated on monopolization of means of violence. The implementation of the rule of law upon a particular territory is supplemented by the system of non-governmental aid, pointed at governing spheres of social risk – among others the aspirations and expectations of the deprived and the reliant. The real threat is that the aid efforts restrain economic autonomy of individuals in circumstances of deprivation and poverty, an issue well known from the experiences of welfare systems. This incorporating strategy directs the administered ones at most towards critique and rationalization of their situation within the encountered system, preventing the threat of abolition and transgression of existing conditions, and thus maintaining the mode of existence of the aid system, in line with the logic of its organizational survive efforts.

Globalization is the process of growth and consolidation of mechanisms of global governance. I have tried to show that the global governance apparatus is institutionally dependent on the structures of the global non-governmental administrative system, which through relocation of economic and social resources allows management of social reality in the most distant corners of the globe. This new kind of governing system is built of interdependent administrative units – non-governmental organizations.

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