

## Responding to Globalization

**S**INCE THE 1970s, a profound shift has taken place in the roles of the public, private, and nonprofit sectors. In the wake of fiscal crisis, the Cold War, ideological attacks, and privatization, the scope and capacity of national governments has declined. The expansion of the private sector has continued, and a new, more global nonprofit sector has emerged. This sector of nonprofit, nongovernmental organizations (NGOs) has begun to fill in the vacuum left by nation-states in international relief and development activities.

Along with the changes in state capacities, the magnitude of challenges to NGOs (and states) has grown. Failed states, the end of the Cold War, and the rise of ethnic identity movements have spawned civil wars and human disasters. In both the developing and the developed world, global economic changes have generated new economic disparities as well as changes in the form and depth of poverty. Competitive pressures and regional commitments (for example, the European Union) further limit the ability of governments to respond to all of the social and economic demands made by citizens. These profound changes raise new issues concerning the role and future of voluntarism in a world where state resources for human services have eroded and where solutions to global poverty and war continue to elude us.

Our book is about the globalization of the Northern, nonprofit relief and development sector.<sup>1</sup> Leaders of these NGOs, their staff, and their supporters are deeply committed to work that focuses on reducing poverty and human suffering. They view a broad concept of development as being about increasing human capability and freedom.<sup>2</sup> Doing so means saving the lives of people at risk because of war or natural disasters, working with people so they may improve their access to assets and income-generating work, improved health and education, and participation in key decisions affecting their rights and welfare.

What we present here is the story of the international NGOs' recent response to globalization and the challenges of the new millennium from their own perspective, using the results of in-depth interviews, detailed questionnaires, and document reviews. As in any effort in ethnology, we will at times step back from our attempt to accurately present their

story through their eyes in order to ask what their perspective reveals as well as what it may conceal about the world they face.

We focus principally on several of the largest and best-established international relief and development organizations. Many of them—Oxfam, Save the Children, PLAN International, Médecins Sans Frontières (also known as MSF and Doctors Without Borders in English), World Vision International, and CARE—have names that are widely familiar in Europe, Canada, Japan, and the United States. Their combined revenue accounts for approximately 20 percent of the entire Northern NGO sector. These agencies operate in most developing countries, in the newly independent states that emerged from the former Soviet Union, and in their own home countries. Their programs run the spectrum of emergency relief, rehabilitation, and long-term development as well as service delivery, advocacy, and development education.

Substantial attention has been paid to the development of the Southern NGO movement, but the changes in Northern relief and development organizations have not been studied in much detail. The leaders of Northern NGOs find themselves so involved in the day-to-day pressures of emergency response in places like Bosnia, Kosovo, Chechnya, and Rwanda that they have had little time to discuss common problems and responses with colleagues whose headquarters are often almost next door. Furthermore, the cultural and structural differences among NGOs based in continental Europe, the United Kingdom, Canada, and the United States make cooperation problematic. Still greater difficulties inhibit broader exchanges with organizations from all parts of the globe.

In writing this book, we wish to:

1. Identify the challenges that Northern relief and development NGO leaders and senior team members believe they face as a result of the changing global environment;
2. Review how these leaders believe they are adapting organizational goals and programs of their agencies in response to these challenges;
3. Discuss the ways in which international NGO organizational structures and programs are evolving in response to calls for broader participation with larger numbers of affiliates, cost pressures, competition, and other changes;
4. Consider ways in which international NGOs might cooperate more closely in activities like global advocacy, fundraising, and poverty alleviation; and
5. Present the Northern NGO story as seen by the teams that lead the major Northern organizations—as well as at times step back

to comment on what their “insider” perspective both shows and may conceal about the world in which they operate.

This chapter documents the growth of the sector, identifies underlying causes of growth, and provides a brief overview of the organizations that collaborated in this study, and their leadership teams’ perceptions of the major challenges they face as they enter the new millennium.

### **Accelerating Growth of the International Nonprofit Sector**

The 1960s began a new era in the rapid development of the multinational corporation. The new giants experimented with a multitude of forms of global organization. Some corporations developed fully multinational boards and staff. They engaged in production as well as in support functions on a worldwide basis. Other corporations maintained clear ownership and control, producing goods and services in Northern countries and exporting to the developing world. A few observers of this expansion feared intense conflicts between globally organized corporations and nationally organized states. They were convinced that national sovereignty would clash with multinational imperatives.<sup>3</sup> Others saw multinationals as a force for efficient, cooperative, global organization.<sup>4</sup>

A second transformation began more quietly in the late 1960s. Almost totally obscured by the intense attention given to the tidal shift in corporate-state relations, a global nonprofit sector began to emerge. This sector began to fill the vacuum in human services left in international relief and development work by both corporations and nation-states. The international nonprofit sector’s growth took off in the 1970s and accelerated in the 1980s and 1990s. The changes have been profound.

While figures on NGO growth vary widely, most sources agree that since 1970 the international humanitarian and development nonprofit sector has grown substantially. Table 1.1 on the following page shows that in the United States alone the number of internationally active NGOs formally registered with U.S. Agency for International Development (USAID) and their revenues grew much faster than both U.S. total giving to charities and the U.S. gross domestic product (GDP). By 1994, the annual revenues of U.S. international NGOs had increased to \$6.8 billion.

Similar trends are evident in the twenty-five OECD Northern industrial countries (see Table 1.2).<sup>5</sup> The Organization for Economic Cooperation and Development (OECD) estimates that the number of Northern NGOs with international programs grew from 1,600 in 1980 to more than 2,500 in 1990.<sup>6</sup> This includes organizations like Oxfam,

**Table 1.1. Changes in U.S. International NGO Sector, 1970–94**  
(\$\$ in U.S. Billions)

<i>Year</i>	<i>NGOs<sup>a</sup></i>	<i>Revenues<sup>a</sup></i>	<i>U.S. Giving<sup>b</sup></i>	<i>US GDP<sup>c</sup></i>
1970	52	\$.614	\$23.4	\$1,010.0
1994	419	\$6.839	\$129.8	\$6,379.4
<i>Growth since 1970</i>	8.05 times	11.3 times	5.6 times	6.3 times

- a. USAID, *Annual Reports on US Voluntary Foreign Aid Programs*, Washington, D.C., 1995.  
b. American Association of Fund-Raising Counsel and the AAFRC Trust for Philanthropy.  
c. "Giving USA 1994," *Annual Report of Philanthropy*, 1994, 13.

**Table 1.2. Growth in Revenue of Northern NGOs Involved in International Relief and Development<sup>a</sup>**

Flow of Funds from NGOs to Developing Countries  
by Source (\$\$ in U.S. Billions)

<i>Year</i>	<i>Private</i>	<i>Public</i>	<i>Total<sup>d</sup></i>	<i>U.S. Share<sup>e</sup></i>
1970 <sup>b</sup>	\$800	\$200	\$1,000	50%
1997 <sup>c</sup>	\$4,600	\$2,600	\$7,200	38%

- a. From DAC Table 13. Public revenue includes both ODA contributions to NGOs (Table 1) and ODA Grants through NGOs (Table 18).  
b. UNDP, *Human Development Report 1993* (New York: Oxford University Press, 1993), 88.  
c. OECD, *Development Cooperation Report 1998* (Paris: OECD, 1999). Private revenue figure.  
d. From DAC Table 13. Public revenue includes both ODA contributions to NGOs (Table 1) and ODA Grants through NGOs (Table 18).  
e. U.S. share represents an average of private and public contributions. Private revenues of U.S.

Save the Children, Médecins Sans Frontières, and CARE. Although the U.S. share of the total annual revenues for Northern industrial NGOs with international activities was still at 45 percent in 1990, it is declining as the proliferation of European and Japanese NGOs continues.

Within the developing world, the number of local NGOs with a relief and development focus has also mushroomed. Although estimates of the size of the NGO sector, or the numbers of NGOs in any given country, are often unreliable, one source reports that there are more than 250,000 Southern NGOs.<sup>7</sup> Among these are more than 200,000 grassroots membership organizations, whose community members form or join village councils, agricultural cooperatives, and women's credit groups; and roughly 50,000 grassroots support organizations, which are

**Table 1.3. Growth and Changes in the Composition of Nonprofit Sector in Ethiopia between 1980 and 1999**

<i>Organizations</i>	1979	%	1980– 1984	%	1985– 1989	%	1990– 1994	%	1995– 1999	%
<i>International</i>	21	61%	28	61%	49	54%	68	43%	80	28%
<i>National</i>	13	39%	18	39%	41	46%	92	57%	200	72%
<i>Total</i>	34		46		90		160		280	
<i>% Growth</i>			39%		95%		77%		75%	

Source: ITC/MIS Report 1995–2001, CDPP, Ethiopia special data run May 11, 1999.

nationally based, professionally staffed, and often channel international as well as national funds to grassroots membership organizations. More conservative estimates place the number of local NGOs in developing countries in a much lower, 20,000–50,000 range.<sup>8</sup>

The rapid growth and changing composition of the NGO sector in recent years can also be observed within developing countries. Table 1.3, for example, provides an overview of growth and the changing sectoral dynamics of Ethiopia’s nonprofit organizations. The sector has grown substantially in the last decade, and the number and proportion of national organizations has grown much more rapidly than that of international organizations. A more careful review of organizational lists shows that before 1980 both national and international organizations were primarily faith-based. Today there are more secular organizations operating in Ethiopia. Regardless of which estimates one accepts for the growth of NGOs involved in international development, the globalization of the NGO sector is now too prominent and fast-paced to be ignored. Yet the growing transnational NGO sector appears to be a seriously understudied topic.<sup>9</sup>

### Some Basic Definitions

Before examining the causes of this dynamic growth, some basic definitions are in order. For the purposes of this book, “NGOs” are organizations that:

1. Provide useful (in some specified legal sense) goods or services, thereby serving a specified public purpose.
2. Are not allowed to distribute profits to persons in their individual capacities.
3. Are voluntary in the sense that they are created, maintained, and terminated on the basis of voluntary decisions and initiatives by members or a board of directors.

4. Exhibit values-based rationality, often with ideological components.<sup>10</sup>

This structural/operational definition has been used with sufficient reliability in different national settings to serve our purpose.<sup>11</sup>

This book is about relief and development organizations that were founded in Northern industrial countries but are becoming multinational—in that they now have simultaneous operations in more than one country. To track these NGOs’ “journey” to work beyond their own borders, we will use three terms along a continuum: “national” NGOs, “multinational” NGOs, and “fully multinational” (sometimes “transnational”) NGOs. These are the same terms as those initially used in the 1960s to describe the emergence of multinational corporations by Stephen Hymer, Niel Jacoby, and Ron Mueller.<sup>12</sup> The terminology they used was based on differences in where corporations: (1) locate their operations, (2) produce and deliver their core services and products, (3) undertake their support services like accounting or human resource services, (4) get their staff, money, and equipment, and (5) undertake their governance through national and international boards.

In our book, with its focus on Northern NGOs, national organizations do all of these things within their own borders. For example, a nonprofit organization in the United States called NPower provides technology services for other not-for-profits. It is incorporated in the United States and provides its services and raises funds there. Both its board and staff members are U.S. nationals.

We call NGOs that have begun to work beyond their own borders multinational NGOs. However, some NGOs that work beyond their own borders are more multinational than others; we will therefore talk about three stages of becoming multinational. In *stage one*, an organization has its home office in its country of origin, gets its staff and resources nationally, and has a national board—but it begins to export its services to another country. It does not, however, set up long-term offices in other countries, or hire staff from numerous countries, or multinationalize its board. Médecins Sans Frontières—founded in France—began as such an organization. It was made up primarily of French staff and incorporated in France with a largely French board, but it provided its services in relief operations in Africa. It flew its doctors and medicines to Africa without establishing permanent offices there, and it shut down its operations when the crisis was over.

In *stage two*, an NGO may do more than simply export services. It may set up overseas offices and design and deliver its programs in overseas settings through its own registered organizations or affiliate partners. It may hire local field staff more likely in technical and support capacities than in upper management—but it does not have many

international staff in headquarters, and it has not multinationalized its board or its governance. An example of such an NGO is Mercy Corps International, a relief and development organization based in Portland, Oregon.

In *stage three*, the NGO takes on many, but not all, multinational features. For example, it not only has many offices that produce and provide services in other countries but also affiliates and partners in those countries. It may have regional offices in Africa, Asia, or Latin America that provide technical support and services. Its headquarters service functions—accounting, auditing, staffing, procurement—may be provided in the country where these functions can be carried out most efficiently. Local office staff are largely from those countries, but middle- and upper-level field managers increasingly are multinational. Its headquarters staff and board members, however, are still largely from the headquarters country. CARE USA and Oxfam GB are still examples of such largely stage-three multinational NGOs. In 1996, CARE USA had thirty-six country offices. Its programs were designed and tailored to each country situation by its largely national (rather than expatriate) staff, but its country directors were multinational. It had regional support offices in several continents. Some of its support services—for example, accounting support for the consolidation of CARE USA financial statements—were provided from the Philippines. Its U.S. headquarters staff and board were made up largely of U.S. nationals.

The extreme end of our continuum of terms is reserved for organizations that have become fully multinational. In such organizations, production, sourcing, support services, staff in both headquarters and in the field as well as board members would all be multinational. Although no international relief and development NGO is as yet fully multinational in these terms, some, like World Vision, are quite advanced in making their structure and board representation more multinational. Others—like CARE, Save the Children, PLAN International—are also in the process of transforming their global structures as well as their governance.

The relief and development NGOs that are the subject of this book still largely provide services themselves or in collaboration with partners. They also have their initial origins and headquarters in Europe, Canada, and the United States. We therefore refer to them as Northern multinational relief and development nonprofit service providers.

Finally, we refer to the “journey” that many of these Northern organizations are making—due to external forces as well as deliberately—to become more multinational as part of the process of globalization of the nonprofit sector. There is extensive debate today about the meaning and impact of “globalization”; in our book, we use the term to mean the increasing spread of NGO governance structures, resource acquisition,

information sharing, staff, and service delivery across national boundaries.<sup>13</sup> The globalization of Northern NGO relief and development service providers often involves a transition from their export of relief and development services across national boundaries to their broader multinational governance, staff, information flows, resource acquisition, and service delivery.

Many of the larger Northern NGOs started as relief and development service exporters immediately after World War II. Today, most have Northern multi-country representation in their umbrella-like coordinating structures, and most have Northern-country member organizations that raise their funds largely in the industrial countries. While citizens from the Northern countries dominate their members' headquarters staffs and boards, increasing numbers of Southern staff manage as well as implement their field-based service delivery—largely in the developing world. Both resources and general program strategic directions often move in a North to South direction.

One can identify a smaller number of Northern NGOs with the following attributes: both Northern and Southern representation in governance structures; burgeoning, separately incorporated, licensed, or franchised Southern affiliates; and increasing Southern staff representation in headquarters as well as field operations. As yet, however, no international relief and development NGOs are fully multinational in all dimensions.

### **Reasons for Rapid Growth**

Many different forces have fueled the worldwide expansion of international humanitarian and development NGOs over the past three decades. In the 1970s, numerous private Northern foundations and bilateral donors provided resources to stimulate community-based institutional capacity building and organizational development; they did so in reaction to the failures of the big-government approach to development and of private sector philosophies of “trickle-down” such as growth and social improvement.<sup>14</sup> During this period, organizational experiments—such as the U.S.-based Inter-American Foundation, with its mandate to help develop grassroots organizations in Latin America—were seen as alternatives to large public bilateral programs like those of USAID.<sup>15</sup> In the 1980s, a worldwide vacuum was created as public delivery of social services imploded in the wake of world recession and fiscal crisis. A host of Northern NGOs as well as Southern community-based organizations grew into this vacuum. The end of the 1980s saw the bloodless revolution in the Philippines and increased movement toward democratization in Latin America. In the 1990s, the end of the Cold War set off a chain reaction in Eastern Europe and in the for-



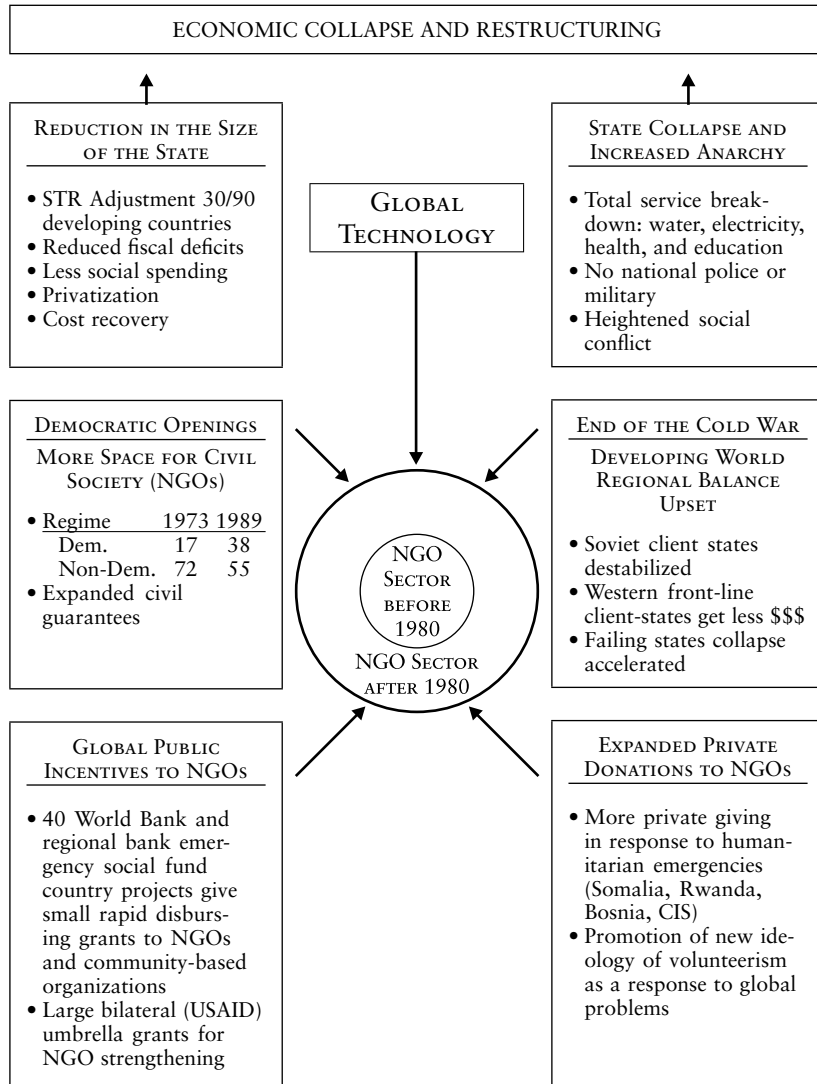
mer Soviet Union. Because international communications carried these changes around the globe, other countries were affected. (For example, watching this unwinding, the apartheid government of South Africa released Nelson Mandela and began negotiating constitutional changes.) These changes in turn led to political instability in former client states in the developing world. This chain reaction helped spark a wave of complex humanitarian emergencies. The international and national NGO community continued to grow as such organizations increasingly were called upon to fill the breach left by the United Nations, the multilateral institutions, and collapsed national governments.

According to our Northern senior-team informants, the growth of the Northern international NGO sector—already noticeable in the 1970s—became a torrent in the 1980s and 1990s due to six important factors (see Figure 1.1 on the following page). Two of these factors, public fiscal crisis and the collapse of the Soviet Union, created the vacuum into which Northern international NGOs were pulled. Three further factors—democratic “openings,” bilateral and multilateral incentives, and private giving served as magnets to stimulate Northern NGO development. A sixth factor, improved global communications, helped the sector grow more rapidly than it could have in earlier decades.

According to our colleagues, the void created by the first two factors, global public fiscal crisis and the end of the Cold War, left many unfilled community needs. International and national NGOs moved to fill the vacuum. In the 1980s, to stave off economic collapse, stabilization and structural adjustment programs were carried out in more than thirty of ninety developing countries.<sup>16</sup> To reduce fiscal deficits, budgets for health, education, water, and sanitation were slashed dramatically. Experiments with the privatization of services and greater cost recovery from communities became a necessity; many national and international NGOs developed community-based water and sanitation programs as well as income-generating activities. In some countries, economic crisis led to reduction in the size of the state. Elsewhere—for example, the horn of Africa—some states collapsed totally. Thus, in Somalia, national as well as local human services broke down completely. Communities were left without municipal, state, or national government as well as without water, electricity, health, sanitation, or educational systems. Clan-based armies replaced the national military and police. People were forced to live in the midst of heightened violence and social conflict. In such settings, both Northern NGOs and small community-based organizations began to provide some solutions to community needs.

Moreover, in the wake of the collapse of the Soviet Union, the international NGO community rallied to respond to the human wreckage and refugee movements resulting from violent intrastate conflicts in Bosnia, Kosovo, Chechnya, Russia, and Armenia—in addition to those

Figure 1.1. Stimuli to NGO Sector Growth since 1980



in Rwanda, Somalia, and Sierra Leone. For example, in 1997 a patchwork of national and international NGOs provisioned more than one million refugees in Tanzania, Burundi, and Zaire who fled the Rwanda crisis at the request of UN agencies like UNHCR, the World Food Programme, as well as private citizens and governments.

The end of the Cold War has in fact resulted in the removal of important constraints on international NGO humanitarian interventions.<sup>17</sup>

These interventions could not take place as long as two competing Cold War ideologies kept such NGOs frozen out of large parts of the world's geography. Since the collapse of the Soviet Union, the UN Security Council has legitimized cross-border interventions for humanitarian purposes, usually by Northern NGOs, in the interest of furthering "regional peace and security" as permitted under the UN Charter. Furthermore, many governments unable to clarify their own policy responses have strongly encouraged Northern NGOs to respond instead—as a substitute to direct action by themselves.

While the fiscal crisis of the state and the end of the Cold War created a void in civil space into which the Northern NGO community was drawn, three other important factors served as magnets to stimulate growth of both the Northern and Southern NGOs. The first of these has been the worldwide movement for democratic openings. Between 1973 and 1989, the number of regimes classified as democratic (open elections with no major accusations of fraud) has increased from 17 to 38 in the developing world of a total of 90 developing-country regimes.<sup>18</sup> These new regimes provided expanded civil guarantees that permitted local NGOs to register and to organize without great fear of reprisal, and allowed Northern NGOs to enter countries where they previously could not work. A second magnet has been an increasing use of public bilateral and multilateral resources to stimulate the development of both Northern and local NGOs and community-based organizations. For example, more than forty World Bank or regional development bank-funded social investment funds have sprung up whose role it is to provide small, rapid-disbursing grants to NGOs and community-based organizations for building roads, bridges, small water systems, and other projects. Some of the bilateral donors (for example, USAID) provide umbrella grants to international NGOs (for example, CARE in Somalia) that are then used to fund capacity-building and infrastructure projects designed and implemented by local NGOs. Similarly, Northern NGOs are the most important implementors of the refugee relief and feeding programs, respectively, of the Office of the UN High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP).

Private citizens have provided yet another magnet, through their substantial donations to the international NGOs, to help them respond to the complex humanitarian emergencies in Somalia, Rwanda, and Bosnia, as well as to increase resources for development programs like micro-enterprise lending, education for girls, and reproductive health. While overall private giving in the United States as a proportion of GDP has remained stable since the 1960s, in the past seven years, the portion of total giving designated for international purposes has doubled from 1 percent to 2 percent. This has been accompanied by the rise of a new ideology in which both politicians and many private citizens see

voluntarism as part of the solution to global problems. It is now considered regular practice for large national newspapers to carry long lists of NGOs and their addresses to encourage citizen contributions during times of civil violence or natural disasters.

Finally, inexpensive global communications technologies such as faxing, e-mail, and the Internet have made it easier for members of the emerging NGO sector to communicate.<sup>19</sup> In the days of the rise of the multinational corporation, this communication would have been prohibitively expensive. Today, it is a critical factor enabling low-cost global NGO networks to develop more rapidly than in the past. Many Northern NGOs like CARE, CRS, and World Vision are now connected to their far-flung country-level operations by e-mail, fax, and the Internet. Today, for example, some CARE staff members in otherwise inaccessible rural Ethiopia receive and send e-mail directly from their jeeps.

### **Profiles of Some Northern Relief and Development NGOs**

While the organizations that comprise the Northern relief and development NGO community number in the hundreds, it is useful to take a closer look at the profiles of a sample of typical small, medium-size, and large organizations. Here we provide a snapshot of the twelve organizations whose senior teams recently participated in the Rockefeller Foundation-funded Bellagio Conference on Globalization and Northern NGOs in September 1998: ACORD, CARE International, CARE USA, World Vision International, Save the Children US, Save the Children International, Oxfam GB, Oxfam America, MSF International, Habitat for Humanity, InterAction, and the Steering Committee for Humanitarian Response.<sup>20</sup> The combined budget of these twelve NGOs in FY1998 totaled \$3 billion. Of these organizations, three (CARE International, World Vision, and PLAN International) were large (with budgets of over \$300 million per year), three (MSF, Oxfam GB, and Save the Children US) were medium-size (\$50 to \$300 million per year), and five (Oxfam America, ACORD, InterAction, Save the Children International, and the Steering Committee for Humanitarian Response) were small (less than \$50 million per year).<sup>21</sup> In 1999 the combined resources of the six global organizational families whose more detailed stories are the subject of this book totaled US\$2.5 billion (PLAN, SAVE, CARE, MSF, Oxfam, and World Vision).

The majority of these organizations delivered operational programs, although three provided umbrella coordination and standards for a broader group of international NGOs. Most managed networks of relatively autonomous local affiliates. The combined annual relief and development expenditures of this Northern group were equal to al-

most one half of the annual U.S. government foreign assistance budget development activities in 1998.

They share a profound commitment to combat poverty, hunger, and social injustice (see Figure 1.2 on the following page for a summary of mission statements). Most carry out both relief and development activities, although Habitat for Humanity focuses primarily on shelter and MSF delivered largely in humanitarian relief programs. All organizations with the exception of World Vision and Habitat for Humanity consider themselves to be secular in their ethos. All have different histories and origins that continue to impact on their current organizational culture and choices. For this reason it is worth detailing at least a summary of these histories. In this book we will focus most comprehensively on the multipurpose relief and development organizations: CARE, Save, Oxfam, World Vision, PLAN International, and MSF.

### *History and Evolving Missions*

Save the Children, one of the oldest Northern NGOs, was founded in the United Kingdom in 1919 by two sisters, Eglantyne Jebb and Dorothy Buxton, in response to the aftermath of World War I and the Russian Revolution. The founders were determined to secure international recognition for the rights of children. They also wanted to respond to the immediate needs of children orphaned by World War I. Save the Children's early mission was to promote worldwide safeguards for children and the formal international recognition of the rights of children. PLAN International was founded in 1937 as Foster Parents Plan for Children in Spain to help children whose lives were disrupted by the Spanish Civil War. With the outbreak of World War II, PLAN extended its work to include displaced children within war-torn Europe. Oxfam began during World War II, as a response of Oxford academics and Quakers to famine in Nazi-occupied Greece. CARE, established in 1945 as the Cooperative for American Remittances to Europe, began by delivering the famous "CARE packages" to Germany and other countries in Europe. World Vision, an international Christian, nonprofit, relief, and development organization started its work in 1950 to help children orphaned by war, widows, the poor, and the starving and to care for the sick. Médecins Sans Frontières grew out of the student solidarity movement in Paris. The youngest organization, it was formally organized in 1971 as a response to the human impact of the Biafra War. During that conflict, a group of French doctors joined together to provide medical assistance in places where the International Red Cross could not intervene in the absence of governmental approval. The doctors of MSF felt duty-bound to provide medical and humanitarian services in a more rapid and less legally constrained manner.

The founding purposes and operating missions of these organizations

**Figure 1.2. Examples of International NGO Mission Statements**

<p><b>ACORD</b> Reduce poverty and vulnerability, help people win their basic rights, cope with conflict, and build peace.</p> <p><b>CARE USA</b> Affirm the dignity and worth of individuals and families in some of the poorest countries of the world. We seek to relieve suffering, provide economic opportunity, build capacity for self-help, and affirm the ties among human beings everywhere.</p> <p><b>MÉDECINS SANS FRONTIÈRES (MSF)</b> We offer assistance to populations in distress, victims of natural or man-made disasters, and victims of armed conflict irrespective of race, creed, and political affiliation. We believe in neutrality, respect of our professional code, independence, and non-compensation of staff other than what MSF can afford to provide.</p> <p><b>OXFAM GB</b> Relieve poverty, distress, and suffering in any part of the world, and educate the public concerning the nature, causes, and effects of poverty.</p> <p><b>OXFAM AMERICA</b> Create lasting solutions to hunger, poverty, and social injustice through partnerships with poor communities around the world.</p> <p><b>PLAN INTERNATIONAL</b> PLAN's vision is of a world in which children realize their full potential in societies with respect for people's rights and dignity.</p> <p><b>SAVE THE CHILDREN USA</b> Save the children by mobilizing citizens everywhere through the world—we envision a world in which every child has the right to survival, protection, development, and participation as set forth in the UN convention of the rights of the child.</p> <p><b>WORLD VISION</b> Is a partnership of Christians whose mission is to follow our Lord and Savior Jesus Christ in working for the poor and oppressed to promote human transformation, seek justice, and bear witness to the good news of the Kingdom of God.</p>
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reflect their subsequent histories. Like people, they bear the imprints of their early years. For example, Oxfam GB in its early days walked a skillful line as Nazi Germany occupied Greece and there was a British law outlawing food gifts to people under occupation. Oxfam's founders—pragmatic academics, including the famous Greek scholar Charles Murray, negotiated with the War Office for ways in which exceptions could and should be made for Greece. Today, Oxfam GB engages in national-level advocacy when it is deemed essential (as we discuss in Chapter 7). Oxfam America, which is younger, has a different history as well as national setting; for example, unlike Oxfam GB, it does not accept any government funding, but does relatively little advocacy on U.S. national domestic issues. It does, however, lobby Congress on international issues.

Some of the organizations discussed here are secular, and some are faith-based. CARE and World Vision are both broad-spectrum relief and development organizations. CARE, a secular organization, seeks “to relieve human suffering, to provide economic opportunity, to build sustained capacity for self-help, and to affirm the ties of human beings everywhere.”<sup>22</sup> World Vision's mission is based on principles of Christian charity, “to follow our Lord and Savior Jesus Christ in working with the poor and oppressed to promote human transformation, seek justice and bear witness to the good news of the Kingdom of God.”<sup>23</sup>

Within ten years of their founding, many NGOs had expanded into a multinational entity, and the nature of their services has changed and evolved over time in response to changing world humanitarian needs. Save the Children organizations based in Australia and Canada started up soon after Jebb and Buxton's original U.K.-based Save the Children organization. CARE's transition from a U.S.-based to an international NGO began in the late 1970s, and there are now CARE International member organizations in ten countries. MSF France was soon joined by Swiss, Belgian, and American MSF organizations. Within ten years, the “CARE package” was transformed into large-scale supplementary feeding programs in Asia and Africa. Many of the original child-sponsorship programs turned to village-wide instead of individual-child programs.

Today, one important way NGOs are changing to cope with the demands of a globalizing world is to become more global themselves. While some still do direct-service delivery with no coordinating body, the national chapters of an organization increasingly are bonding together more closely to deliver services and to coordinate aid. The Steering Committee for Humanitarian Response (SCHR) and Inter-Action do no development programming; both are coordination and advocacy organizations. The percentage of worldwide multi-member funds controlled by a particular organization ranges from 4 percent (Oxfam US) to 70 percent (CARE US). Four organizations (ACORD,

CARE, MSF, PLAN International) work primarily in service delivery with their own staff; the remainder (InterAction, Oxfam GB, Oxfam America, SCHR) work with and through NGO partner organizations or as advocacy organizations.

### *Programs and Staffing*

Approximately three-quarters of the combined expenditures of the NGOs that participated in the Bellagio Conference go overseas (72 percent), and domestic programming takes up 4 percent. As a percentage of total headquarters staff, program staff ranges from 23 percent to 52 percent, with the average being 34 percent. Among organizations that do direct service delivery, the percentage of funds and staff going directly to programs is even higher. Twenty percent of expenditures are for fundraising and administrative costs—a figure well within the 25 percent limit prescribed by the U.S. nonprofit standards of the Financial and Accounting Standards Board (FASB). Of all activities performed by an organization, service delivery, development education, and network building are ranked as the top three priorities. In addition, most organizations also do advocacy.

While these organizations respond rapidly and effectively to humanitarian emergency needs, they are devoted to longer-term rehabilitation and development programming. Within the budgets of these organizations, the largest share (72 percent) of revenue goes to development activities, 17 percent to rehabilitation, and 12 percent to relief. The organizations' average existence in operation age is 45 years—ranging from start-ups in 1919 (Save the Children) to 1971 (Médecins Sans Frontières).

Of the twelve organizations participating in the Bellagio Conference, six also conduct programs in their home countries. For some organizations, such domestic programs are a natural outgrowth of their missions. For example, Oxfam's mission is to educate the people of the world about poverty and human suffering in order to awaken them to the needs of the world. This naturally lends itself to domestic, local hunger-awareness programs. MSF believes in the right of all people to health care, and does not turn a blind eye to populations at home, such as drug users and the homeless, who are denied health care. Other organizations may choose not to do domestic programming due to their organizational missions, either because they are solely advocacy groups (with no service delivery activities), or because they have been conceived to deliver specific types of activities, such as PLAN International's child sponsorship programs.

Examples of domestic programming fall into two major categories: development education and building capacity in marginalized communities. Public development education programs are vital to energizing



donors to respond to poverty and suffering; they also bear some relationship to eventual advocacy work, as we will see in Chapter 6. Oxfam's programs are emblematic, for example, inviting groups to experience the average Third-World diet while donating that day's food budget—thus making a clear connection between what “they” have and what “we” have. Public education is a key ingredient in influencing political attitudes toward poverty as well, pressuring governments to pay their United Nations dues or support foreign assistance budgets. Public education programs introduce an international perspective into the analysis of domestic poverty, addressing the links between race, poverty, and exclusion. Domestic programs run by MSF and Oxfam GB work to build capacity in marginalized domestic communities—including advocacy of health care access for the homeless, illegal immigrants, children, and drug addicts; building confidence and skills; creating cooperative income-producing enterprises; and providing entrepreneurial training. By organizing members of poor and marginalized communities, they seek to enhance these communities' voice in public policy forums to pressure governments for better policies, both domestically and internationally.

Worldwide, these organizations employed over 27,000 staff. In headquarters operations, the percentage of citizens from the headquarters country ranges from 77 percent to 100 percent, with the average being 90 percent. In the field, the presence of headquarters-country citizens ranges from 0 to 75 percent, averaging 18 percent. MSF is highest at 75 percent, which is not surprising, given that the majority of its field staff are doctors and health professionals volunteering abroad. The gender breakdown of headquarters staff is 64 percent female to 36 percent male, whereas in the field this proportion is reversed (61 percent male to 39 percent female).

### **Globalization, Challenges, and NGO Responses**

The Bellagio Conference participants could not agree upon a single, clear definition of globalization. It is interesting, therefore, to compare their definitions with the more general definition provided earlier in this chapter. The participants did indicate that they felt globalization's pressures and believed they were working on a different scale than in the past. Three different aspects of the process proved useful in framing the major issues:

1. “Globalization refers to the emergence and spread of a supraterritorial dimension of social relations. In institutional terms, the process has unfolded through the proliferation and growth of so-called transnational corporations, popular associations and

regulatory agencies (sometimes called, respectively, global companies, global civil society, and global regimes.)”<sup>24</sup>

2. “Globalization is the internationalization of major financial markets, technology, and of important sectors of manufacturing and services. . . . The world economy (becomes) . . . dominated by uncontrollable global market forces and has as its principal actors and major agents of change truly transnational corporations which [that] owe allegiance to no nation state and locate wherever on the globe market advantage dictates.”<sup>25</sup>
3. “Globalization is a process that has been going on for the past 5000 years but has significantly accelerated since the demise of the Soviet Union in 1991. Elements of globalization include transborder capital, labor, management, news, images, and data flows. . . . From a humanist perspective, globalization entails both positive and negative consequences: it is both narrowing and widening the income gaps among and within nations, [both] intensifying and diminishing political domination, and [both] homogenizing and pluralizing cultural identities.”<sup>26</sup>

The group reported having experienced the impact of globalization in its supraterritorial aspects, which included transnational capital, labor, management, news, images, data flows, and technology. These impacted not just the magnitude of their task, but also the way they organize, raise money, create identity, and hire staff. Three viewpoints emerged about the effects of globalization. Some viewed globalization as an evil [substitute: as destructive], with strong negative effects on worldwide poverty. Others considered it to have both positive and negative features. Still others treated globalization as simply a fact.

### *The Challenges of Globalization*

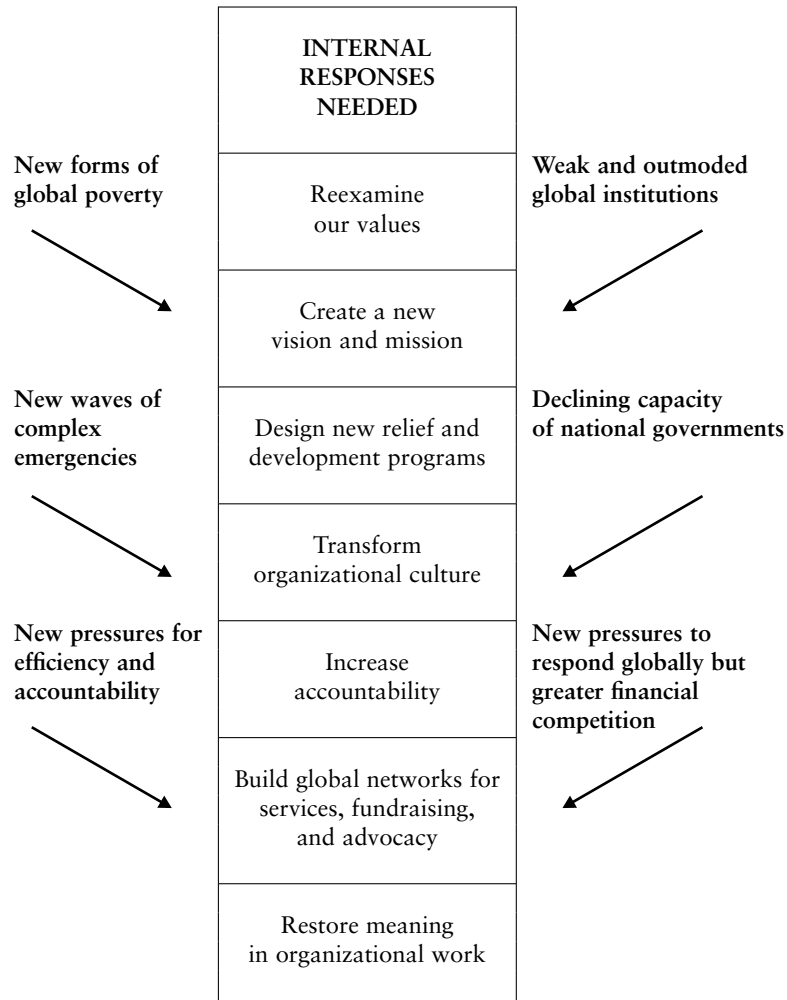
All of the Bellagio Conference participants agreed that economic, political, social, and technological globalization had created new challenges for the Northern relief and development NGOs. They identified a large number of such challenges (see Figure 1.3), emphasizing seven as particularly important.

The first two challenges relate to keeping people alive in times of complex humanitarian crisis and to helping families and communities improve their lives.

#### *1. New Waves of Complex Emergencies*

The end of the Cold War, the collapse of the Soviet Union, and the weakness of many new states fostered heightened intrastate conflicts. These conflicts have resulted in major new global refugee flows that overwhelmed global institutional-response capacity and heightened risks to

Figure 1.3. Globalization and New Challenges for the NGO Community



refugees, internally displaced people, and relief workers. A key change has been that, since the mid-1990s, due to increased intrastate conflict, the annual number of newly internally displaced people has exceeded that of new refugees. These new trends have resulted in a host of new ethical, operational, and structural dilemmas for the relief and development NGOs.

## 2. *New Forms of Global Poverty*

Although economic globalization resulted in the creation of new wealth and employment in many parts of the world, new forms of poverty have accompanied it. For example, the drive to create market systems in the former Soviet Union and Eastern Europe has been accompanied by the collapse of social safety nets that have left the unemployed and the elderly without basic social protection. In many developing countries—for example, Indonesia and Thailand—new urban wage workers tied to enterprises in the expanding global economy have discovered they are subject to global economic shocks. Without access to land to grow food, and without urban social services, such workers are highly vulnerable. Finally, although unemployment has been low in the industrial north, increasingly large segments of the population are without health care coverage. The problems of chronically disadvantaged groups have become clearer and more visible—for example, homelessness. NGOs accustomed to focusing on poverty issues in the Third World must now reconsider whether to respond to poverty as a global problem in the industrial North as well as in the developing world and in the former Soviet Union and Eastern Europe.

A second set of challenges relates to the role the NGO community may want to play in catalyzing changes in public, private, and nonprofit sector roles and in promoting global institutional reform.

## 3. *Declining Capacity of National Governments and Changing Private and NGO Roles*

Increasing distrust of the state, new faith in free markets, and the pressures of global competition stimulated severe public sector cutbacks and weakened the capacity of the state. As the global economy integrated, more national and ethnic groups sought autonomy, which further compounded the weakness of the state to provide social services, and aggravated the intrastate conflicts and humanitarian disasters. The redistributive mechanisms to produce social goods within nation-states have been weakened and there are few clear mechanisms for producing global social goods as a counterweight to expanding economic globalization.<sup>27</sup> The challenges to the NGO community include deciding whether to function as a substitute for declining state services or to pressure the state to play a stronger role again; and deciding whether to form new partnerships for poverty alleviation with the private sector or to engage in strong advocacy efforts to press the private sector for more “socially responsible” enterprise activity.

## 4. *Weak and Outmoded Global Institutions*

The existing global institutions such as the International Monetary Fund, the World Bank, and the United Nations system—all created

in the post-World War II era—are ill-equipped to deal with new dimensions of global poverty, massive refugee flows, intrastate conflicts, or events like the Asian financial crisis. These developments have been accompanied by calls for redesign of the global financial architecture. As the number of internally displaced people has increased with the growth of intrastate conflict, some organizations—like the Office of the United Nations High Commissioner for Refugees (UNHCR), traditionally responsible for the protection of refugees, not internally displaced persons—have been forced to reexamine their mandates. The World Trade Organization, recently formed in 1994, appears ill equipped to deal with the relationship between trade issues and the environment, or child labor. It is viewed by some as secretive in its decision-making, as the protests at the Seattle WTO round in 1999 demonstrated.<sup>28</sup> An important question for the NGO community is whether to concentrate on direct service provision or whether to help define and advocate for the redesign of global institutions through participating in global civil society movements.

The third set of challenges has to do with improved internal performance, organizational learning, and appropriate structures for effective global action.

#### *5. New Pressures for Accountability and Efficiency*

As resources become tighter, NGOs face new pressures for greater accountability for program impact and quality. Private donors want to know whether their dollars really improve peoples' lives. Public donors, more subject to scrutiny by their parliaments and congresses, want to know if their resources were used effectively. NGO staff members have a strong sense of mission and want to know more than ever before about whether their programs matter. As a result, NGO senior teams must decide how to evaluate and document program impact and how to re-engineer their internal processes to become more efficient users of scarce donor funds. They face the deeper problem of how to create organizations that learn from their experiences and engage in continuous improvement.

#### *6. New Pressures to Respond Globally*

As economic globalization continues, the unmet needs for global poverty and environmental policy response become clearer. NGOs must decide whether to engage in global advocacy and worldwide social movements such as the International Campaign to Ban Landmines or Jubilee 2000 Third World debt forgiveness campaign. They also must consider which forms of global organizational structures make the most sense for their own multi-organizational efforts in relief and development programs and for global fundraising. Finally, they must reconsider whether their

role as Northern organizations must change, for example, from direct service delivery to advocacy and resource mobilization.

The final important challenge perceived by the senior teams of the Northern relief and development NGOs is a philosophical one:

#### *7. Recreating Purpose and “Mystique”*

In light of the frequency and magnitude of humanitarian emergencies and the decline of public capacity to address poverty and relief, many NGO staff expressed a sense of malaise about their ability to make a difference in society. Their own increasing professionalization and bureaucratization as they grew to address the global problems contributed to this worry about their ability to sustain commitment and mission. All say they face challenges of connecting with and mobilizing younger generations in middle-aged organizations that began their efforts with enthusiasm in the World War I–World War II period. Of our small sample, only MSF, formed in 1971, does not believe it shares this problem of “mid-life crisis.”

### **Emerging Organizational Imperatives**

As the challenges set out above imply, the structural changes in the world will continue to generate poverty, conflict, and dislocation. The magnitude of these problems will not let up for the foreseeable future. The decline of public capacity and perceived lack of trust in governments also will not be easily reversed. These realities will continue to place immense pressure upon the NGO sector to engage in efforts to try to alleviate some of these problems, and they can hope to accomplish this only with the scale and scope of global bodies. Yet the very imperatives of size and resources will also unleash organizational dynamics that can undermine the purposes of the new global agencies. The greatly expanded scale and resources also will make it difficult to coordinate or maintain the legitimacy that they have gained as other public-oriented bodies have declined.

Most of the NGO leaders interviewed believe that they should re-examine their missions and values and create compelling new visions to motivate staff and donors. They must transform their increasingly large, bureaucratic organizations into dynamic, live organizations with strong “learning” cultures. They want to capitalize on the opportunity to build global networks to respond to world problems—especially to create linkages across the North-South divide. They want to employ new cybertechnology in their work. They are also struggling to find ways of coping with the new pressures for accountability, transparency, and efficiency.

In response to questions about their aspirations for their own organizations in the next decade, the group expressed no clear consensus, but the following perceptions of management tasks were widely shared:

***Reexamine Values and Create a New Vision and Mission***

Organizations must search anew for a deep, motivating sense of meaning and mission that will attract both the young and citizen involvement. They must find a work style and culture that balances passion and commitment with professionalism. This new work style must identify themes that will capture the imagination of future generations.

***Redesign Relief and Development Programs***

The sector must develop a more effective approach to humanitarian responses that focuses first of all on conflict prevention; that places a premium on quick and comprehensive emergency response and on more fluid inter-organizational cooperation; and that responds to the ethical, operational, and structural problems of the current global system. NGOs must also struggle to understand the new aspects of global poverty and develop even more effective global responses to poverty.

***Transform Organizational Culture and Increase Accountability***

NGOs must increasingly develop learning cultures in which evaluation is not thought of as cause for punishment but rather as a process of partnership among all interested parties for organizational learning and improvement.

***Build Global Networks for Services, Fundraising, and Advocacy Institutions***

The international relief and development NGOs must develop more responsive and inclusive global NGO structures to have an even greater impact on global poverty. They will need to harness the potential for greater inter-organizational cooperation especially in the areas of global advocacy and development education. The sector should take the lead in building a global civil society and a new social contract—with more clearly delineated rights and responsibilities—among the public, private, and nonprofit sectors.

## **Ethnology and Beyond**

Part of the purpose of our book is to provide an accurate description—an ethnology—of what the senior leaders of Northern NGOs whom we interviewed think shapes their world. By ethnology we mean a description of the history, development, and similarities and differences

in comparative (organizational) cultures. So far we have reported leaders' and senior teams' views on the causes of NGO growth in the last four decades, on the new challenges they believe their organizations face as a result of globalization, and on their own organizational responses. But it is also our intent to move beyond a description of these views—to speculate about both what this worldview reveals and what it may hide. Some of the questions we will address at the end of every chapter are: What part of the Northern senior team viewpoint can be supported with empirical data? What motivations for action may not have been explicitly discussed by our informants? What nuances and details may have been known but not explicitly commented on? What emerging trends may not have been fully explored?

### *Empirical Support*

Most of our informants' perspectives about the causes of Northern NGO relief and development sectoral growth, new challenges, and organizational responses can be supported empirically.<sup>29</sup> For example, our tables in this chapter (and many other sources besides those we cite) demonstrate increased public and private resource flows to the sector and the increase in the number of registered relief and development NGOs in both the United States and Europe.<sup>30</sup> The combination of democratic openings and new laws permitting NGOs to register and function legally does coincide with the growth in the number of new NGOs formed and registered. We have already illustrated this with the case of Ethiopia and can document it elsewhere as well.<sup>31</sup> NGO budgets have grown, and the proportion of private fundraising for relief as well as of program expenses on relief have coincided with the increase in complex humanitarian emergencies and the larger numbers of internally displaced people in the 1990s. For example, a look at “organizational climate” surveys in the mid-1990s reveals deterioration in staff morale and commitment—part of the “mid-life” malaise.<sup>32</sup> It is more difficult to provide empirical support for some of our informants' ideas of causality. For example, our respondents believe that cutbacks in public funding for health, education, and social services in the developing world stimulated expansion of nonprofit organizations in those sectors. Since the emergence of social service NGOs in certain developing country regions often accompanies or follows public service cutbacks, it is hard to determine the causality that they suggest.

### *Additional Sources of Motivation for Growth and Change*

Any group of informants may have difficulty accurately identifying and reporting their own deeper motivations for action. In some cases, they may not understand them well enough to report them; in other cases, they may understand them quite well but choose not to report them



to others for any number of reasons. One can at best speculate about deeper motivations.

It is possible that many of these organizations began with a conception of charity that was prevalent in the post-World War II period. Perhaps Northern NGO leaders realized that they needed to redefine their role and services as well as to globalize to keep from becoming obsolete in the eyes of their own publics in Europe, Canada, and the United States. Perhaps there is a growing recognition that poverty alleviation in the new millennium may be more about partnerships and joint problem-solving than post-World War II Northern largesse. Perhaps the motivations for organizational change also spring at least partly from the desire to maintain and expand the Northern NGO role in developing countries in the face of new competition from a growing Southern NGO sector. While it is not possible to ascertain the existence of such additional motivations for NGO transformation, the possibility of their presence must be acknowledged.

Another area of ambiguity is how deeply Northern senior team members feel that the challenges their organizations face require a radical transformation of their perspectives, values, and programs or simply restructuring to achieve greater efficiency and effectiveness. There is at least initial indication from in-depth interviews that some leaders feel less strongly than others that globalization has had great impact and that radical transformation is necessary.<sup>33</sup>

### *Areas for Further Exploration*

As in any discussion at a conference there may be areas of detail that our Bellagio Conference colleagues did not comment on because of lack of time, lack of knowledge or first-hand experience with the subject, or due to poorly focused questions by researchers, that the area is not important enough to make it a priority for discussion. Answers to open-ended interview questions are often very revealing because they help show what respondents spontaneously do not list as priorities as well as what they do mention. Missing details are important to acknowledge if they have the potential to result in narrow viewpoints or alternatives foreclosed.

In their discussion of causes of NGO growth and globalization both at the conference and in interviews our informants did not spontaneously speculate about possible differences in the pace of both Northern and Southern NGO growth in different regions. It is possible that many of the senior team members interviewed did not have sufficient multi-regional experience to be aware of differences among regions in their organizations' globalization. There probably are interesting differences in the development of NGO sectors by region, but few empirical studies examine this topic.<sup>34</sup> Greater knowledge of regional differences

could have been quite useful in developing more focused strategies for NGO growth and for capacity building by region.

Nor did our informants speak spontaneously or in detail about factors that may have stimulated Southern NGO growth in recent decades. A more complete sharing of perspectives on the causes of both Northern and Southern NGO growth would be useful to the senior teams of both Northern and Southern organizations. To broaden the perspectives provided in this book, some of the factors commonly mentioned as catalyzing Southern NGO growth are: (1) the growth of a few large Southern NGOs like the Grameen Bank and the Bangladesh Rural Action Committee (BRAC) in Bangladesh which provided models for other Southern organizations; (2) the motivation of a group of Southern professionals in the 1960s to form social movements based on currents of liberation theology and a renewed consciousness of social problems; (3) the growth of secondary education in developing countries, which produced cadres of Southern professionals with new views, skills, and perspectives; and (4) increased public and private funding to create and build capacity of Southern as well as Eastern European NGOs as part of a movement to build global civil society.

### *The Full Implications of Emerging Trends*

At times our informants did not explore the full implications of emerging trends that they identified. For example, many indicated that they believe globalization is accompanied by three new interrelated forms of poverty emerging in the former Soviet Union and Eastern Europe, in the developing world, and in the industrial North. Neither our sample of informants nor recent studies have documented such new forms of poverty, or their potential interrelationships—and no detailed understanding has been developed of their implications for Northern relief and development NGOs. More solid thinking is needed on this subject.

Yet another underexplored area relates to the broadest implications of new, complex emergencies for the roles of NGO emergency-response organizations. NGO leaders might see more efficient NGO response as a solution, while others might argue that recent experience shows that the UN system and military organizations like the North Atlantic Treaty Organization (NATO) are faster and more efficient. If this were the case, one might need to question the future role of NGOs in global humanitarian action.

A final example of the need to think even more broadly about the implications of new trends relates to private and nonprofit partnerships. Our NGO informants provided only initial speculation about the implications of new corporate interest in overseas social giving to relief and development NGOs. How will corporate involvement of their employees in social projects with NGOs affect programs? Our informants

also did not consider the implications of philanthropy from newly accumulated technology-sector wealth, such as the Bill and Melinda Gates Foundation, the Glaser Family Foundation, Social Venture Partners, or Microsoft corporate giving.

### An Overview of the Discussion

This introductory chapter has provided a context for our discussion of the globalization of the Northern nonprofit international relief and development sector. The chapters that follow closely mirror the themes our informants identified as the emerging imperatives—created by globalization—to which their organizations must respond. Chapter 2 examines how NGOs have begun to redefine their values, missions, and programs to adjust to globalization. The chapter explores the strategic change process that some of them have already introduced in their organizations, and their struggle to communicate and implement change within their far-flung global operations. Chapter 3 examines in detail the new world of complex emergencies—and the strategic, operational, and ethical dilemmas that such emergencies present for the Northern NGO community. Chapter 4 discusses emerging perceptions of new forms of poverty associated with globalization and reviews how development programs are being redesigned to respond to them. Chapter 5 traces the new global organizational structures that are emerging within Northern NGO families as they attempt to form creative relationships with local affiliates and to add members. Chapter 6 discusses emerging experiments with innovative private and public partnerships that extend beyond the immediate NGO family. Chapter 7 reviews experiments with global advocacy networks and the opportunities as well as problems of advocacy encountered in service-delivery organizations. In Chapter 8, we explore new issues relating to accountability and to impact and effectiveness measurement. Chapter 9 sums up our conclusions and looks to the future. It should be said at the start that we make no claim in this book that our informants or their organizations have the new or comprehensive answers for saving lives and improving well-being in the new millennium. Our purpose is to describe and reflect upon efforts they are making toward these goals.

*This chapter could not have been completed without the helpful assistance of Janet Salm, who summarized the Bellagio Conference NGO informational questionnaire, and of Patrick Dobel, who provided help on the summary of the Bellagio participants' views of the challenges of globalization.*

## Notes

1. For interesting recent books on aspects of this same topic see: *Beyond the Magic Bullet: NGO Performance and Accountability in the Post-Cold War*, ed. Michael Edwards and David Hulme (West Hartford, Conn.: Kumarian Press, 1996), Alan Fowler, *Striking a Balance* (London: Earthscan Publications, 1998), also Michael Edwards, *Future Positive* (London: Earthscan Publications, 1999). See also *Nonprofit and Voluntary Sector Quarterly* (supplement 1999).
2. Amartya Sen, *Development as Freedom* (New York: Alfred A. Knopf, 1999).
3. Stephen Hymer, "The Multinational Corporation and the Law of Uneven Development," in *Economics and World Order*, ed. J. N. Bhagwati (New York: World Law Fund, 1970).
4. Neil Jacoby, "The Multinational Corporation: A World Power to Unite People," *The Center Magazine III*, no. 3 (May 1970): 37–56.
5. United Nations Development Programme (UNDP), *Human Development Report 1993* (New York: Oxford University Press, 1993), 84–91.
6. UNDP, *Human Development Report 1993*, 84–91.
7. Alliance for a Global Community, "The NGO Explosion," *Communications* 1, no. 7 (April 1995): 1. See also Julie Fisher, *Nongovernments* (West Hartford, Conn.: Kumarian Press, 1998), 4–12, and Thomas Carroll, *Intermediary NGOs* (West Hartford, Conn.: Kumarian Press, 1992), 9–15.
8. UNDP, *Human Development Report 1993*, 86.
9. See, for example, David Horton Smith, "Some Understudied Research Topics: The 1994 ISTR Conference and Beyond," *Voluntas* 5, no. 3 (1999): 349–58, and Brian H. Smith, "Non-governmental Organizations in International Development: Trends in Research and Future Research Priorities," *Voluntas* 4, no. 3 (1999) 326–44. For example, the number of articles about international NGOs declined from 8 percent of the topics covered in two major NGO journals in the 1970s to 4 percent in the 1980s and 1990s as is noted in Jeffrey L. Brudney and Teresa Kluesner Durden, "Twenty Years of the Journal of Voluntary Action Research/Nonprofit and Voluntary Sector Quarterly," *Nonprofit and Voluntary Sector Quarterly* 22, no. 3 (Fall 1993): 215.
10. Bryant A. Hudson and Wolfgang Bielefeld, "Structures of Multinational Nonprofit Organizations," *Nonprofit Management and Leadership* 8, no. 1 (Fall 1997): 32.
11. See Lester M. Salamon and Helmut K. Anheier, "In Search of the Non-Profit Sector: The Question of Definitions" (Baltimore: The Johns Hopkins Comparative Non Profit Sector Project, Working Paper no. 2, 1992).
12. See Hymer, "The Multinational Corporation and the Law of Uneven Development," Jacoby, "The Multinational Corporation: A World Power to Unite People," and Richard Barnett and Ronald Mueller, *Global Reach: The Power of Multinational Corporations* (New York: Simon & Schuster, 1974).
13. For a good discussion of globalization and its implications see David Korten, *When Corporations Rule the World* (West Hartford, Conn.: Kumarian Press, 1996), and *The Post-Corporate World* (West Hartford, Conn.: Kumarian Press, 1999).

14. Edgar Owens and Robert Shaw, *Development Reconsidered* (Lexington, Mass: Lexington Books, 1972).
15. Patrick Breslin, *Development and Dignity: The First Fifteen Years of the Inter-American Foundation* (Rosslyn, Va.: The Inter-American Foundation, 1987).
16. Richard Faini, Jaime de Melo, Abdel Senhadji-Semlali, and Julie Stanton, "Macro Performance under Adjustment Lending," *Policy, Planning, and Research Working Paper 190* (Washington, D.C.: World Bank, 1980).
17. I am particularly indebted to Lincoln Chen, the vice president of the Rockefeller Foundation and former director of Harvard's Population Center, for these insights about NGOs and humanitarian interventions.
18. Marc Lindenberg, *The Human Development Race* (San Francisco, Calif.: ICS Press and ICEG Publications, 1993), 150.
19. Lester Salamon has interesting insights on the role of global communications in his article "The Rise of the Nonprofit Sector," *Foreign Affairs* 73, no. 4 (1994): 117–18.
20. For articles from the conference, see *Nonprofit and Voluntary Sector Quarterly* (September 1999).
21. When one adds the two final organizations which did not participate at the Bellagio Conference, Catholic Relief Services and the International Federation of Red Cross and Red Crescent Societies (IFRC), the total reaches more than \$3 billion.
22. CARE Mission statement 1996, see Figure 1.2.
23. World Vision Mission Statement 1998, see Figure 1.2.
24. J. A. Scholte, "Beyond the Buzzword: Toward a Critical Theory of Globalization," in *Globalization: Theory and Practice*, ed. Eleonore Kofman and Gillian Youngs (London: Pinter, 1996).
25. P. Hirst and G. Thompson, *Globalization in Question* (Cambridge: Polity Press, 1996), 194.
26. M. Tehranian (1996), "Definition of globalization." from: [www.toda.org/conferences/sydney/papers/tehranian.html](http://www.toda.org/conferences/sydney/papers/tehranian.html).
27. Inge Kaul, Isabelle Grunberg, and Marc Stern, *Global Public Goods* (London: Oxford University Press, 1999).
28. See "Protesters Turn Focus to a Debate on Globalization," *International Herald Tribune*, December 4–5, 1999, 9. See also "U.S. on Defensive, Struggles for Accord in a Divided WTO," *International Herald Tribune*, December 4–5, 1999, 1, and "The Battle for Seattle," *Newsweek*, December 13, 1999, 30–40.
29. See Fisher, *Nongovernments*; Edwards, *Future Positive*; Fowler, *Striking a Balance*; Edwards and Hulme, *Beyond the Magic Bullet*; Carroll, *Intermediary NGOs*; John Clark, *Democratizing Development: The Role of Voluntary Organizations* (West Hartford, Conn.: Kumarian Press, 1991).
30. See Fisher, *Nongovernments*; Edwards, *Future Positive*; Fowler, *Striking a Balance*; Edwards and Hulme, *Beyond the Magic Bullet*; Carroll, *Intermediary NGOs*; Clark, *Democratizing Development*.
31. See Fisher, *Nongovernments*; Edwards, *Future Positive*; Fowler, *Striking a Balance*; Edwards and Hulme, *Beyond the Magic Bullet*; Carroll, *Intermediary NGOs*; Clark, *Democratizing Development*.

32. See for example the *CARE organizational climate surveys 1997–99*.

33. For example, Charles MacCormack, president of Save the Children US, sees his organization's needs for change as repositioning, while Ray Offenheiser, president of Oxfam America, believes a deeper and more radical transformation will be necessary.

34. See Fisher, *Nongovernments*; Edwards, *Future Positive*; Fowler, *Striking a Balance*; Edwards and Hulme, *Beyond the Magic Bullet*; Carroll, *Intermediary NGOs*; Clark, *Democratizing Development*.