



## Issues Paper

# ***The role of civil society organisations in development – recent trends and emerging challenges***

*February 2010*

**Prepared for the assignment in Support to the Development of a  
Vision, Strategy and Rules, Regulations, Procedures and Processes for  
Implementation of the Civil Society Organizations Act, 2007**

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## 1. Introduction

Bhutan is currently reforming the existing governance system with an increasing emphasis on the role of civil society. This is reflected by the CSO Act of 2007 which can be seen as signalling a new approach whereby civil society organisations can **supplement** government efforts by means of a greater outreach in situations where private associations can mobilise and sensitise communities more effectively than government institutions. Civil society can also **complement** government efforts by drawing attention to new development challenges that require political attention and by launching initiatives that pilot new approaches which subsequently may inform government policies. Finally, as part of ongoing political reforms in Bhutan civil society can encourage greater development effectiveness by promoting **accountability** whereby legislators and central government institutions are receiving feedback on the relevance and impact of policies and programmes.

This paper provides a brief outline of issues and challenges to be considered when stakeholders are implementing the CSO Act. It draws on recent international experience regarding the role of CSOs in development which would offer stakeholders opportunities to contextualize current efforts.

## 2. Emergence of civil society in development cooperation

The concept of 'civil society' remains a subject of considerable debate among scholars and practitioners. The scope of the present paper is to identify more practical and operational trends and challenges. Yet stakeholders may benefit from conceptual reflections regarding the different roles that civil society may play. In the academic literature reference is often made to two competing notions of civil society:

- a) Alexis de Toqueville suggesting that civil society essential encompasses an arena of actors striving to establish a distinct sphere of joint efforts, free of state intervention, and promoting the liberty of citizens in a democratic state.
- b) Antonio Gramsci arguing that civil society makes up a battlefield to respectively exert and contest state authority and hegemony.

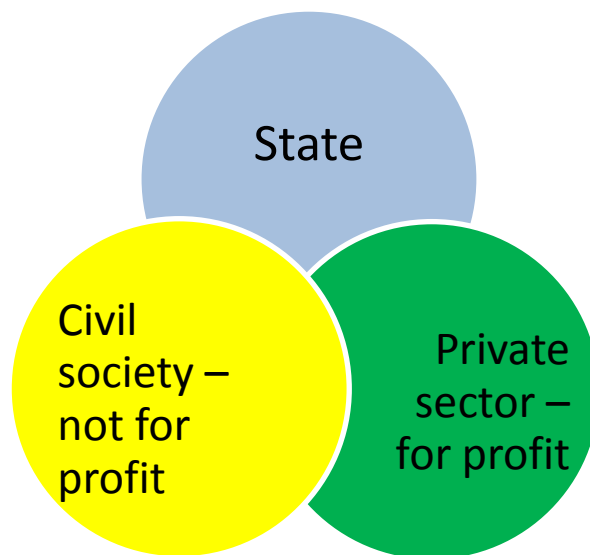
Likewise, 'development' can be approached differently. Several practitioners (government officials, NGO activists and donor agency representatives alike) would tend to view development as a result of the execution of multiple projects happening at local and national levels across society contributing to promoting human development and welfare. Others denote such a perspective as piecemeal and argue that sustainable development can only be achieved if critical structural constraints are removed, which in turn would necessitate deep and profound social change.

The table below provides a crude summary of the implications of the above different conceptual understandings for the role of civil society. The four fields are obviously not exclusive: some CSOs may derive their basic mandate from one arena yet engage in activities of other fields.

		Development as	
		<i>Project based interventions</i>	<i>Structural changes at societal levels</i>
<b>Civil society as</b>	<i>'sphere of voluntary association'</i> [Toqueville]	CSOs as community-based organisations and self-help groups undertaking distinct projects	CSOs insist on autonomy – enabling citizens to form associations positively limit the state's sphere of influence
	<i>'terrain of contention between hegemonic and counter-hegemonic projects'</i> [Gramsci]	CSOs and public institutions engaged in collaborative and /or conflicting efforts	CSOs pursuing policy advocacy and challenging government decisions and priorities

**The evolving role of civil society**

During the past two decades a general consensus merged that civil society could be considered as a 'third sector' – as reflected in the figure below. It is important to emphasise that boundaries may often become blurred, though.



State actors may in some circumstances have an interest to promote and sponsor the establishment of civil society initiatives. To promote agricultural extension it may facilitate the outreach of such government programmes if smallholders group themselves in local farmers associations. Individual government officials may also set up their NGOs for purposes of personal profits.

CSOs may be formed to promote the collective interests of their membership as private agricultural producers. Hence the CSO may not itself exist to generate profits but its constituency join the NGO as this is expected to further their own commercial interests. – Such cases are just examples that the categorisation can usefully be employed for analytical purposes though one



should be aware of its practical limitations. It is, however, often useful to request members of a CSO how their association differentiates and distances itself from state authorities and / or from private enterprise and thereby promoting more strategic clarity with regarding to the mandate of the CSO and its engagements with other stakeholders.

In Bhutan the CSO Act emphasises that the Act of Cooperatives caters for this particular group of associations (which in other countries may be considered part and parcel of civil society). In that respect the law has addressed one of the contentious boundary debates outlined above (between profit-oriented and not-for-profit oriented associations).

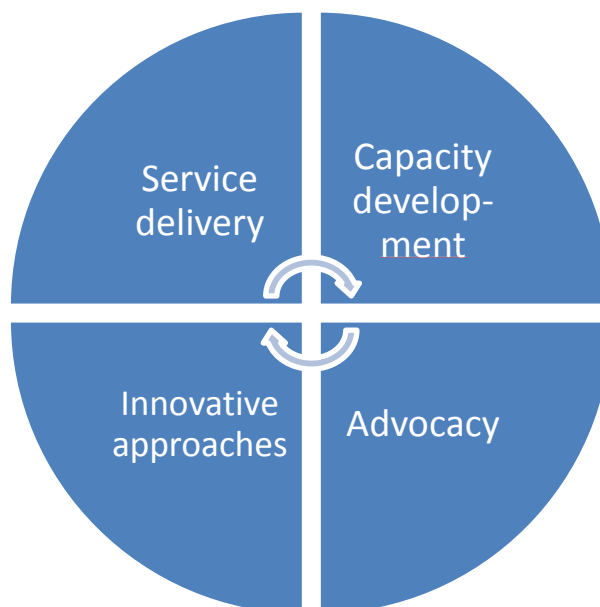
Further, the Bhutan CSO Act introduces a distinction between public benefit organisations (PBOs, “CSOs, which are established in order to benefit a section or the society as a whole”) and Mutual Benefit Organizations (“MBOs” are CSOs which are established in order to advance the shared interests of their members or supporters [Civil Society Organizations Act of Bhutan, chapter 2, section 4]. The Act places more stringent demands (e.g. in terms of reporting) on PBOs purporting to serve broader interests.

### 3. Different types of civil society organisations

Below five different types of CSOs are presented in a table format to facilitate a quick overview and comparisons across the various groupings. It should be emphasised that the table represents a rather crude picture which tend to highlight and contrast differences rather than the many similarities across the proposed typologies.

	<b>Usual geographical scope</b>	<b>Beneficiary involvement + scope of activities</b>	<b>Intended organisational role</b>	<b>Examples of current challenges</b>
<i>Community based organisation</i>	Local: village, commune, district	Direct Often emphasis on service delivery	Project design, beneficiary mobilisation, implementation	Limited technical capacity Limited financial resources Cooptation by local elites
<i>Non-governmental organisation</i>	Often capital-based, (aim to have) national outreach	Indirect – often through a CBO Service delivery Advocacy	Intermediary, Project/programme design, fundraising, monitoring, reporting	Representation – extending beyond middle-class constituencies Governance
<i>International NGO</i>	Northern-based, some with South field offices Trend: larger int. networks	Indirect – through CBO or national NGOs	Programme design, fundraising, advocacy and campaigning, international networking	Accountability to Southern partners; legitimacy to pursue policy advocacy
<i>Social movement</i>	Southern based: National, regional or international	Direct Advocacy	Beneficiary mobilisation and involvement Campaigning	Accountability to poor constituencies Opaque governance Political cooptation
<i>Knowledge-based organisation</i>	Southern-based: National or regional	Indirect Research Evidence-based advocacy	Think tank Project design Evaluations	Communicating best practices to practitioners Balancing between CSO identify and private consultancy

#### 4. Engagements between state and civil society

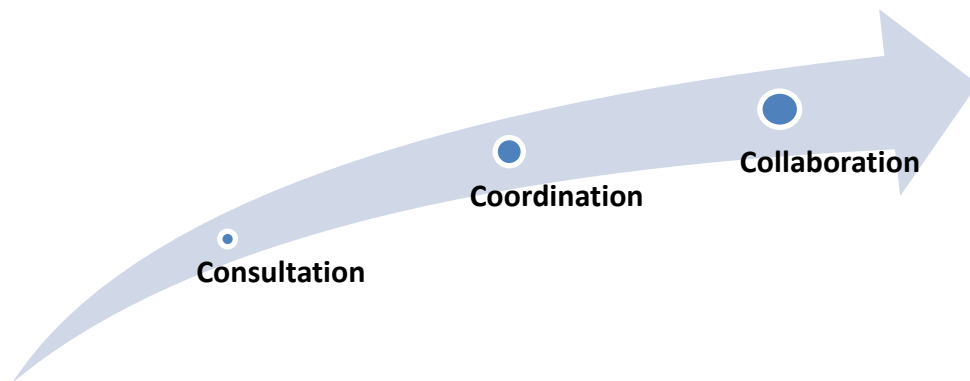


The diagram above depicts the interconnectedness between various areas of civil society engagement. It is important to emphasise that there is no ‘best practice’ in regard to sequencing the various types of interventions. However, in a historical perspective

- Many CSO initiatives have derived their immediate rationale from a desire to respond to unmet citizen needs in regard to service delivery (such as basic education, primary health care etc.). In this regard such CSO action often serves to fill gaps by complementing or supplementing efforts undertaken by national or local authorities.
- Such ‘hands on’ interventions may lead organisations to strive to enhance their own capacities to improve their efforts realizing that well-intended efforts need to be grounded in sound professional competencies and strategic and effective relations between interventions and outcomes. Likewise, community groups have used their own legitimacy of providing services to poor people as a basis for calling on government agents to develop appropriate technical and financial capacities to respond to citizen needs.
- In turn such insights into poor peoples’ needs and the related beliefs in the effectiveness of collective action through state engagement have led to CSO advocacy efforts – often applying a rights-based approach – calling for national and local authorities to acknowledge their obligation to meet citizen needs.
- Growing from practical experience in implementing service delivery projects as well as acknowledging the need for special efforts to meet needs of marginalized and vulnerable groups, CSOs have often argued for innovative approaches. This has applied to their own practice as well as in policies and programmes of national authorities thereby providing more effective ways to broaden and deepen service delivery.

As argued above the diagram above should be seen neither as mutually exclusive nor as a certain prescribed chronology for CSOs to adhere to. However, it will often be useful to assess one’s own practices and plans in regard to the proposed categorisation of CSO roles and to consider how respective organisations arrive at an adequate balance between the different approaches.

Moreover, reflections on the purpose of various CSO interventions can also be helpful in considering relations between civil society and state institutions. As depicted in the crude diagram below, one can consider CSO-state engagement at – at least – three different levels.



*Consultation*

In many instances CSOs will opt to preserve and nurture organisational autonomy and thereby limiting engagement with authorities to the level of information sharing and basic consultation. This could e.g. involve informing authorities about poverty profiles in a certain community or number of victims from natural disasters in regions where the CSO is well placed to compile such information. Information-sharing is often ad hoc based on occasional meetings and provision of relevant data.

*Coordination*

In situations where CS and government actors acknowledge that they have mutual interest and/or are undertaking interventions that complement one another there is often a shared interest to coordinate efforts. Activities remain the full responsibility of the individual state agency and CSO respectively but project designs and implementation (at the full discretion of the individual organisation) are undertaken with the explicit interest to benefit from efforts made by other actors.

*Collaboration*

In this scenario stakeholders agree to undertake joint efforts, e.g. an NGO is providing psycho-social support to AIDS victims, while government employed health workers administer anti-retroviral drugs (ARVs) to infected patients. Collaboration often takes place in regular fora set-up for that particular purpose and is guided by memoranda of understanding or regular contracts where a CSO agree to deliver certain services to a government agency.



It is important to emphasise that state-CS interaction is not bound to ‘progress’ smoothly to yet higher and more intense levels – as could be implied by the diagram above. Certain situations may lend themselves to year-long informal exchange of information whereas none of the parties has an interest to engage in mutually obliging commitments. And at each level tensions may easily arise. Often CSOs are concerned to maintain their organisational autonomy and would resist any moves to be subordinated official authorities. Likewise, government institutions often have an intrinsic desire to manifest their authority and demonstrate their power to exert control over a diverse range of stakeholders. Disagreements may also arise based on uncertainty about financing arrangements, specific authority to manage staff members and observe reporting lines. It is obvious that the more intense forms of engagement between civil society and state institutions are subject to an increasing risk of tensions and conflicts.



## 5. Emerging challenges

In the previous pages a rough outline of emerging trends with regard to civil society has been presented with the aim of prompting reflection among stakeholders in regard to the evolving policy and administrative outline for civil society organisations in Bhutan. Below, the paper is completed by offering four main challenges to consider as part of further work to put in place an appropriate regulatory framework.

### *CSO societal roles and functions*

As highlighted in this paper the role of civil society is constantly evolving influenced by overall societal dynamics in individual countries as well as more global trends. The functions that CSOs undertake accordingly vary considerably over time and across countries. It seems a general experience, though, that civil society will remain a very complex ‘terrain’ characterised by diversity rather than uniformity. The position of civil society organisations relative to state institutions is also quite varied as argued above. Some organisations are bound to derive their basic mandate and rationale from nurturing their autonomy and protecting their associational life from state management and control. Others are set up with the explicit purpose to engage and influence state institutions for the benefit of their respective constituencies. Accordingly, such organisations will often strive to achieve close and direct relations to government officials.

Such differences in terms of basic understanding of rationale and organisational mandates cannot be done away with through regulatory mechanisms. Moreover, from a development perspective one of the attractive features of civil society is exactly its diverse nature and the opportunities it offers to engage and mobilise multiple and very different stakeholders.

### *Legal framework*

On this backdrop it is apparent that a consistent and ‘tight’ legal framework may be difficult to bring about as it will easily fail to comprehend the diversity of fields of operations as well as the basic differences in terms of the quest for organisational autonomy outlined above. Yet national authorities are also motivated by a range of interests to regulate this policy field:

- Whereas governments may eventually neither want to nor be capable of controlling operations undertaken by civil society they have an interest to establish regulations that *secure basic information about the scale and nature of CSO activities*
- As there is a strong intrinsic call for CS-state engagements to promote sustainable development, governments may want to establish transparent and uniform overall guidelines to manage such engagements to ensure *equity in the interaction with civil society organisations*
- Governments also want to put regulations in place that promotes good practices – e.g. in terms of internal organizational governance and interactions between CSOs and local



communities – to ensure that *civil society organisations become respected and effective societal actors*

As a policy field civil society is difficult to police and control from above and it seems important that national laws and regulations are built on mutual trust and shared responsibility. Moreover, legislation must be flexible and pragmatic to accommodate the high degree of diversity as well as the changing nature of CSO operations.

#### *CSO networking and collaboration*

International experience suggests that networking among civil society organisations can serve to enhance their development effectiveness. By sharing experience and by working together professional capacities can be deepened and outreach broadened. Yet one must also acknowledge that many individual CSOs perceive themselves as competing with other organisations. Such competition may be in the form of securing funds from governments and donors, it may relate to who can secure more effective policy influence with national authorities and it can also involve competition to build relations to local communities.

National regulators can hardly force CSOs to work together. But measures such as the provisioning of space for collaboration (e.g. an annual CSO event hosted by the national CSO regulation authority) can serve to reduce networking transaction costs considerably. By providing easy access to basic information about fellow NGOs (address, board members, field of operations etc.) national authorities can facilitate cooperation among civil society as opportunities for mutual engagements become more apparent.

When wanting to enlist CSOs to work with governments agencies on particular programmes authorities may also occasionally request that NGOs form consortia which will utilise the comparative advantages that different organisations can bring to the table.

#### *CSO internal governance and capacity*

CSOs range from small and informal groupings of community members joining hands or a common cause affecting their livelihoods on the one hand and up large formal organisations with professional staff members recruited through public media and with regular elections among the membership for office bearers. Considering this diversity it is no surprise that CSO governance varies considerably. Some have put their associations on a legal formula – with constitutions, bye-laws, job descriptions, external auditors, annual reports etc. Others take pride in the fact that they are accessible to their immediate constituency and cherish informality as a virtue in its own right.

However, many CSOs are confronted with recurring governance challenges as the associations evolve. This may relate to problems stemming from the 'founding father' syndrome: one or a few dedicated and experienced individual establish an organisation and manage to set it through formation and growth. Yet they find it difficult to relinquish control to new generations of activists – and external supporters may unwillingly be supporting this trend as they trust the



founders and are concerned to continue offering (financial) support to new and less experienced managers.

Networks and coalitions may often have distinct governance challenges as they bring together a range of different organisation varying greatly in size and organisational setup. Whereas they may be effective and instrumental as a platform for sharing experience and by bringing about joint advocacy, such network may be less well equipped to implement actual programmes as accountability can become opaque.