ROLE OF
CIVIL SOCIETY ORGANIZATIONS
IN GOVERNANCE

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TABLES AND BOXES

1. INTRODUCTION

For over two decades now, the process of globalization has been influencing the socio-economic environment in countries. While globalization provides new opportunities for economic development to countries through trade liberalization, foreign direct investment, capital flows, information exchange and technological transfer, it has meant increased deprivation for those nations which have been unable to adjust to the new requirements of global society. Thus, on one hand while we witness rapid economic growth and prosperity in some regions, there are more than a billion people who continue to live in poverty with purchasing power of less than a dollar a day. In the poorest countries, about one fifth of the children die in the first year of their birth, nearly half of those who survive are malnourished and a significant proportion of the population does not have access to clear water, sanitation, basic health services and education.

The harsh realities of increasing global inequalities had been a major concern to the international community over the years, but the new century opened with an unprecedented declaration of solidarity and determination to rid the world of poverty. The Millennium Declaration, adopted at the largest ever gathering of heads of state in September 2000, commits countries – rich and poor – to do all they can to eradicate poverty, promote human dignity and equality and achieve peace, democracy and environmental sustainability. World leaders promised to work together to meet the Millennium Development Goals (MDGs) with specific targets, including that of reducing poverty by half by 2015.

However, four years after the Declaration, progress is partial. Some regions like Asia and the Pacific and some countries like China may generally be on track, but others are not. It seems that on current trends most countries will not reach many MDG targets. Achieving MDGs requires a shift in the development paradigm with: first, new, focused and coherent strategies which prioritize the MDGs; second, sustained commitment and enhanced political will on the part of world leaders and; third, new development partnerships based on shared responsibilities among major stakeholders. It requires many combined and complementary efforts by international agencies, national governments, local authorities, private sector and civil society organizations (CSOs). Civil society has to make a larger contribution both directly and indirectly to the process of poverty reduction and attainment of other MDG targets.

In fact, one significant area of progress over the past decade has been the growing influence of local, national and global CSOs and networks in driving policy change, as with debt relief and trading arrangements. Non-governmental organizations (NGOs), community organizations, professional associations and other civil society groups are regularly called on to help design and implement poverty reduction strategies. Their participation is also built into special initiatives, like the Global Fund to Fight AIDS, Tuberculosis and Malaria.

These new approaches reflect the three roles of civil society: as participants in the design of strategies, as service providers through community organizations and national NGOs, and as watchdogs to ensure government fulfillment of commitments. But in many countries these roles are taking root only gradually, with governments continuing to dominate decision-making and implementation. By insisting on a transparent process for the development national strategies to achieve the MDGs, bilateral and multilateral institutions can help civil society gain a stronger foothold in policy-making and implementation.

The purpose of this paper is to analyze and assess the role of these increasingly important actors in development. What can CSOs do to promote local economic development and poverty alleviation? Are CSOs effective advocates of policy change? Do they have a role in ensuring greater accountability and transparency in governance? How are they contributing the MDGs? These are some questions we attempt to address in this paper. In the course of discussion, we highlight the opportunities, challenges and threats they face, illustrating, wherever possible with examples of good practices.

2. SIGNIFICANCE OF THE CIVIL SOCIETY SECTOR

Recent years have witnessed a significant upsurge of organized private, non-profit activity in countries of Asia, Africa and Latin America (Salamon and Anheier, 1997; Salamon, 1994; Fisher, 1993; Brown and Karten, 1991). Long recognized as providers of relief and promoter of human rights, such organizations are now increasingly viewed as critical contributors to economic growth and civic and social infrastructure essential for a minimum quality of life for the people (Salamon and Anheier, 1997; Fukuyama, 1995; OECD, 1995)

Despite the growing importance, civil society organizations in the developing world remain only partially understood. Even basic descriptive information about these institutions – their number, size, area of activity, sources of revenue and the policy framework within which they operate – is not available in any systematic way. Moreover, the civil society sector falls in a conceptually complex social terrain that lies mostly outside the market and the state. For much of the recent history, social and political discourse has been dominated by the 'two-sector model' that acknowledges the existence of only two actors – the market (for profit private sector) and the state. This is reinforced by the statistical conventions that have kept the "third sector" of civil society organizations largely invisible in official economic statistics (Salamon, Sokolowski and Associates, 2003). On top of this, the sector embraces entities as diverse as village associations, grass roots development organizations, agricultural extension services, self help cooperatives, religious institutions, schools, hospitals, human rights organizations and business and professional associations. As such, a comprehensive and representative understanding of the role and significance of the civil society sector continues to be a major gap in the literature, particularly in the context of developing countries.

The purpose of this section is to put the civil society sector in perspective in terms of its definition, dimensions and factors that inhibit its development in developing countries.

2.1. Definition of Civil Society
The concept of civil society goes back many centuries in Western thinking with its roots in Ancient Greece. The modern idea of civil society emerged in the 18th Century, influenced by political theorists from Thomas Paine to George Hegel, who developed the notion of civil society as a domain parallel to but separate from the states (Cerothers, 1999). The 90s brought about renewed interest in civil society, as the trend towards democracy opened up space for civil society and the need to cover increasing gaps in social services created by structural adjustment and other reforms in developing countries.

How is civil society as we know it today defined and what are some of its key elements?

"Civil society is a sphere of social interaction between the household (family) and the state which is manifested in the norms of community cooperative, structures of voluntary association and networks of public communication … norms are values of trust, reciprocity, tolerance and inclusion, which are critical to cooperation and community problem solving, structure of association refers to the full range of informal and formal organization through which citizens pursue common interests" (Veneklasen, 1994).

"Civil society is composed of autonomous associations which develop a dense, diverse and pluralistic network. As it develops, civil society will consist of a range of local groups, specialized organizations and linkages between them to amplify the corrective voices of civil society as a partner in governance and the market" (Connor, 1999).

The key features of successful civil societies which emanate from various definitions include the following: separation from the state and the market; formed by people who have common needs, interests and values like tolerance, inclusion, cooperation and equality; and development through a fundamentally endogenous and autonomous process which cannot easily be controlled from outside.

The experience of developing countries highlights a wide range of such organizations, from large registered formal bodies to informal local organizations, the latter being far more numerous and less visible to outsiders. These include traditional organizations (e.g. religious organizations and modern groups and organizations, mass movements and action groups, political parties, trade and professional associations, non-commercial organizations and community based organizations). Civil society should not be equated to non-government organizations (NGOS). NGOs are a part of civil society though they play an important and sometimes leading role in activating citizen participation in socio-economic development and politics and in shaping or influencing policy. Civil society is a broader concept, encompassing all organizations and associations that exist outside the state and the market.

2.2.   Role of Civil Society

Civil society has been widely recognized as an essential 'third' sector. Its strength can have a positive influence on the state and the market. Civil society is therefore seen as an increasingly important agent for promoting good governance like transparency, effectiveness, openness, responsiveness and accountability.

Civil society can further good governance, first, by policy analysis and advocacy; second, by regulation and monitoring of state performance and the action and behavior of public officials; third, by building social capital and enabling citizens to identify and articulate their values, beliefs, civic norms and democratic practices; fourth, by mobilizing particular constituencies, particularly the vulnerable and marginalized sections of masses, to participate more fully in politics and public affairs; and fifth, by development work to improve the well-being of their own and other communities.

2.3.   Dimensions of the Civil Society Sector

Given the importance of its potential contribution, the question that arises, is there enough presences of such organizations to make a meaningful contribution? A clear answer to this question is difficult, if not impossible. This is because of the paucity of existing quantitative and qualitative information, particularly in the context of developing countries, on the dimensions of civil society. There are, however, fragmented pieces of research, which throw some light on the size of the sector in different countries/regions.

The number of CSOs is impossible to calculate but it is safe to say it is very large. In a report by the Commonwealth Foundation, Britain alone has over 500,000 NGOs. The turnover of the 175,000 registered charities in the UK was 17 billion pound sterling a year. According to an estimate, in India alone there are 100,000 NGOs, with 25,000 registered grass-roots organizations in the state of Tamil Nadu. UNDP estimates that the total number of people 'touched' by NGOs in developing countries across the world is probably 250 million, although this almost certainly underestimates the case if account is taken of the NGO influence on public policy making (Adair, 2004).

According to a recent study of 36 developed, developing and transitional countries, undertaken by the John Hopkin Comparative Nonprofit Sector Project, the civil society sector emerged as a important economic force with an expenditure of $ 1.3 trillion, equivalent to 5.4 percent of the combined GDP of the countries studied and a major employer (45.5 million full-time equivalent (FTE) workers) accounting for 4.4 percent of the economically active population (see table 1). Out of the 45.5 million FTE civil society workers, over 20 million, or 44 percent, are volunteers. This demonstrates the ability of

TABLE 1
DIMENSIONS OF CIVIL SOCIETY 1995-2000
(36 countries)
$ 1.3 trillion in expenditures
• 5.4% of combined GDP
45.5 million FTE workforce[*]
• 25.3 million paid workers
• 20.2 million FTE volunteers
• 4.4% of the economically active population
132 million people volunteering
• 98 volunteers per 1,000 adult population
FTE = full time equivalent workers
Source: Salamon, Sakolowski and Associates, 2003.

CSOs to mobilize sizable amount of volunteer effort. Since most volunteers work fewer hours than paid workers, the actual number of people working in civil society sector exceeds this number. Estimates show that this number may be as high as 132 million, amounting to about 10 percent of the adult population in these countries.

Countries, however, vary greatly in the overall scale of their civil society workforce. For the 36 countries studied, CSO workforce as a percentage of economically active population ranged from 14.4 percent in the case of Netherlands to 0.4 percent in Mexico. Overall, civil society workforce in developed countries is, on average, more almost four times larger than that in the developing and transitional countries (8 percent vs. 2 percent). This is not to say that there is an absence of helping relations in developing countries. In many of these countries, there is a strong tradition of family, tribal, clan or village networks that perform many of the same functions as civil society institutions in a less formally organized and structured way.

Empirical research on CSOs reveals that they are performing a number of functions. On average, about 64 percent of the total paid and volunteer full-time equivalent workforce in the countries studied are primarily engaged in the service functions (see table 2). Education and social services (including child welfare, service for elderly and handicapped, emergency and relief

TABLE 2	
DISTRIBUTION OF WORKFORCE OF CIVIL SOCIETY BY FIELDS	
Sector	**Workforce by Field**
Service Function	**64**
• Education	23
• Social Services	20
• Health	14
• Development/Housing	7
Expressive Function	**32**
• Culture/Recreation	19
• Professional/Unions	7
• Civil/Advocacy	4
• Environment	2
Others	**4**
• Foundations	1
• International	1
• Not Elsewhere Classified	2
Source: Salamon, Sokolowski and Associates, 2003	

services and income support and maintenance) dominate with a share of about 43 percent within the service function.

Also important is the advocacy role of civil society. This includes its role in identifying unaddressed problems and bringing them to public attention, in protecting basic human rights and in giving voice to the wide range of political, environmental, social and community interests and concerns. Beyond political and policy concerns, civil society also performs a broader expressive function, providing the vehicle through which artistic, spiritual, cultural, ethnic, occupational, social and recreational sentiments find expression. Opera companies, soccer clubs, book clubs, places of worship, professional associations constitute example of such forum, which enrich human existence and contribute to the social and cultural vitality of community life. Altogether, about 32 percent of the civil society workforce is engaged in performing the expressive function.

CSOs are also important in creating what is increasingly referred to as 'social capital'. "Social capital is… the web of associations, networks and norms (such as trust and tolerance) that enable people to cooperate with one another for the common good. Like economic and human capital, social capital is a productive asset that accumulates with use… the institutional arrangements and values which make up social capital constitute the foundation for good governance, economic prosperity and healthy socities" (Vaneklasen, 1994).

Are there any variations in the structure and nature of CSOs' activity between developed and developing countries? While service functions of civil society sector on average absorb the largest share of CSOs' workforce in developed as well as developing countries (64 percent and 63 percent respectively), there exist significant variations among countries. In Peru, 95 percent of the CSO workforce is in the service sector, while in Poland this percentage falls to less than half. Also, in developing countries, most of paid staff performs service functions while volunteer staff tends to focus on expressive functions. In developing countries, however, both paid and volunteer efforts alike go mostly into service functions.

Another important insight into the civil society sector relates to the financing patterns of these institutions. Over half of CSOs' income, on average is generated from fees and charges for the services rendered and income they receive from investments, dues and other commercial sources; 34% comes from public sector sources, either through grants and contracts or reimbursement payment made by governmental or quasi-governmental organizations such as publicly financed social security and health agencies; while about 12 percent comes from private philanthropy, individuals, foundations and corporations. Interestingly, the pattern of financing is quite different for developed and developing and transitional countries. In the former, reliance on government sources is much greater, with the highest revenue share at 48 percent, than in the latter, where the share is only 22 percent. Compared to this, dependence on fees and philanthropy is much higher in developing countries (61 percent and 17 percent respectively) than in developed countries (45 percent and 7 percent respectively).

The picture of CSO revenues portrayed above changes somewhat when the contribution of time represented by volunteers is added to the contribution of money and treated as philanthropy. The share of philanthropy rises from 12 percent to 31 percent, making it the second largest support base to CSOs globally, ahead of public sector payments, (with share of 26 percent), through still behind fees and charges, (with share of 42 percent). In the case of developing and transitional economies, the contribution of philanthropy doubles to 33 percent. The big difference, however, is in the context of developed countries where the

share of philanthropy rises to 29 percent (from 7 percent). This reflects the substantial volunteer presence in the workforce of the civil society sector in these countries.

2.4. Impediments to Growth of Civil Society in Developing Countries

The issue of the small scale of the civil society sector in developing countries, where their potential contribution to the achievement of MDGs is high, deserves further attention. If these organizations are to be strengthened, it is important to understand what factors have historically hindered their growth.

Variation in the scale and nature of civil society sector in different countries is largely affected by the historical, cultural, social and political environment, a number of impediments to growth of CSOs can be identified as follows: (Salamon and Anheier, 1997)

Authoritarian Political Control: Perhaps the most basic factor accounting for the generally retarded pattern of the third sector development in many developing countries is the long history of authoritarian rule. In Latin America, for example, the nonprofit sector in Brazil has taken shape in the historical context characterized by a strong state and a weak civil society. As Landim (1998) puts it, "In Brazil, the state has always taken on itself the task of creating society, whether by arranging groups and individuals… or by intervening to destroy autonomy." Strong state control also figured prominently in the histories of Egypt and Ghana, in Africa. First under the Ottoman Empire and later under British colonial rule, Egypt was ruled by a succession of authoritarian leaders with only limited opportunity for effective democratic involvement. Similarly, in Ghana the pre-colonial societies were organized in traditional tribal form with local chieftains exercising dominant control. In India, Bangladesh, Nepal and Pakistan (in South Asia) history is dominated by successive empires that rose, flourished and declined, with a hierarchical social form, with limited social organization outside the control of the state.

Given this pattern of authoritarianism, little room was left for a truly independent third sector in these societies. What charitable institutions emerged therefore had to fit within the prevailing structures of political and social power and avoid posing serious challenge to the dominant political authorities. Passivity and dependence rather than empowerment and autonomy thus became the early watchword of nonprofit sector activity.

Authoritarian political control did not end in these countries with independence. Rather, it persisted. The upshot has been a persistent atmosphere of distrust between the nonprofit sector and the State in many of these countries. The State remains highly watchful of its power and too easily interprets the emergence of CSOs as a challenge to its very legitimacy. In Egypt, for example, this distrust is currently fueled by the antagonism between a strong secular State and Islamic fundamentalist groups that are using civil society institutions as a way to strengthen their links with the urban poor. In Brazil, State distrust is a residue of a recent authoritarian past and a social and economic policy that seeks to build up the private business sector and still views the "citizen sector" as an antagonist. In Thailand and India, a stronger tradition of partnership in emerging, though not without deep-seated reservations about the bonds that have formed between indigenous nonprofit institutions and their foreign supporters. In Pakistan, the new NGO Bill is a reflection of the continued effort by government to "keep a close eye" on the CSOs.

Religion: Religion has a multiple impact on the development of the nonprofit sector. In addition to the basic creed and the support it gives to acts of charity, crucial other facets of

religion's impact need to be taken into account – its posture toward individualism, its commitment to institution building, and its relationship with State authorities. Indications are that while religions can share a positive orientation toward philanthropy, they may not generally be supportive of the emergence of CSOs.

For example, the church in Brazil functioned historically to reinforce secular authority and a monolithic system of social and cultural control, thereby sharply reducing the opportunities for developing an independent nonprofit sector. In Pakistan, human right CSOs, particularly working on issues like women's rights, are constantly challenged and sometimes threatened by the dominant religious fundamentalist segments of society which continue to have influence over the state.

Colonialism: Another factor that helps to explain the generally retarded pattern of third sector development in the third world is the recent history of colonial control. Like religion, however, colonialism's impact on third sector development has been multi-dimensional. What is more, it has varied somewhat depending on the national traditions and values of the colonial power. Colonialism has tended to undermine the independence of local social classes that might have provided the rallying point for civil society institutions. This was particularly true of the Spanish and Portuguese colonial traditions, which created especially authoritarian political and social structures in their respective colonies. In much of Latin America, colonialism created a highly inhospitable environment for the emergence of truly autonomous civil society institutions that might have challenged the monopolistic power of the colonial regime and its local allies.

Low Income and Constrained Social Development: Perhaps the most important impact of colonialism on some of the countries was the constraint it exercised on social development. One of the principal consequences of the colonial experience, in fact, was to limit the space that indigenous middle class elements could occupy in the developing world. This was so because the colonial administration handled many governmental and commercial functions that might otherwise have been performed by the indigenous people, thereby restricting middle class professional opportunities. What middle class cadre emerged in these countries thus tended to be tightly bound to the colonial administrations and therefore lacked the independence characteristic of the urban commercial and professional middle class elements that emerged in Western Europe during the dawn of the industrial era.

This situation persisted because of the general poverty and lack of development in these countries. As growth had gathered momentum in at least some regions, however, this situation is changing. Indeed, the significant upsurge of nonprofit activity in countries like Brazil, Thailand and Egypt over the past two decades can be attributed in part to the emergence of a sizable new urban middle class as a result of recent economic growth.

Limited Resources: An important factor hindering the growth of the civil society sector is the scarcity of financial resources. Funding constraints limit the scale and functioning of CSOs, significantly impairing their ability to deliver and maintain services. In case of large NGOs, in particular, heavy reliance is frequently placed on funding from foreign donors. This is making CSOs more reflective of donor interests than those of their communities or designated target groups. Many CSOs have to review their missions or undertake work outside their mandate just to survive. The difficult economic conditions make local fundraising very difficult. Competition for scare resources is also limiting opportunities for coalition-building, long-term institutional development and other aspects of local capacity

building. Their performance in terms of poverty reach and popular participation is also compromised. "In some instances they have neglected the landless, and other marginalized people, thereby failing to reach the poorest of the poor" (UN-NADAF, 1990-2001). Sometimes only certain regions are serviced by well-equipped CSOs, neglecting other areas more desperately in need.

Legal Treatment: A further factor impending the development of the nonprofit sector in some developing countries has been the legal environment within which nonprofits must operate. Certainly in civil law countries such as Brazil, Thailand, and Egypt, where no "basic" right to organize is automatically recognized in law, formal law can shape the environment for action rather fundamentally. Reflecting the generally authoritarian politics that have characterized these countries during much if their recent history, the legal structure for civil society activity has been quite restrictive. For example, the Religious Bodies Registration Act of 1981 in Ghana revoked the legal status of all religious CSOs and required them to reapply through a highly restrictive registration procedure. In Brazil, Law 91 of 1935, regulating the public utility statues of CSOs, was used as a means of political control and favoritism. In Egypt, Law 32 of 1964 establishes de facto government control of large segments of the civil society sector and in Thailand, the Cremation Welfare Act of 1974 was passed by the military government to preempt feared infiltration by communists. The Act required all existing local cremation and related communal welfare societies to register with the central authorities in Bangkok and to submit to State supervision.

In other cases, the basic legal provision affecting CSOs in India, Pakistan and Ghana were borrowed from those in force in late 19th and early 20th century England through a system of legal ordinances. The environment for CSOs in these countries therefore appears quite open. To get around these general legal provisions, however, governments have added various restrictions to limit their general thrust and make them more cumbersome. Thus, for example, tax laws and related legislation often establish significant obstacles to the operation of CSOs. What this makes clear is that establishing an enabling legal environment for civil society action is only a first step towards opening a way for a viable civil society sector. A variety of other obstacles can easily frustrate the intent of even the most supportive legal provisions.

The Development Paradigm: One other factor helping to explain the historically constrained pattern of civil society sector development in the third world is the changing fashion in development policy and development ideology. During the 1950s and 1960s, development thinking emphasized the importance of a State as the principal agent of modernizing reforms. As a consequence, considerable effort went into differentiating a sphere of State action outside the pre-modern structures of tribe or community, and into creating modern, secular administrative structures that could effectively operate in this sphere. This development framework included a sphere of business in addition to that of government, but it downplayed, if not excluded, CSOs which were viewed as only marginal in the frame of affairs.

The shift to "structural adjustment" in the 1980s did not change this fundamentally. To the contrary, the "structural adjustment" paradigm of development merely replaced government with the private business community as the mode of development. In the process, however, it reinforced an essentially two-sector model of society that left little room for a vibrant civil society sector. The lack of civil society growth is thus understandable given that it been historically neglected in the central policy debate.

In short, the development of the third sector seems to have been inhibited by a long history of authoritarianism; by colonial heritage and a history of limited economic growth that restricted the growth of an independent urban middle class; by religious traditions that placed less emphasis on "modularity" and the fostering of independent institutional structures; by legal structures that often placed impediments in the way of civil society formation; and by development policies that stressed the creation of a modernizing State and later the development of private enterprise rather the promotion of independent institutions outside the confines of the market and the State.

3. CSOs' ROLE IN LOCAL ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION

Recent years have witnessed a considerable upsurge of interest throughout the world in CSOs, which are now recognized as strategically important participants in the development process and an effective but underutilized vehicle of development. The rising popularity of CSOs is largely in response to the widespread disillusionment with the performance of the public sector in developing countries. In fact, even governments are now increasingly viewing CSOs as an integral part of the institutional structure particularly for addressing the problem of rising poverty. This is reflected in the poverty reduction strategy put in action by governments in most developing countries.

What is the link between civil society and poverty alleviation? What role can CSOs play to help tackle the problem of poverty and promote local economic development? Arguments in favor of CSOs include:

- CSOs are perceived as more flexible, participatory and responsive to local needs of the poor - all prerequisites for sustained development. State bureaucracy and corruption erodes finances and policies are often motivated by institutional, political and even kinship interests. These policies are typically urban based, delivering to politically favored areas (Lehmann, 1990) CSOs can counter this by targeting pockets of poverty better.

- CSOs can potentially foster and support grassroots organizations to become more numerous, sizable, resourceful, and self-reliant. Also, grassroots contacts enable CSOs to provide critical information on potential crisis and thus contribute to early warning systems.

- Typically, CSOs require less financial inputs than government agencies and therefore are more cost effective, an attribute that is important in financially constrained third world countries.

- CSOs can be more resourceful and innovative as they involve local communities in the identification and resolution of development problems which are more cost effective, more sustainable, and more compatible with community values and norms.

- Over and above these direct development roles, CSOs also have a very important advocacy role to play in promoting effective governance.

Specifically CSOs, both local and international, can potentially contribute to local economic development and respond to the growing problem of poverty in a number of ways. Their responses can be categorized into the following: improve the local business investment climate; encourage new enterprises and livelihood programmes; deliver social services, provide training and capacity building programmes; and contribute to relief and rehabilitation. A summary of their roles and activities is present in Box 3.1.

BOX 3.1 **CSOs' ROLE IN LOCAL ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION**	
TYPE OF ROLE	**ACTIVITIES**
Improve the Local Business Investment Climate	
1. Economic Infrastructure Provision and Maintenance 2. Improve Policy for Business 3. Improved Governance 4. Investment Promotion and Marketing	• Implement programmes on portable water supply, sewerage and sanitation and garbage disposal. • Management of irrigation water. • Housing development programme • Encourage and expand alternative source of energy. • Advocacy for improved legislative and fiscal policies. • Advocacy for curtailment of corruption and inefficiency. • Improve information flow and networking for increased accountability. • Initiate crime prevention measures. • Improve flow of information to improve awareness.
Encourage New Enterprises and Livelihood Programmes	
1. Income Generating Project 2. Micro-finance Project 3. Organize Cooperatives	• Assist and finance small projects for community groups and individuals like women's industrial homes etc. • Give credit and loans to feasible projects and small business individually or collectively. • Provide advise on finance, business planning, marketing, laws etc. • Assist communities and sectors in establishing cooperatives, like in agriculture, housing etc.
Deliver Social Services	
1. Education 2. Social Welfare and Other Social Sector 3. 4. Health 5. Integrate Low Income and Head-to-Employ Workers	• Conduct literacy programs. • Provide increased business focused education. • Implement heath programmes. • Organize occupational health standards. • Implementing programmes and projects for child labour, child-care, the elderly etc. • Implementing and supporting HIV/AID family planning, immunization, etc. • Helping women access employment and self-employment programs. • Skills retaining and job placement programs particularly for minorities and other marginalized groups.
Training and Capacity Building	
1. Entrepreneurial 2. Vocational/Technical 3. Institutional Capacity Building	• Provide training for building entrepreneurs. • Provide specific skills training • Provide workshops and seminars for upcoming grassroots organization in basic institutional skills like book keeping/accounting, management etc.
Relief and Rehabilitation	
1. Relief and Rehabilitation	• Provide emergency services such as temporary shelter, food etc after disaster or conflict. • Enhance community preparedness for natural calamities and other disasters. • Community organization for rehabilitation. • Delivery of social safety nets to the needy.

3.1.   Improve the Local Business/Investment Climate

Civil society sector's contribution to the improvement of the local business environment is multidimensional.   It accomplishes this through provision and maintenance of crucial economic and social infrastructure; advocacy for improved policy and governance; investment promotion and marketing and networking to improve flows of information to enhance opportunities.

Access to services, infrastructure, research and technology have a decisive influence on the level and pattern of growth and private investment. Better infrastructure can lead to increased production, technical change and strengthen market linkages. CSOs are playing an active role in the provision and maintenance of services needed by industrial units. In particular, organizations engaged in development work absorb a higher proportion of CSOs workforce in developing and transitional countries than in the developed ones (Salamon, Sokolowski and Associates, 2004).   There are examples in developing countries where civil society has taken charge and substantially augmented or more or less substituted provision of basic services like water, sanitation by public sector (See Box 3.2). Box 3.2 provides illustration of how civil society's involvement can complement government capacity and contribute to improve economic conditions.   Because CSOs are inherently more flexible, innovative, cost effective, participatory and responsive to local needs their increased involvement in the provision and maintenance of infrastructure can significantly boost local economies, particularly the initiative for targeting the poor.

BOX 3.2
IMPROVING THE QUALITY OF LIFE ON SELF-HELP BASIS:
LOCAL COMMUNITY TAKING CHARGE

Disappointed by the lack of basic service provision by the government, the local squatter-settlement community of Orangi in Karachi, Pakistan, took charge and installed water supply and sanitation scheme on self-help basis. The Orangi Pilot Project (OPP) was the brain-child of Dr. Akhtar Hameed Khan, a world authority on self-reliance for social development. Through the use of innovative approaches and alternative technologies, taking account of community needs and affordability, OPP installed potable water and sanitation schemes in the community, significantly reducing the incidence of disease and illness.   The programme is an example of the strength of social mobilization and the principle of self-reliance. It has been successfully expanded to include micro-credit and has been replicated in other parts of the country. Another example relates to irrigation water. Properly functioning and well maintained irrigation systems is the backbone of the rural development in agriculture based economies, particularly in Asia. Lack of access to adequate water supply due to inefficiency and poor maintenance of the system is a major cause of concern to small holders particularly those at the tail end of the irrigation system. However, public sector operated and maintained irrigation system schemes are characterized by problem of under-utilization, poor maintenance, poor access at tail end and non-viability more or less all over South Asia. Both water charges and recovery rates are low making the sector highly subsidized and non-viable.   Involvement of stakeholders through the establishment of Lift Irrigation Co-operative Societies in Gujrat in India led to a remarkable turnover in the situation significantly improving not only the efficiency and equity in the system but also the recovery rate resulting in an improved resources for maintenance of this system. The outcome is the Gujrat government resolution which actively invites farmers to participate in the management of the irrigation system.

Furthermore, through advocacy, CSOs can also play a very significant role in influencing economic and political policies that impact upon local development in general and the poorer sections in particular. The agents of an active society, for example, can give useful input on

the thrust and design of economic policies. Public policy think-tanks, as well as academic and journalistic writers are able to provide support in terms of intellectual vision and can help to define development paradigms and objectives, as well as design and promote specific policy agendas. This independent source of creative intellectual input and visionary thinking provides an important conduit for the development of strategic rather the reactive approaches to development challenges.

An important problem in some of the developing countries is over-centralization of decision making and the lack of stake holders involvement that permit patronage of powerful special interests and high levels of corruption. Corruption diverts scarce funds from development projects and social safety nets into private pockets. Furthermore it lowers investment, decreases efficiency and becomes an additional tax, thereby adversely affecting economic growth. Civil society can play a major role by contributing to greater transparency and accountability. Accountability has three dimensions: financial accountability implies an obligation of the persons handling resources, public offices or any other position of trust to report on the intended and actual use of the resources; political accountability means regular and open methods of sanctioning or rewards those who hold positions of public trust through a system of checks and balances; administrative accountability implies system of control internal to the government including civil service standards and incentives, ethnic codes administrative reviews (Rondinelli and Cheema, 2003)

Through the free flow of information, which is clear and accessible, civil society groups, particularly a vibrant press, can serve as a monitoring mechanism to ensure that government policies are carried out in a manner intended and thereby significantly contribute to good governance.

Social mobilization – organization and strengthening of CBOs at grassroot/sectoral levels is another major contribution of CSOs. Many civil society groups are constituted around specific issues of social concern such as the environment, labour rights, gender equality and public health. The advocacy role played by these groups helps to bring these issues to the public spotlight and in some cases even helps to change prevailing social norms. Box 3.3 presents an illustration of how a CSO in Dominican Republic is committed to changing the status of women in the country. Although this function of civil society has often been the source of controversy, there is little doubt that it does contribute to the inclusion of issues of social concern into the policy-making process, thus improving the quality of development policies and practices.

BOX 3.3
DOMINICAN REPUBLIC – CENTRO DE INVESTIGATION PARA LA ACCION FEMININA
The *Centro de Investigacion para la Accion Feminina* (CIPAF), a women's NGO in the Dominican Republic, is promoting lasting social change in the status of women. It tries to engineer basic changes in attitude through programmes of research, education, training and public information. By mobilizing the energies of middle-class women, it has organized over 200 workshops, trained thousands of workers and issued 31 publications. One of CIPAF's major studies has been *Mujeres Rurales* – a report on the condition of peasant women. It followed this up with a nationwide information campaign to highlight the findings of the report and seek concrete changes in government policy. It is now completing a sequel on the problems of urban women. CIPAF publishes a monthly newsletter that is reproduced in a nationwide daily newspaper and it has conducted graduate seminars in the Dominican Republic, Honduras and Panama.
Source: HDR, 1993

3.2. Encourage New Enterprises and Livelihood Programmes

Encouraging new enterprises involves providing advice, technical support, information and resource to help individuals set up their own businesses in the form of sole entrepreneurs, partnerships, cooperatives or community enterprises in various agricultural, industrial or trading fields. Micro-enterprise financial support is key to enabling businesses to start up, as they usually cannot access traditional financial institution.

Civil society organizations in recent years have increasingly widened their activities to include income generating programme and micro-credit. Their success is in part based on their comparative advantage in both identifying the needy segments and their ability to target them. Their impact can be significant, of course depending on the prevailing socio-economic condition in the country. A number of countries, for example, have replicated the successful Grameen Bank experiment of micro-finance in Bangladesh where NGO sector is well developed (see Box 3.4).

BOX 3.4
SUSTAINABLE LIVELIHOODS: PUTTING PRINCIPLES TO PRACTICE

The example of Grameen Bank of Bangladesh in initiating microfinance is a widely quoted one. Here we give examples of other institutions, more or less, replicating the Grameen experience. Bangladesh Rural Advancement Committee (BRAC), PROSHIKA and ASA are examples of large NGOs operating in Bangladesh is the sphere of poverty alleviation through micro-credit, skill development and employment generation. About 95% of the micro-credit disbursed by the NGOs is in rural areas, benefiting about 8.7 million people (85%) of which are women. Micro-credit is provided to the poor for self-employment, income generating activities, afforestation and other poverty alleviation programmes. The income generating activities, where substantial micro-credit disbursement has been made, include small trade (42 percent), livestock (18 percent), agriculture (13 percent) and food processing (9 percent). Till June 1999, total number of active members benefiting from the NGO operational programme stood 9.7 million. About 95 percent of the micro-credit disbursement was in rural areas in Bangladesh. BRAC, PROSHIKA and ASA accounted for 60 percent of active membership, 71 percent of each commutative disbursement and net saving, 61 percent of the revolving loan fund and 72 percent of outstanding loans. Their impact on poverty alleviation, therefore, is not insignificant.

In practice, a range of practices have been adopted by different major micro-finance institutions (MFIs). Most engage in retail lending, and in some cases, like Grameen Bank, their clientele exceeds 2 million. Loan size are generally small, at less than US $ 200, although there are notable exception. Both individual and group lending contracts are possible. Most MFIs do not require physical collateral. The common practice is to engage in progressive lending, with successively larger loans as the borrowers build up successful credit history. Repayment schedules can be flexible. Some MFIs only target the poor, while in other cases the non-poor also have access. Most MFIs charge a high interest rate on loans. The Grameen Bank, for instance, charges 20% while in some MFIs the annual interest rate even exceeds 50%. Despite the high interest rate, most MFIs are successful in keeping the default rate low.

There are a number of advantages of micro-finance. First, group based lending reduces the transaction cost of credit delivery and mitigates problems of adverse selection. Also, peer monitoring within the group reduces the risk of default and moral hazard. For instance, in group lending it is not the individual, but the community who is responsible for repayment of the loan. An incentive for all members to oblige is that if a member defaults, the whole groups creditworthiness is adversely affected. Second, microcredit schemes enable substitution of physical collateral. Unlike conventional banks, physical collateral is often

substituted with social collateral or pledge of a fixed proportion of the loans as collateral to the organization.

Third, micro-finance provides dynamic incentives to serve high repayment rates. Micro-financing programmes begin by lending small amounts and then increase the loan size upon satisfactory repayment. The repetitive nature of the interaction, and the threat of cutting off a loan in the case of default, are used to overcome problems of asymmetric information, and improve lending efficiency. In this was, these incentives motivate a high recovery rate. The recovery rate for the Grameen Bank, for example, is over 90 percent. Fourth, the cost of borrowing is lower for the clients of microfinance schemes, because no physical collateral or other requirements are involved in the loan procedure. Similarly, it is believed that the rate of interest paid by the borrower in these schemes is lower than the interest rate charged by local moneylenders.

Besides finance, someone establishing a business for the first time needs to know how to produce his /her product. They also need to understand finance, business planning, marketing, and some aspects of the law including employment, taxation, safety environmental legislature and so on. The provision of un-formable training and support in these areas is a basic need. Also, people learn from each other. Networks facilitate that learning. These services can be effectively provided by CSOs like is being done by Sungi and NGO Resource Centres in Pakistan, etc. Box 3.5 provides an example of a successful civil society intervention of technology development in promoting sustainable livelihood in Pakistan.

BOX 3.5
REHABILITATION LAND: PROMOTING SUSTAINABLE DEVELOPMENT
In arid and semi-arid regions around the world irrigated areas are threatened by salinity and water-logging. In Pakistan this twin menace is responsible for taking 5.8 million hectares of prime agriculture land out of production – leaving farmers with little or no income. Between 1998-2003, Pakistan Community Development Project for Rehabilitation of saline and waterlogged land operated in three districts in Central Punjab with the objective to develop and promote sustainable biological farming systems for reclamation and rehabilitation of saline and water logged land. This Aus AID and UNDP initiated project's primary focus is to develop productive and profitable farming systems for these lands. A central aspect is the development of community organizations – Salt Land User Group and Women's Interest Groups – to promote the demonstration and adoption of appropriate, biological and sustainable technologies. These included planting salt-tolerant trees, shrubs, grasses and crops in addition to other biological interventions to reduce salinity and water logging. The process required a great deal of hard work and commitment from the farmers. Effective social mobilization technologies generated interest, hope and commitment. Over the past four years, the project has yield significant results. The project has helped farmers facing the threat of deep poverty reclaim more than 13000 acres of degraded land. There has been over a 300 % increase in the assets value of poor farmers.
Source: UNDP, Good Practices in Asia and the Pacific, Expanding Choices, Empowering People.

3.3. Delivery of Social Services

Efforts to sustain economic development and reduce poverty are unlikely to succeed in the long run unless there is greater investment in human capital, particularly of the poor. Ample evidence exists that improvements in education, health and nutrition not only directly attack some of the most important causes of poverty but is also ensure sustained supply of productive labor – an important factor of production and contributor to economic growth.

The link between education and productivity is well established and documented. The principal asset of the poor is labor time. Education and training leads to a higher income at the individual level and higher growth at the macro level. A study of small and medium-size enterprises in Colombia showed that entrepreneurs background – skills, education and previous experience – strongly influences both technical efficiency and the profitability of the enterprise. Providing training and capacity strengthening through entrepreneurial, vocational/technical training and workshops for upcoming business and grassroots organizations is therefore, of core importance. Illustrations of the contributions of CSOs in providing education, improving curriculum to make it demand oriented, and providing training are, plentiful and include BRAC in Bangladesh, Basti in Pakistan.

Furthermore, integrating low income or hard-to-employ workers and the targeting of disadvantaged groups is also an important cornerstone of poverty alleviation strategies. This implies institution of measures targeted at groups of individuals such as ethnic minority groups, poor, women, redundant workers, the unemployed and youths. There are examples of CSOs rising because market fails to offer the goods and services these groups need. The potential measures may include retraining in skills for which there is local demand and job placement programs, programs focused on women employment/credit provision etc. The Self-Employed Women's Association in India is an striking example of how poor and disadvantaged people can enhance their bargaining strengthen through cooperation (Box 3.6).

BOX 3.6
INDIA-SELF-EMPLOYED WOMEN'S ASSOCIATION

The Self-Employed Women's Association (SEWA) is a trade union of poor women in Ahmedabad, India (in Hindi, *sewa* means service).

SEWA draws its membership from three types of workers: petty vendors and hawkers, home-based producers and those who provide casual labor and other services. Although it started in response to the needs of urban women, SEWA now also covers rural women in agriculture and other sectors.

SEWA's aim is to enhance women's income-earning opportunities as well as their working environment. It does this in several ways.

- Savings and credit cooperatives provide working capital to hawkers, vendors and home-based workers.

- Producer cooperatives help women get better prices for their goods.

- Training courses impart such skills as bamboo work, block printing, plumbing, carpentry, ratio repaid and accounting and management.

- Legal services enable women to obtain the benefits of national labour legislation. Until SEWA was formed in 1972, the women in the informal sector were not recognized as workers, either in law or by society.

SEWA has also developed a welfare component. It now gives assistance to its members through a maternal protection scheme, windows' benefits, child care and the training of midwives.

Source: HDR, 1993

CSOs due to their flexible and need responsive nature of their activities can play an important role in the provision of such social services in very innovative ways as demonstrated in the example presented in Box 3.7.

BOX 3.7
A COMMUNITY CHILD CARE AND NUTRITION PROGRAM IN COLOMBIA

A high proportion of Colombia's population lives below the poverty line. In the towns the worst poverty is borne disproportionately by children, who are at risk from malnutrition, illness, neglect, isolation, and violence. To address these problems, the Colombian government and local NGOs developed a system of pre-school child-care that includes a feeding program and health monitoring.

The target group-children age 2 to 6 and their parents-is drawn mainly from the poorest 20 percent of the population. A group of parents selects a "community mother" to provide day care and other services for fifteen children in her home. With the help from the National Family Welfare Institute, the community mother receives training, a small monthly stipend, and a credit to upgrade the home to minimum standards of hygiene and safety. The institute also provides food, including a domestically produced nutritional supplement, to meet 80 percent of the daily requirements of each child. The service is much in demand. It started on a broad scale in 1987 and by late 1989 had served half a million children.

Participating children receive improved nutrition and care as well as exposure to preschool learning activities. Community mothers are benefiting from additional income, and parents – often single female heads of household-gain an opportunity to seek remunerative employment outside the home. In addition, the program's subsidies are better targeted to the poor; day care centers largely serve a middle-and lower-income.

3.4. Relief and Rehabilitation

It may take a long time for some of the poor to fully participate and benefit from policies like those mentioned above and the old or disabled may never be able to do so. Even among those who benefit from the policies and strategies, there will be some who remain acutely vulnerable to adverse events. Such groups of people can best be helped through a system of social safety nets – including income transfers, food distribution, some form of income insurances/relief or protection through short term stress and calamities etc. CSOs role in relief and habilitation is probably the oldest and the most common one particularly in developing countries. Providing emergency services such as temporary shelter, food, etc. after disaster or conflict, community organization for rehabilitation are the most traditional forms of activities undertaken by CSOs. CSOs bring five main strengths to relief and emergency work: early warning of disaster; advocacy for international aid; speedy response; cooperation with indigenous organizations; and, disaster preparedness. Box 3.8 presents an example of how community cooperation helped in minimizing the impact of natural calamity in India.

BOX 3.8
COMMUNITY BASED DISASTER PREPAREDNESS:
BRACING FOR THE STORM

The Indian state of Orissa, prone to floods, cyclones and droughts, suffered heavy losses of life and property during the rupee cyclone that hit in October 1999. The need was felt for reducing the future vulnerability of communities by strengthening the capacity of government functionaries as well as communities to cope with natural hazards. During the June 2001 floods, contingency plans developed under the project came into action, thus significantly minimizing both material and human damages. The project also mainstreamed stakeholders' participation in disaster management activities, thereby enhancing an integrated and comprehensive response network. These initiatives helped the state government to develop a state disaster management plan and policy. Currently in draft form and due to be placed in the Orissa State Legislature Assembly for approval.

Source: UNDP, 2003

Box 3.9 presents examples of governments and communities coming together in countries like Armenia, Uzbekistan and also China to improve the efficiency of funding going into relief for specific communities. In Africa, the post-conflict emergency relief activities of CSOs attract a lot of donor funding. The case for a role CSOs in relief and rehabilitation is strong because of their proximity to the target communities – they know the communities better. As such they can improve the targeting efficiency (the extent to which a program expenditure actually reaches the poor); enhance ease of access (level of transaction costs imposed on eligible households in accessing the programme); and, maximize program benefits (measured by the program budget spent on benefits rather than administration costs). In conclusion, it is clear that CSOs are playing an important role in promoting local economic development and poverty alleviation through improvement in local business and investment climate, livelihood programs, delivery of social and economic services and relief and rehabilitation.

BOX 3.9
COMMUNITY BASED TARGETING FOR SOCIAL SAFETY NETS: SOME INITIATIVES IN TRANSITIONAL AND DEVELOPING ECONOMIES

In 1994 the Uzbek government experimented to involve quasi-official, quasi-religious community groups known as 'mahallas' in the decentralized targeting of child benefits and other types of social assistance to low-income families. The mahallas were given considerable discretion in deciding the beneficiary family and the amount of benefit. External reviews of the programme suggest benefits were targeted relatively well (Coudouel, Marrie and Micklewright, 1998).

In Armenia, chronic public sector financing problems and low pay for doctors and teachers has meant that health and education had become de-facto fee-for-service programs, even before user fees and charges were explicitly set. Parents of children enrolled in public schools have been paying for food, for instruction that falls outside the core curriculum, and for fees for textbook. This type of fee acts as a barrier to access to the poor (World Bank 1999). To respond to the problem, the government established a school textbook waiver program. The government allocates a fixed amount to each school in an amount sufficient to waive annual textbook rental fees for 10 percent of students. The remaining 90 percent of funds required are to be raised by charging parents a rental fee of approximately US $ 1 for each textbook their child uses. The decision as to which students will be exempted is in some cases made by the school principal, in other by the school parent-teacher association (World Bank 1999).

In China, local communities have been responsible for providing assistance to the needy, or so-called "Five Guarantee" households. Under a new 1985 law "local autonomy was granted in standard setting and financing, with the central government only concerning itself with statutory grants to martyrs, disabled soldiers, and incapacitated veterans in institutions" (Wong 1994). The legislation was perhaps not as significant as one might think however. Urban welfare benefits obtained through employers were lavish, but rural benefits negligible. State funds for rural welfare programs were limited. However, as migration to cities has increased in recent years, urban neighborhood committees have taken on increased responsibilities for providing informal welfare services, but the level of benefits remains low (Johnson 1999).

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4.   CSOs AS ADVOCATES OF POLICY CHANGE

The increasing global trend toward democratization has opened up the political space for CSOs to play a more active policy influencing role. The promise of democracy becomes a reality when people's voices are heard by policy makers and when groups (especially marginalized sectors of society) begin to participate in the marketplace of competing interests. According to a World Bank report (2002), "CSOs have become significant players in global development finance, are increasingly influencing the shape of global and national public policy... The growing focus among policy makers and citizens on the need for good

governance and greater transparency has also opened doors for CSOs as players in the development business. Parliamentarians, media and other opinion leaders increasingly rely on CSOs for information and policy advice".

Some of the questions which arise in the context of CSOs as advocates of policy change are as follows: Why should CSOs get involved in policy? What are some of the strategies that they can employ? What has been the role of CSOs in poverty reduction policy? Are CSOs active only at the local and national level? If not, what is the role of CSOs in global policy making? And finally, what are some of their constraints and limitations?

4.1.   CSOs Involvement in Policy

CSOs are increasingly demanding involvement in the policy formulation process. They argue that they now play a major role in the implementation of the policies that are formulated by the government, especially those that deal with sustainable development and poverty alleviation. In other words, the CSOs' programs are directly affected by the policies that the government produces. CSOs feel that in order for the government to formulate policies that are appropriate for sustainable development, their involvement is necessary since they work for development and can make important inputs to the policy making process. This involvement of CSOs in policy issues will increase the likelihood that the CSOs understand the policies fully as well as ensure that policies are appropriate to the needs of the people, feasible and implementable on the ground. They can use grassroots experiences and innovations as the basis for improved policies and strengthening local capacities and structures for ongoing public participation.

CSOs can provide information that is vital for the development of policies that are appropriate to the community the policy is meant to serve. CSOs, as watchdogs, can also apply pressure on the government to ensure that appropriate policies are enacted and implemented. In the implementation of policies, CSOs can monitor the application of the laws and also, where compatible with community interests, design programs that complement rather than undermine or contradict government policies.

In most developing countries, CSOs have programs that complement the policy goals and programs of the government such as the MDGs. This necessitates a close working relationship between governments and CSOs in the formulation of policies. Also, the grassroots groups and support organizations help give voice to those who have been historically marginalized and provide them with a crucial vehicle for exercising their rights and holding government accountable. As such, they play a vital role in strengthening democracy and the skills of citizenship essential to healthy societies. Increasingly groups are concerned about gaining the necessary leverage and power, often through coalition-building, to expand these democratic opportunities and to ensure the success of their development and policy efforts.

However, inclusion in political systems long dominated by elites depends, in part, on the institutional strength of policy newcomers — CSOs, and, in part, on the perceived legitimacy of their participation itself. The challenge of building an effective policy influencing organization increases as groups seek to shape positive policy environments as well as protest negative ones. For example, winning policy advantage requires that mobilized public opinion be accompanied by convincing analysis that is at least on a par with the analytic capability of the decision makers CSOs are trying to influence (Clark, 1992). The dual challenges of

effectively mobilizing arguments as well as people are great. Arguments that gain the attention of development policy makers on the one hand call for "expert" knowledge of both the issue and the decision making process, while public outcry and protest actions that constrain decision makers' power call for an active and organized grassroots constituency.

Policy influence efforts may or may not create conditions that foster greater popular participation in the future. A movement may not achieve its immediate policy objectives, but getting its issue on the public agenda expands the range of voices engaged in the political process, and so expands political space. On the other hand, attempting policy reform through means that too dramatically threaten vested interests may engender a dangerous backlash from social and political elites, a problem of special importance in less open political regimes.

Similarly, policy influence campaigns can be carried out in ways that strengthen grassroots organizations and their direct voice in affairs affecting them, or they can be implemented by intermediaries for whom the grassroots are clients. The latter can lead to the evolution of a civil society with a strong professional advocacy sector and a weak (unorganized and non-participative) grassroots base (Jenkins, 1987). As such the strategy employed in the attempt to influence policy is perhaps as important a determinant of success in participation as the willingness to participate. We next turn to the important question: What are some of the major strategies used by CSOs to bring about policy change?

4.2. General Strategies Employed by CSOs

Covey (1994) provides a clear breakdown of strategies used by CSOs to influence policy. She says that CSOs use five strategies to influence national policy formulation. These strategies are education, persuasion, collaboration, litigation and confrontation.

The education strategy is one where the CSOs attempt to give the government a lot of information, analysis and policy alternatives. CSOs also educate the government by creating and testing innovative development approaches that could be adopted by the state. Education is done through workshops, conferences, physical visits and initiation of pilot projects. Education strategies may also target other groups besides the government such as the public at large, the media, and CSOs or community members.

In using persuasion as a strategy, a CSO acts like a pressure group to press for policy changes and show public support. The idea here is to convince the government that the CSO supported policy or policy change needs to be recognized and enacted into legislation. Persuasion is done through various means, which cover meetings, workshops, conferences, invitations to the site, lobbying, demonstrations and even strikes. The main aim is to pressurize the government into changing its policy direction.

The collaboration strategy is one where a CSO works hand-in-hand harmoniously with the government. Relations are usually good and amicable between the government and the CSO that is collaborating with it. Collaboration calls for mutual trust between the government and the CSO it is dealing with. It also calls for transparency within the collaborating bodies. That is, both sides need to show all their intentions, interests, needs, goals, agendas, etc. to each other. This is the basis of building trust and relationships.

In the litigation strategy, the CSOs use the courts to press for policy change. When a CSO believes that the law is being broken or misapplied it can take the government or other

offending parties to court for the issue to be legally dealt with. In Zimbabwe the Commercial Farmers Union took the government to court over the new land policy by which the government aimed at redistributing land. The government intended to repossess land that it regarded as lying idle and to resettle people from the communal areas there. On the other side, the commercial farmers were arguing that their land is private property. So the union took the government to court for embarking on the resettlement policy and legislating it by the 1992 Land Acquisition Act (Sibanda, 1996).

Lastly, confrontation involves protesting in various forms for policy issues. The protests usually involve radical tactics such as violent demonstrations, destroying property, etc. In most cases, relationships between the government and the CSOs become sour and there is a lot of animosity between the two parties.

BOX 4.1 SOME STRATEGIES AND TACTICS EMPLOYED BY CSOs		
Strategies	**Tactics**	**Skills**
Education	Meetings, media, workshops, conferences, commissions	Research, information, analysis, dissemination, Communication and articulation
Collaboration	Building relationships, links, cooperate with government and other CSOs	Communication, organization, mobilization, networking technical capability, transparency Openness and effectives
Persuasion	Meetings, workshops, coalition, lobbying, media, demonstration	Organizing, communication, motivation, negotiation, commitment and vision
Litigation	Use of courts	Legislation, communication
Confrontation	Demonstration, public gatherings, speeches	Mobilizing, communication, motivation, leadership

Box 4.1 gives a summary of strategies along with the tactics and skills that are required to implement these strategies. Box 4.2 gives an example of how some of these strategies were successfully used to achieve a policy change in favor of the disabled in Zimbabwe. Several other examples demonstrating the role of CSOs as vehicles of policy change at the local and

BOX 4.2 POLICY ON DISABLED PERSONS — THE CASE OF ZIMBABWE
Before Zimbabwe' independence in 1980, the community regarded its disabled members as unable to do anything to fend for their lives; to them disability meant inability. The approach of the government towards the disabled was to make them adapt to matters such as transport, housing, education and health instead of the opposite. The general attitude was that they were to be looked after by the able-bodied members of the community. As a result the disabled people found themselves marginalized from the social, political and economic affairs of the community. they felt denied of opportunities to make inputs into the development of the country and worthless. However, independence in 1990 increased the number and activism of the disabled.

They attributed failure of past efforts at securing policy change largely to the lack of organization on the part of disabled persons as they pressed for diverse and at times contradictory policy changes through various organizations that catered for divergent disabilities. In a renewed effort, the disabled used the strategies of persuasion, education and collaboration. The CSOs eventually got together as Zimbabwe Federation of Disabled (ZIFOD) with one common voice. the coalition increased their power to persuade the government by combining their skills, labor and resources. Moreover, this created a common understanding of the policy goals and facilitate dialogue with the government as the latter had to deal with only one entity. Lobbying was done with government officials, policy makers at formal and informal gatherings so that when the bill was presented to the parliament, every member had been sensitized and informed about the needs of the disabled and hence most them supported it.

This was accompanied by public awareness building directed to political leaders and the public. Awareness was built through interviews, seminars, workshops, conferences and the use of media like newspapers, radio and television. Media was used to challenge government's recommendations in the draft bill on disability. Finally, collaboration strategy was effectively used when representatives of ZiFOD and government worked on the draft bill. Trust was built between the two bodies and each side tried to be as transparent as it could to maintain good working relationship. The outcome was that the final product of the whole process, the Disabled Persons Act (1992) was far more fulfilling of the expectations of the disabled — most public buildings became accessible to the disabled, there is equal employment opportunities and disabled can attend schools of their choice instead of being confined to special schools. |
| **Source:** Sibanda (1996) |

national levels can be found across the globe. To mention a few: the establishment of the National Human Rights Commission in Mongolia (see Box 4.3); legislation reserving one-third of the seats in local councils for women in Pakistan; legislation for anti-retroviral drugs for HIV/AIDS treatment in Africa and elsewhere by Canadian CSOs.

BOX 4.3
CAPACITY DEVELOPMENT: INSTITUTIONALIZING HUMAN RIGHTS

Mongolia, a vast country, is in its 14th year of transition to democracy and fall of socialism. Despite the opening up, establishment of National Human Rights Commission was viewed by some state agencies as an additional threat to their authority in an open and democratic Mongolia and was therefore not welcomed. However, the human rights civil society organizations had been actively campaigning for it and with active international technical support of office of the High Commissioner for Human Rights, the National Human Rights Commission of Mongolia (NHRCM) is well on its way to achieving its goal of being a fully self-sustaining institution, functioning in accordance with its mandate and with broad-based support from all sectors of society. Today, Mongolia has a NHRCM that does not shy away from sensitive issues, such as the state of detention centers and the expensive and cumbersome civil registration requirements that impede access to essential social services by migrants to urban centers – for which the NHRCM recently won a Supreme Court petition.

We next turn to the role of CSOs in the policy process for poverty alleviation.

4.3. CSOs and Poverty Reduction Strategy Papers (PRSPs)

In September 1999, the World Bank and the International Monetary Fund (IMF) announced a new policy instrument — the Poverty Reduction Strategy Paper (PRSP). PRSPs have been designed to lay out a policy framework and agenda for tackling poverty in low-income countries. They are intended to be comprehensive, integrating macro economic, structural, sectoral and social elements — all with the goal of poverty reduction and they are to be developed in a participatory way, involving both civil society and a wide range of government with the goal of national "ownership". Completing a PRSP is a precondition for qualifying for debt cancellation through the Heavily Indebted Poor Country (HIPC) initiative and for concessional loans from the World Bank and the IMF. Some bilateral donors, such as the UK's Department for International Development (DFID) are increasingly channeling their aid into priorities laid out in PRSP documents. Currently, more almost 40 poor countries have prepared PRSPs.

The advantage of the PRSPs is that they move poverty reduction closer to the center of development strategies. They also provide a framework of donor coordination based on national priorities. But they do not yet adequately support the MDGs. For one thing, "while most indicators are in line with the MDGs, the PRSPs' targets are less ambitious" (HDR, 2003). Furthermore, PRSPs fall short of identifying the resources required — particularly donor assistance — to meet the goals. To carve the path leading to the MDGs, national development strategy, including the PRSP, should ask the following two questions: first, what national policies — including mobilizing and reallocating domestic resources and focusing spending on reforms that increase efficiency and equality — are needed to achieve the MDGs? Second, what international policies, including donor assistance, expanded market access, swifter debt relief and greater technology transfers, are needed?

Has civil society effectively participated in the preparation of PRSPs? The World Bank and the IMF have placed much emphasis on the importance of monitoring the impact of PRSPs, over time and in different contexts. Within this, they have highlighted the importance of a participatory and inclusive approach, with particular reference to the different perspectives

that the engagement of civil society can provide, which can in turn contribute to policy development (The World Bank, 2000). However, the experience so far of civil society participation in the development of PRSPs more broadly shows that the World Bank and the IMF as well as many of the governments developing PRSPs have viewed this as little more than a functional necessity, rarely beyond the level of superficial consultations.

In a recent study of civil society participation in PRSP development processes in Malawi, Bolivia and Rwanda (Painter, 2002), it was found that there are some key factors that affect the quality of CSO participation in PRS processes. The context of civil society and government, relations between civil society and the state and the strength of democracy had a big impact on the quality of participation. The most important factor in the quality of participation is government willingness. If the government is unwilling to open up space to civil society debate, it is very difficult for CSOs to push these boundaries. Government and civil society expectations of levels of participation are diverse and often incompatible, leading to frustrations and conflict.

Representation of the local and most marginalized communities is another important factor. Weak local level democracies have produced weak participation. Often it is assumed that by involving local authorities the communities' voices were being heard, whereas in reality often links with the community are very weak.

The experience of Malawi, Bolivia and Rwanda confirms that ordinary people who are not formally organized did not play a strong part in PRSP formulation and there is minimal inclusion of the most marginalized groups. Inclusion is often due to a group's insistence to participate. In the case of Rwanda, for example, specifically designed focus groups enabled excluded groups, such as disabled people, to give their opinions on policies. However, coalitions of varied CSOs have been useful vehicles through which consensus can be reached, provided they are kept flexible, so that they may be responsive to the opportunities arriving out of a changing policy context.

Adabala (2004) found significant cross country variation in the experience with civil society participation in the PRSP process in West African countries. The extent of participation depended on the following: the type of government and the extent of democratic culture; the capacity of national authorities to engage in participatory process with civil society, the public and key stakeholders; and, the extent to which civil society groups exist and are active among the poor. Notwithstanding disparities in success, the experience offered worthy lessons of civil society participation in decentralized governance for poverty reduction. As such, the process constituted the "first step in the right direction".

In short, though CSOs have not played as much of a role in PRSPs as desired, particularly in countries where they traditionally have had little "voice" in policy-making, their involvement in PRSP has been more in the nature of introducing them as partners in policy making — something which is precedent-setting in character. Their future role can be enhanced by improving the enabling environment specifically giving them technical skills and information (see Box 4.4); greater government acceptance of their contribution; strengthening their internal capacity and higher social mobilization — giving them a "louder voice".

We next turn to see if the role of CSOs in policy is limited to a single country or does their influence cross country boundaries and impact on global policy?

<table>
<tr><td align="center">BOX 4.4
CSO RESEARCH AND ADVOCACY</td></tr>
<tr><td>Centro de Estudios de Desarollo Laboral y Agricole (CELDA): In Bolivia, CEDLA has been very involved in the national Debate around the PRS, the National Dialogue process and was highly critical of the outcome document. They have written detailed research papers critiquing these policies, which they then used to feed into lobbying activities with other civil society groups. CEDLA plans to continue to monitor poverty levels in Bolivia and to undertake research to track their connection to PRSP policies. These statistics and analysis will be used for media work to raise public awareness of progress against the PRSP indicators. This policy work will also be used to generate a debate among social and labor organizations that are less involved with economic and social policy debates than CSOs.</td></tr>
<tr><td>Source: Foresti, 2002</td></tr>
</table>

4.4. CSOs and Global Policy Making

Over the last three decades CSOs have played an increasingly influential role in the formulation of public policy, not only at local and national level but also at the international level. These CSOs see themselves as champions of the public good, with a mission to reverse the physical, environmental and social harm that they claim has been caused by corporations and governments. They seek international regulation or prohibition of certain activities they regard as harmful and are strident in their demands for greater transparency and public accountability on the part of governments and industry. In some cases these organizations gain official recognition in the regulation process and have a right to nominate representatives to tribunals, supervisory boards and other bodies, which implement and oversee regulatory activity. CSOs won their right to a voice at the UN by heavy lobbying during the wartime negotiations (1943-45). Their rights were eventually guaranteed by Article 71 of the UN Charter (Paul, 2002). Today about 2500 CSOs have official consultative status with the United Nations and many thousands more have official arrangements with other organs in the UN system and other intergovernmental bodies.

At the international level, thousands of organizations are active. According to one estimate (Paul, 2000), some 25,000 now qualify as international CSOs (with programs and affiliates in a number of countries) — up from less than 400 a century ago. Amnesty International, for example, has more than a million members and it has affiliates or networks in over 90 countries and territories. Its London-based International Secretariat has a staff of over 300 which carries out research, coordinates worldwide lobbying and maintains an impressive presence at many international conferences and institutions.

There is a small number of big players that dominate the world of pressure groups, and have gained formidable positions of influence and power in the national and international political system. Among the most prominent are the World Wide Fund for Nature (WWF), Greenpeace, the International Union for the Conservation of Nature (IUCN), and Friends of the Earth.

CSOs are increasing their influence in the international policy arena where previously only states played a significant role. Though CSOs have few formal powers over international decision-making, they have many accomplishments to their credit. In recent years, they have successfully promoted new environmental agreements, greatly strengthened women's rights, and won important arms control and disarmament measures. CSOs have also improved the rights and well-being of children, the disabled, the poor and indigenous peoples. Some analysts believe that these successes resulted from increasing globalization and the pressure of ordinary citizens to control and regulate the world beyond the national state.

CSO work on the environment led to the adoption of the Montreal Protocol on Substances Depleting the Ozone Layer in 1987. The International Campaign to Ban Land Mines, and CSO coalition, was a prime mover in the Mine Ban Treaty of 1997. The Coalition for an International Criminal Court was indispensable to the adoption of the 1998 Treaty of Rome and another CSO mobilization forced governments to abandon secret negotiation s for the Multilateral Agreement on Investments in 1998. In the late 1990s, the CSO Working Group on the Security Council emerged as an important interlocutor of the UN's most powerful body, while the Jubilee 2000 Campaign changed thinking and policy on poor countries' debt. At the same time, an increasingly influential international CSO campaign demanded more just economic policies from the World Trade Organization, the IMF and the World Bank.

The Earth Summit in Rio in 1992 set the pace for intense CSO participation in world conferences, with 17,000 CSO representatives participating in the CSO parallel forum and 1,400 directly involved in the intergovernmental negotiations. CSOs helped make the conference a success, claimed an important place in the conference declaration and played a key role in developing post-conference institutions, like the Commission on Sustainable Development. Three years later, the Fourth World Conference on Women in September 1995 attracted an astonishing 35,000 CSO representatives to Beijing to the parallel forum and 2,600 to the intergovernmental negotiations. (Paul, 2000)

As mentioned earlier, CSOs operate with many different methods and goals. Some act alone while others work in coalitions. Some organize noisy protests and demonstrations while others prefer sober education or quiet diplomacy. Some simplify the issues for broad public campaigns, while others produce detailed studies to inform policy makers. However, CSOs have been most effective when they work together in coalitions, pooling their resources and coordinating their lobbying efforts. There are important CSO networks on the environment and on international economic policy that allow CSOs to coordinate their actions in many countries and at international conferences and negotiations. Third World Network, based in Malaysia, is an especially active example that addresses a very broad range of policy issues. There are national networks like the Philippine-based Freedom from Debt Coalition and the German NGO Network on Environment and Development. And there are regional networks like ARENA, the Asian Regional Exchange for New Initiatives, or the Continental Network of Indigenous Women of the Americas, or AFRODAD, the African Debt and Development Network.

Altogether, global civil society organizations have emerged as a powerful and influential force on the world stage, affecting as they do both domestic and international policies, deciding as they do the fate of some authoritarian governments at least, and laying down agendas as they do. They not only have the power of influencing international public opinion and mobilizing it against policies that they consider undesirable, they do so in ways that are sensationally visible and therefore effective.

What factors have contributed to this apparent success? The mandate and effectiveness of these organizations has been strengthened by: one, the informational revolution- which has increased their capacity to collect, collate, select, and publicize information on a variety of specialized issues ranging from development disasters, to the environment, to the effect of WTO policies such as patenting, to human rights violations. In fact, governments often just do not possess the capacity to gather and assemble specialized information or mobilize public opinion in quite the same way as CSOs organized on a global scale can do.

Moreover, the unprecedented and phenomenal revolution in information and communications has allowed organizations to network across the world through the fax, the e-mail, the Internet, and teleconferencing. The revolution has allowed CSOs to form coalitions, as for instance the conference of Peoples Global Action Against Free Trade, which held its first meeting in Geneva in May 1998. In fact, the revolution has also facilitated a new phenomenon: the development of intermediary CSOs, which act as 'facilitators' to help voluntary organizations to find funds from donor agencies such as Action Aid (India) or Charity Aid foundation (UK).

Second, global CSOs have become influential simply because they possess a property that happens to be the peculiar hallmark of *ethical* political intervention: moral authority and legitimacy. And they possess moral authority because they claim to represent the *public* or the *general* interest against official- or power-driven interests of the state or of the economy. An opinion poll in Germany, for example, found that considerably more respondents said they trusted the NGO Greenpeace than those that expressed trust in the German Federal Government (Paul, 2000). Though the idea that they are truly representative can be challenged, this is not to deny that CSOs have raised normative concerns in the domain of global civil society. As the upholders of an *ethical* canon that applies across nations and cultures, international actors in civil society now define as well as set the moral norms, which should at least in principle govern national and international orders. To put it differently, global civil society actors legislate and mandate a normative and thus a morally authoritative structure for the national and the international community. Because they lend moral depth to the agenda of global concerns and because they articulate a global and ethically informed vision on how states should treat their citizens, global civil society actors command the kind of attention that normally does not accrue to political activism within states. And they command this kind of attention because they have access to the international media, they possess high profiles, and they put forth their ideas in dramatic ways.

In sum, global civil society has managed to give a new vocabulary to the state-centric and market- oriented international order. This achievement is significant. International financial and trade institutions have become more responsive to public opinion. They have reformed earlier strategies of corporate managed globalization, they have added issues of social concern to their agendas, and they have called for greater governance of globalization. However, global civil society has major challenges, too. An example of this is its failure to have an impact on the unequal distribution of global wealth. In the face of increasing poverty and dehumanizing living conditions in some parts, the WTO concentrates on the widest and fastest possible liberalization of the flow of goods across borders.

Therefore, the notion that global civil society can institutionalize normative structures that run counter to the principles of powerful states or equally powerful corporations, which govern international transactions, should be treated with a fair amount of caution. Of course, actors in global civil society have made a difference, as actors in national and civil society make a difference. But they function as most human actors do, within the realm of the possible. Ultimately, global civil society actors work within inherited structures of power that they may modify or alter but can seldom transform. But this we can understand only if we locate global civil society in its constitutive context: a state-centric system of international relations that is dominated by a narrow section of humanity and within the structures of international capital that may permit dissent but do not permit any transformation of their own agendas.

4.5.   Summary of Some Insights and Issues

A lot depends on the historical, political and social context in which CSOs' activity to influence policy takes place, but are there some common lessons learned, insights gained from the experience of the CSOs' involvement in the policy process? What does success in policy process mean? How can it be measured? What are the limitations and dilemmas that constrain CSOs' success? We attempt an initial answer to these questions in this section.

Based on the CSOs' initiative in Urban Land Reform (ULRTE), Commercial Log Ban (TCLB), Agrarian Reforms (CPAR), Fishing Code (NACFAR) and Ancestral Domain (IP) in the Philippines, Miller (1994) draws some lessons and insights related to policy influence of CSOs. According to her findings the nature and composition of coalition, framing of policy issues, and strategies and tactics employed are of basic importance. The composition and structure of the coalitions shape what a campaign is able to accomplish. A coordinating body with full-time secretariat, professional expertise and staff exclusively dedicated to the campaign enables a coalition to plan, coordinate and operate effectively.

Decision making structures affect an organization's ability to influence policy and represent its members' interests and concerns. Speedy, agile and clear decision making processes allow groups to respond in a timely fashion to the fast-paced, multi-level nature of policy influence work. Formal democratic structures of coalition decision making and accountability help establish common purpose, responsibility and ownership and hold together ideologically diverse groups. Without a clear and accountable decision making system, the contribution of grassroots groups and other NGOs could not be fully incorporated into the campaign.

Framing the issue is also an important ingredient of success. The nature and definition of the policy issue chosen by a group affects the process and outcomes of an influence campaign. Policy issues framed compellingly in ways that tap urgent concerns generate strong grassroots constituency support. Also, issues can be framed a) in terms of achieving narrow policy objectives, b) as comprehensive policy goals aimed at transforming the fundamental structures of a society or c) they can be framed in ways that incorporate both. In general, issues framed in ways that combine narrow objectives with more transformational skills provide opportunities for winning modest but strategic policy gains while creating the space and vision necessary for avoiding co-optation, educating constituencies, and building toward long-term fundamental change. When groups can incorporate both, they have the possibility of achieving gains on all these dimensions.

A campaign's strategies and tactics influence the kinds of success a coalition can achieve. Filipino organizations used a rich variety of strategies aimed at different policy players ranging from their own membership or constituencies, to government officials and even to leaders of opposition groups. Building allies among influential policy makers and powerbrokers and getting their support and sponsorship provides groups with strength for gaining policy influence and organizational legitimacy.

A concrete and effective strategy to counter, co-opt major opposition forces minimizes hindrances in the path. So does a good negotiation strategy. The willingness and capacity of groups to negotiate with government and to accept the validity of incremental reform affects their ability to obtain policy gains and political legitimacy. Finally, effective grassroots education and organizing efforts help sustain and strengthen the institutional base necessary for holding governments accountable and for pursuing long-term policy change.

What are the measures of success in CSOs' involvement in the policy process? In order to evaluate policy campaigns fully both on the basis of their short- and long-term accomplishments, success needs to be measured by gains achieved across three different dimensions — policy, civil society and democracy. Too frequently, a campaign's success is defined solely in terms of winning immediate legislative or policy victories — a definition that ignores the long-term means to sustain those gains. Without strong NGO and grassroots groups able to hold government accountable, policy victories can be short-lived. Incorporating other dimensions of success such as gains in the strength of grassroots organizations, therefore, allows for a more complete analysis and understanding of a campaign's effectiveness and potential for long-term impact.

Under this definition, policy success is three-dimensional. Success at the policy level is seen as achieving favorable policy or legislative change. At the level of civil society, it means strengthening non-governmental and grassroots organizations capable of keeping government accountable and responsive to community needs. Finally, at the level of democracy, success means expanding the democratic space in which CSOs function, increasing their political legitimacy, and improving the attitudes and behaviors of government officials and elites toward NGOs and grassroots groups.

In a nutshell, some of the key factors that contribute to the success of CSO policy initiatives include willingness and ability to negotiate and effectively lobby with government, elites and other sectors, a vision of narrow and comprehensive policy goals and good strategies to accomplish them, changed perception of the state, financial and technical resources to campaign, mobilize, network, analyze and disseminate, and good and speedy decision making within CSOs. Unfortunately, these are precisely the factors in which CSOs in developing countries are constrained. Lobbying and negotiations require skills and tactics to persuade and effectively communicate and a level of confidence and independent thinking that some of the grassroots constituencies lack. Scarcity of funds and technically competent staff is a persistent problem. Lack of internal accountability, transparency, divergent interests and norms limit the perception of their effectiveness and legitimacy.

As such, to strengthen the impact of their policy involvement, CSOs' personnel need to be trained in skills in research, information gathering and analysis, conflict resolution, negotiation, communication, organizational and public/human skills. Also, coalitions could be a very effective mechanism for dealing with advocacy issues. It combines their skills, labor and resources, gives them common goals, and enhances their "voice" and "bargaining power". However, coalition building does not come easy. It needs a lot of compromise from member CSOs. Common goals, interests, norms and values have to be established to provide members with guiding principles for their action. A code of conduct is perhaps required to enhance their perception both within the civil society and amongst government and other stakeholders in development. Teamwork needs to be of high standard so that the coalition works as a team.

In conclusion, civil society is playing an increasingly important role in policy making at the local, national and global level. As discussions continue about democracy and accountability in decision making, it is clear that CSOs will have an increasingly vital role to play. Also, globalization has created both cross-border issues that CSOs address and cross-border communities of interest that CSOs represent. National governments cannot do either task as effectively and legitimately. Thus, in the years to come, as the search for a more equitable and just world, which is particularly perceptive to the marginalized segments, continues,

CSOs will have to gear up to the increased demand of a more active and sustained part in policy making.

5. ROLE IN GOOD GOVERNANCE: PARTICIPATION, ACCOUNTABILITY AND TRANSPARENCY

Good governance has recently been accorded a central place in the discourse on development. It is being argued that without an appropriate governance structure, developing countries will not be able to either sustain economic growth or a momentum towards rapid poverty reduction. This has been the conclusion of a number of research studies trying to figure out why, despite resource allocation and good policies, broad improvements in human welfare have not occurred and improvement in services, freedom from hunger, illness and illiteracy still remain elusive.

The World Development Report, 2004 documents three ways in which services can be improved:

- By increasing poor clients' choice and participation in service delivery, so they can monitor and discipline providers. School voucher schemes — such as a program for poor families in Columbia, or a girls' scholarship program in Bangladesh (that paid schools based on the number of girls they enrolled) — increase clients' power over providers, and substantially increased enrollment rates. Community-managed schools in El Salvador, where parents visited schools regularly, lowered teacher absenteeism and raised student test scores.

- By raising poor citizen's voice, through the ballot box, and making information widely available. Service delivery surveys in Bangalore, India, that showed poor people the quality of the water, health, education and transport services they were receiving compared to neighboring districts increased demand for better public services, and forced politicians to act.

- By rewarding the effective and penalizing the ineffective delivery of services to poor people. In the aftermath of a civil war, Cambodia paid primary health providers in two districts based on the health of the households (as measured by independent surveys) in their district. Health indicators, as well as use by the poor, in those districts improved relative to other districts.

All of the above relate to governance structures — participation and empowerment, accountability and transparency. In this section we raise the following questions: What is the framework of accountability? Is there a link between civil society and peoples' "voice"? How can the integrity of government be improved and what can civil society do to curtail the menace of corruption?

5.1. Framework of Accountability

Accountability is a pillar of democracy and good governance that compels the state, the private sector and civil society to focus on results, seek clear objectives, develop effective strategies and monitor and report on performance measured as objectively as possible. Transparency promotes openness of the democratic process through reporting and feedback, clear processes and procedures and the conduct of actions by those holding decision-making

authority. It makes information understandable and keeps clear standards accessible to citizens (Rondinelli and Cheema, 2003).

In the context of service delivery to the poor, the chain of relationship of accountability has three sets of actors: poor people — as patients in clinics, students in school, passengers on buses, consumers of water — as clients of service; the providers of services — frontline professionals (school teachers, doctors, bus drivers, water companies) and organizational providers (health department, education department, water department); and finally, the policy makers or politicians. The relationship among actors has five features: delegation, finance, performance, information about performance and enforceability. In a city, the citizens choose an executive to manage the tasks of the municipality (delegation), including tax and budget decisions (finance). The executive often acts in ways that involve the executive in relationships of accountability with others (performance). Voters then assess the executive's performance based on their experience (information). And they act to control the executive — either politically or legally (enforceability) (World Development Report, 2004).

In the ideal world, the three sets of actors are linked in a relationship of power and accountability. Citizens exercise 'voice' over politicians. Policy-makers have a 'compact' with organizational providers. Organizational providers 'manage' frontline providers and clients exercise 'client power' through interaction with frontline providers. Weakness in any relationship results in service failure. Providers can be made directly accountable to clients (as in market transactions) by passing decision and powers directly to citizens or communities. As the World Development Report (2004) puts it, this can be the 'short' route of accountability. However, in most developing countries public sector involvement is likely to continue as the probable service delivery scenario. In this case, the power of voice, the effectiveness of 'compact' and the capability to 'manage' determine the success of accountability and thereby service provision.

5.2.   Political Accountability and Citizens' "Voice"

Political accountability means regular and open methods for sanctioning or rewarding those who hold positions of public trust through a system of checks and balances among the executive, legislative and judicial branches (Rondinelli and Cheema, 2003). Citizens' voice in society and participation in politics connect them to the people who represent the state — the policymakers and politicians. In principle, poor people as citizens contribute to defining society's collective objectives, and they try to control public action to achieve those objectives. In practice, this does not always work. Either they are excluded from the formulation of collective objectives or they cannot influence public action because of weakness in or absence of the electoral systems. The latter is the case in non-democratic governments.

Accountability is the willingness of politicians to justify their actions and to accept electoral, legal, or administrative penalties if the justification is found lacking. As defined earlier, accountability must have the quality of *answerability* (the right to receive relevant information and explanation for actions), and *enforceability* (the right to impose sanctions if the information or rationale is deemed inappropriate). One complication is that voice is not sufficient for accountability; it may lead to answerability but it does not necessarily lead to enforceability.

In principle, elections provide citizens with both answerability (the right to assess a candidate's record) and enforceability (vote the candidate in or out). In practice, democracies vary greatly on both dimensions, as do most attempts to exercise accountability. Citizen charters may spell out the service standards and obligations of public agencies toward their clients, but without redress the obligations may not be enforceable. In Malaysia the client charters introduced for public agencies in 1993 do both, giving clients the right to redress through the Public Complaints Bureau if corrective action for noncompliance is not taken.

Another complication is that the voice relationship links many citizens with many politicians — all with potentially very different interests. When services fail everyone, the voice of all citizens (or even that of the non-poor alone)) can put pressure on politicians to improve services for all citizens, including the poor. But when services fail primarily poor people, voice mechanisms operate in much more difficult political and social terrain. Elites can be indifferent about the plight of poor people. The political environment can swamp even well-organized voice. Protest imposes large costs on the poor when their interests clash with those of the elite or those in authority. It then matters whether society is homogeneous or heterogeneous and whether there is a strong sense of inclusion, trusteeship, and intrinsic motivation in the social and political leadership of the country. To expect poor people to carry the primary burden of exerting influence would be unfair — and unrealistic.

In summary, empowering poor citizens by increasing their influence in policymaking and aligning their interests, to the extent possible, with those of the non-poor can hold politicians more accountable. Elections, informed voting, and other traditional voice mechanisms should be strengthened, because these processes — and the information they generate— can make political commitments more credible, helping to produce better service outcomes. What role can civil society play in this? CSOs can help to amplify the voices of the poor, coordinate coalitions to overcome their collective action problems, mediate on their behalf through redress mechanisms, and demand greater service accountability. It needs to be kept in mind that participatory, transparent and accountable governance does not come easy. Nobody wants to open up or relinquish power easily — be it the politicians and bureaucrats at the helm of power or the traditional elites. Social forces must be created that would compel them to countenance sharing of power. An essential part is, therefore, social mobilization whereby consistent though gradual effort is required to establish, organize, strengthen and empower civil society, so that they can, one, increase in number and, two, convert their numerical strength into genuine bargaining power. Furthermore, better information — through public disclosure, citizen-based budget analysis, service benchmarking, and program impact assessments — and an active, independent media can strengthen voice.

What about the contribution of civil society where there are non-democratic governments? "At the face value, the experience of the Kenyan NGO community collectively challenging the NGO legislation introduced by the government in 1990 reaffirms the vision of civil society as directly engaged in action to force political change in African countries. As this particular case shows, NGOs were organized, resourceful and conscious actors contributing to political reform movement in Kenya" (Ndegua, 1996). The Kenyan experience underscores what most analysts have argued is the potential of CSOs to contribute to political reforms (Diamond, Linz and Lipset, 1988; Chazan, 1992). To organize, mobilize, and act against state repression and force political /social reforms from within civil society.

5.3.   Integrity of Government

Government bureaucracy — or service providers — are accountable to the policy makers. The latter induces the former to achieve the desired outcomes. How? By choosing the appropriate providers, by aligning incentives with those outcomes and by creating the necessary incentive environment. This envelopes what sometimes is referred to as administrative accountability. Administrative accountability implies a system of control internal to the government, including civil service standards and incentives, ethics codes and administrative reviews (Rondinelli and Cheema, 2003).

The 'compact', is composed of relationships of accountability necessary for increasing the incentives for good performance. Accountability is improved by (WDR, (2004)):

- Clarifying responsibilities — by separating the role of policymaker, accountable to poor citizens, from that of provider organizations, accountable to policymakers.

- Choosing the appropriate provider — civil servants, autonomous public agencies, NGOs, or private contractors. Competition can often help in this choice.

- Providing good information — an essential step. Just monitoring the performance of contracts requires more and better measures. Keeping an eye on the prize of better outcomes also requires more regular measurement. It also requires finding out what works by rigorously evaluating programs and their effects.

These steps are not easy. Political pressures make it difficult to separate the policymakers from service providers. The outcomes are difficult to measure and attribute. Finding enough capable staff is also a challenge in most developing countries, particularly for the rural areas. Monitoring their performance is difficult. Finding the link between policies and inputs and outcome is difficult both for technical and political reasons. Also, there is misalignment between the incentives facing the providers and outcome. Salaried workers with no opportunity to advance and no fear of punishment have little incentive to perform well.

The high level of government monopoly and discretion without the institution of proper mechanisms of accountability and transparency has led to widespread corruption in many countries. Corruption — unauthorized private gains from public resources — undermines the legitimacy of the government, the policymakers and the bureaucracy. It is particularly costly to the poor. For example, in Kazakhstan, to gain access to health, education and the justice system, poor people pay bribes. In Romania, the poor pay a significant part of income in bribes. Theft from public stores supply much of the pharmaceutical private market in Cote d'Ivoire, India, Jordan and Thailand. Rondinelli and Cheema (2003), present some staggering figures of corruption as follows:

- As much as $30 billion in aid for Africa has ended up in foreign bank accounts. This is twice the GDP of Ghana, Kenya, and Uganda combined.

- Over the last twenty years, one East Asian country is estimated to have lost $48 billion due to corruption, surpassing its entire foreign debt of $40.6 billion.

- In another Asian country, over the past decade, state assets have fallen by more than $50 billion, primarily because corrupt officials have been deliberately undervaluing them in trading off state assets to private interests of international investors in return for payoffs.

- Corruption can cost governments as much as 50 percent of their tax revenues. When customs officials in a Latin American country, for example, were allowed to receive a percentage of what they collected, there was 60 percent increase in custom revenues within a year.

- A $2.5 million bribe by a civil servant of the ministry of defense of a European country has caused an equivalent of $200 million in financial damage. This analysis was conducted by Transparency International, which cited that the cost of losses included jobs at the factory that failed to gain the orders, higher than necessary prices, and defective outputs.

In sum, corruption is a big menace, further eroding the limited purchasing power of the poor and undermining the integrity of the government. It is also a problem where there are no quick fixes and piecemeal reforms are not likely to make a difference. Rondinelli and Cheema (2003) discuss general rules for successful reforms (presented in Box 5.1) But is there a role for civil society in combating corruption?

Civil society has a particularly crucial role to play in fighting corruption. This is an area where the other two pillars of governance

> **BOX 5.1**
> **COMBATING CORRUPTION – RULES FOR SUCCESSFUL REFORMS**
>
> - Create strong political will, a critical starting point for sustainable and effective anticorruption programs.
>
> - Focus on prevention and changing systems through changing values, creating a culture of professionalism and training, providing adequate pay, and ensuring deterrence.
>
> - Identify government activities most prone to corruption and review both substantive law and administrative procedures.
>
> - Enforce accountability mechanisms and learn from good practices and examples of others.
>
> - Enact comprehensive anticorruption legislation.
>
> - Establish broad ownership of reforms, among others by creating strong partnerships with civil society and the private sector.

are notably handicapped in dealing alone with the issue. Governments are often part of the problem and lack credibility even when promoting anti-corruption strategies. Similarly, business is often as much the perpetrator of corrupt practices, as it is the victim.

Against this background, it is clear that the cause of curbing corruption on a national and global basis is an arena for civil society action. CSOs can provide the impetus, the force and the leadership to wage a local, national and global fight against corruption. "CSO efforts can set the framework for actions by government and business that leads to new international convention and national laws and regulations that make bribery and kickbacks less pervasive and intrusive. Civil society alone can provide the leadership in monitoring progress by government and business in the implementation of such new conventions and national regimes. And only empowered civil society organizations will be trusted by the public at large to report objectively on the progress being made." (Eigen, 1999)

But can civil society rise to the central role in combating corruption in an era of globalization? To succeed it will be important for CSOs to work at building their own structure and sharpening their own skills. CSOs have a great deal to learn. Many good national organizations can become still more international; many single-issue organizations can become more professional and more technically competent; and many civil society groups can demonstrate still greater willingness to work with other organizations to attain their powerful potential.

In most developing countries, it is often the case that the potential of civil society organizations is restrained and even undermined by narrow agendas and exclusive memberships. To be effective, organizations where strategies are defined by confrontation, when better results might evolve from cooperation, will have to focus on coalition building. This is an approach that brings relevant actors together under one umbrella from government and business, from organized labor and the churches, from academia and the professions, and from the diversity of non-governmental associations. If CSOs can mature to embrace this inclusive coalition-building strategy, then the influence on government and business will be formidable.

Civil society must be empowered by knowledge and public support. They feed off each other. The greater the research, so the more convinced the public becomes of the need for action. The greater the public support, so the greater is the influence of CSOs. Awareness raising, therefore, has to be a priority from the start. Effort is to deepen public awareness of the abundance of corrupt practices, to strengthen understanding of the damage caused by corruption, and to secure realistic expectations of what can be done to curb corruption. Box 5.2 presents an illustration of how a small community initiative in India was able to monitor government and hold it accountable for its actions.

In conclusion, the agenda for CSOs in the area of corruption is a long

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BOX 5. 2
EXAMPLE OF MONITORING GOVERNMENT ACCOUNTABILITY

The MKSS is a grassroots organization based in Rajasthan made up of local residents and a handful of committed activists from other parts of India. One of MKSS's most important innovations has been the development of a collective method for analyzing official information. In a series of *jan sunwais* or public hearings — detailed accounts derived from official expenditure records or other supporting documents are read aloud to assembled villagers. Local people are invited to give testimony, which highlights discrepancies between the official record and their own testimonies as laborers on public-works projects, applicants for means tested anti-poverty schemes or consumers in ration ships. Through this form of social audit many people found that they had been listed as beneficiaries of anti-poverty schemes, but had never received any benefits, or that payments had been made to local contractors for work that had never been completed. The jan sunwais led too the exposure of corruption by local politicians, government engineers and private contractors and demonstrated the potential of collective public action among groups which normally shun organized political activity.

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and diversified one. It can include focus on press freedom, promoting an independent judiciary, strengthening of auditing, improvement in public procurement, etc. As more civil society organizations understand the vital need to curb corruption in the quest for building stronger and more human societies, so the anti-corruption movement will expand. As CSOs strengthen their approaches, work more closely together and strive constructively to work business and government, so their leadership effectiveness will rise. Simultaneously, at the global level, organizations like Transparency International will have to play their role in providing support and strength to local/national initiatives and promote similar values at the global level.

6. CIVIL SOCIETY AND THE MILLENNIUM DEVELOPMENT GOALS (MDGS)

"It is people mobilized as you are, more than any government initiatives or scientific breakthrough, who can overcome the obstacle to a better world… the civil society movement continues to grow and make its mark."

UN Secretary General Kofi Annan, Civil Society Forum, Brazil, June 13, 2004.

When 189 governments signed the Millennium Declaration at the UN General Assembly in 2000, there was a palpable sense of urgency. Urgency to "free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected" (Shetty, 2004). At the heart of the Declaration are human rights, peace, gender equality, environment and the pressing priorities of the least developed countries (see Box 6.1 for the goal and targets of MDGs).

Four years after the Declaration, it is clear that the progress is partial. Some sectors, regions and countries may be on track, but others are not and some are even falling back. International financial institutions took the measure of progress in the Global Monitoring Report 2004. The World Bank and International Monetary Fund report declared: " on current trends, most MDGs will not be met by most countries. The income poverty goal is likely to be achieved at the global level, but Africa will fall well short. For the human development goals, the risks are much more pervasive across the regions."

The implication is clear. There is an urgent need to scale up and speed up action, on the part of all parties. The agenda according to the report by World Federation of United Associations and The North-South Institute, 2004, has three essential elements:

- Accelerating reforms to achieve stronger growth.

- Empowering the delivery of human development and related key services.

- Speeding up the implementation of the Monterrey Financing for Development partnership, matching stringer reform effort by developing countries with stronger support from developed countries and international agencies.

Global targets have made a difference in the past like in combating polio or smallpox. They can be useful in transforming vision into society. However to achieve this, the following needs to be done (We The People (2004)):

- Make targets specific; they cannot rely on vague assumption; faulty indicators or inaccurate data.

- Make targets well known; they must be projected in the media and be commonly known by the people.

- Tailor to the targets to national context and local priorities.

- Monitor constantly; to see what is happening in terms of gender, age, localities and socio-economic groups.

- Provide leadership and engage in partnership.

- Commit financial resources.

BOX 6.1 MILLENNIUM DEVELOPMENT GOALS	
Goals	**Targets**
1. Eradicate Extreme Poverty and Hunger	1. Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.
2. Achieve Universal Primary Education	3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
3. Promote Gender Equality and Empower Women	4. Eliminate gender disparity in primary and secondary education, preferable by 2005 and to all levels of education no later than 2015.
4. Reduce Child Mortality	5. Reduce by two-quarters, between 1990 and 2015, the under-5 mortality ratio.
5. Improve Maternal Health	6. Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.
6. Combat HIV/AIDS, Malaria & Other Diseases	7. Have halted by 2015, and begun to reverse, the spread of HIV/AIDS. 8. Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.
7. Ensure Environmental Sustainability	9. Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. 10. Halve, by 2015, the proportion of people without sustainable access to safe drinking water. 11. By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.
8. Develop a Global Partnership for Development	12. Develop further an open rule-based, predictable, non-discriminatory trading and financial system (including a commitment to good governance, development and poverty reduction-both nationally and internationally. 13. Address the special needs of the least developed countries (including tariff-and-quota free access for exports, enhance program of debt relief for and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction). 14. Address special needs of land-locked countries and small islands developing states 15. Deal comprehensively with the debt problem of developing countries through national and international measures in order to make debt sustainable in the long term. 16. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. 17. In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries. 18. In cooperation with the private sector, make available the benefits of new technologies, especially informal and communications technologies.
Source: Millennium Development Goals, 2000	

Civil society's engagement in ensuring the above and thereby meeting the MDGs is critical given not only their determination over decades of world conferences to extract these pledges from governments, but also because, as highlighted in earlier sections, some of these issues are at the heart of their efforts. Its is important for the Millennium Campaign, at an early stage of reflection and learning, to consult and draw energy from existing CSOs and grassroots movements. The MDGs will only be achieved by the collective efforts of governments, international financial institutions, multilateral agencies and citizens and peoples' organizations, right from the grassroots up to the national and global levels. Civil society will be critical to bring people's rights and voices into the process.

Civil society's reaction to the MDGs has, however, been mixed. Whilst national governments' signing up the Goals was seen as an important commitment, some worry that the Goals could end up being another set of donor conditionalities while still others believe that the targets and goals will have the same fate as so many other commitments made at international conferences – quiet easily set aside and forgotten. As such, it is important to understand the uniqueness of the MDGs.

6.1.   The Role of Civil Society in the Millennium Campaign
There are number of reasons for the growing interest amongst CSOs to participate in the Millennium Campaign:

- The Goals have become part of the dominant development discourse, not just with donors and key multilateral institutions but also many developing country governments. Several countries in the North also are starting to adopt the framework.

- CSOs that are struggling to make PRSPs and national level plans and policies meet the needs of poor and excluded people are finding the MDGs an important point of leverage and a platform to challenge governments and IFIs. They recognize the goals as a legitimate alternative frame of reference – one that can create unfiltered policy space to discuss with governments the underlying structural impediments to poverty eradication. In this frame, the hitherto sensitive issues, for example those related to asset redistribution, gender equality, and trade liberalization, can be brought into policy dialogue.

- The Goals are meaningful at the national and local levels. The process of disaggregating the 'global' Goals to the national and local levels and adopting them to local context can create public debate on what these goals mean. In countries that are seriously looking at the MDGs, the Goals are being localized (Vietnam being a classic example).

- The Millennium Campaign needs only to link with the existing CSO efforts on health, education, AIDS, poverty elimination, trade, peace etc.

- The Goals bring together new public constituencies and coalitions into campaigning on poverty and justice and offer an opportunity to build alliances that cut cross sectors and issues. Traditional campaigners are finding new allies in youth groups, trade unions, peace movements and media is getting increasingly involved.

- Also, the campaign creates an opportunity for people at national and local levels to create a strong sense of solidarity as part of a larger global movement.

Given that CSOs have a strong case for getting involved in the Millennium campaign, we next turn to see their current level of engagement with the MDGs.

6.2. What is the Level of Civil Society Engagement with MDGs?

Civil society groups from over 80 countries responded to the survey undertaken by the North-South Institute and the World Federation of United Nations Associations which aimed an enquiry into the civil society perception and engagement in MDGs. Some of the key findings of the survey are as follows:

- About three-quarter of the respondents are familiar with the MDGs. Majority of those responding are actively involved in the global effort to promote or achieve the MDGs, with two-third working on specific goals. There is less awareness of the Financing for Development process – more than two-thirds had not heard of it. Interestingly, in some cases CSOs involved in MDG specific /related sectors were not aware of the MDGs, highlighting the need for more intensive awareness campaigns that relate MDGs to local development efforts.

- The majority of CSOs respondents listed advocacy and promotion as a key element of their work. Their advocacy initiatives include MDG briefings, talks and hand-outs and creating national and regional network. Examples of specific MDG advocacy programs provide an inspiring picture of a diverse and imaginative range of activities like regional workshop to educate local leaders and MPs about MDGs (Ghana), protests to secure removal of heavy urban polluter vehicles (Nepal), HIV education program with youth and women's organizations (Congo) and capacity building for increased water and energy supply to rural communities (Nigeria).

- Media coverage of the influence of MDGs on national policies is very limited and irregular.

- Formation of new partnership and participation in network provides an useful indicator of CSOs engagement in MDGs. More than half of the participants were members of global, national and local networks. The bulk of the participants (80 percent) created new partnerships, the majority of which were with governments, other CSOs and UN programs. Some (16 percent) formed partnership with the private sector. Close collaboration between governments and CSOs will allow for better allocation of resources to initiatives that take into account the specific challenges of local communities and provides greater monitoring and accountability of the process.

- Interestingly, North America, African and Caribbean CSOs think the best way their governments can help civil society is through their inclusion in policy deliberations. Middle Eastern and Latin American respondents think that funding civil society initiatives and strategic partnerships for specific goals is the best support governments can give them in achieving the MDGs. Asian respondents are divided between the need for funding and for inclusion in policy deliberations, while for Australian and Pacific Islanders, priority is evenly divided between strategic partnerships and inclusion in policy deliberations.

- There is an increasing importance placed on the achievement of the third MDG on promotion of gender equality and the empowerment of women (47 percent surveyed worked on the promotion of this goal) followed by environment, health, HIV/AIDS and youth.

- Only 7 – 17 percent of the respondents in developed countries felt that their governments have addressed the specific challenges of Goal 8 which relate to specific needs of developing countries relating to trade, debt, technology transfers etc. According to the Jubilee Debt Campaign, total debt of 52 poor countries is US $375 billion. G8 leaders have up to now promised to cancel is US $100 billion, while the

amount actually cancelled so far is only US $46 billion. Likewise, 43 percent of the CSOs in developing countries said that their governments have not yet made MDGs a budgetary and policy priority. It is, therefore, clear that governments in both rich and poor countries are not doing enough, but rich countries have more ability to actually make the MDGs a reality. It is also clear that holding governments to account for their commitments is an important task that CSOs both national and international will have to perform more aggressively.

Overall, it appears that civil society is beginning to contribute towards the achievement of the MDGs, both directly as service providers and indirectly as promoters and campaigners. However, there continue to be major impediments in their path to achieve the MDGs. The challenge is to find a way to circumvent these.

6.3.   Changing the Course to Achieve MDGs – the Way Ahead

There is growing consensus in the development community- governments, international agencies and civil society – that "business as usual is not the course towards the achievement of the Millennium Goals. Development vision will have to be correspondingly altered, clear strategies formulated and concrete plan of action designed and implemented if the Millennium Declaration is to be honored. Fortunately, existing evidence suggests some movement in this direction, particularly in the civil society context. Over the last couple of years we have witnessed forums like The West African Civil Society Forum on Millennium Development Goals (Dakar/February, 2003) and The Millennium Development Goals – consultation with civil society in Asia and Pacific Region (Bangkok/March, 2004) where MDGs were integrated into the vision of socio-economic development of countries, strategies outlined and detailed plan of actions discussed and agreed upon. Overall, there is general agreement within the civil society sector that progress on the MDGs can be improved with greater and stronger partnership and consultations between CSOs and governments. Local actors are central to achieving most of the MDGs and the poorest should be not simply be seen as "targets" for development assistance but as partners. An inclusive and participatory decision making process at the national and international levels will greatly increase the prospects of not only achieving the MDGs, but also ensuring that they reflect the real needs of each country and there is national ownership of the development process and development plans.

CSOs have opportunities to contribute to the changes required to meet the vision of the Millennium Declaration. The opportunities to network, to build coalitions, to share advise and exert pressure exist in the following:

Resources

Many countries will require additional resources to achieve the MDGs. At Monterray, donor countries collectively pledged an additional $ 16 billion for MDGs, but this amount is far short of what is required to achieve the goals. Jeffery Sachs, head of the UN Millennium Project, estimates the additional ODA required is US $75 billion (We The People, 2004). As such there is urgent need to hold developed countries to account for the lack of resources and progress on MDGs – in particular on Goal 8, which needs to be made less vague with a clear target. The world is becoming an increasingly unequal place. Debt repayment alone of US$ 200 billion is transferred from the South to the North annually. Debt write off or rescheduling could reduce this transfer of resources. In parallel, private capital investment flows to the South have, more or less, stabilized at the late 90s level (Beck, 2000). Development nations,

as well as the IFIs, are only accountable to their own electorates and citizens. The World Bank and IMF can be changed, not so much by southern governments or people, but by the pressure of citizens in rich countries who control these institutions. CSOs in developed countries could mobilise support for reform of the IFIs.

The concern for lack of financial resources becomes even more critical, because of the risk of diversion of resources to war and conflicts and post conflict rehabilitation and reconstruction. There is genuine concern that MDGs do not make the link between peace and development more explicit. Increased militarization diverts spending, and the ease with which force is being used in the name of war on terror may overshadow and indeed prevent any advance towards reduction in global equalities. It is important to ensure that war on terrorism does not take place at the expense of the war on poverty. CSOs can best articulate this concern.

Political Will
To convert the Millennium Declaration into a reality, government's willingness to make achievement of MDGs a national priority is of utmost importance. In fact, what is keeping the world from achieving the Goals is not lack of finances or technical capacity; it is the lack of political will. This is a real challenge for civil society. Political leaders are only accountable to their own people and electorates. For things to change, citizens and civil society need to hold their leaders to account. National campaigns will have to be formed to ensure a stronger political commitment to the MDGs. The first sparks of such campaigns are already visible in countries like, El Salvador, Kenya, Albania and Cambodia.

Campaigning
Millennium Declaration requires long and sustained campaigns to ensure fundamental information is available to key networks (in popular languages) to draw attention of decision makers, to build effective coalitions, to convince media, to change mind-sets of officials and citizens and change priorities and policies. Campaigns have to be critical, educating, inclusive and engaging. They may use diverse and locally relevant approaches, but they need to have some urgency to get the MDGs on track and to influence mainstream discourse.

Monitoring
As indicated earlier, monitoring of progress, not only at international and national levels, but at the local level with focus on gender, social groups, regions etc., is essential to enhance the effectiveness of assistance and fine-turning of policy. Civil society is monitoring projects on international, sectoral and national scale like The Women's Environment and Development Organization calls for engendering targets and indicators, broadening and deepening the gender sensitivity of the MDGs and monitoring government progress. The Alliance 2015 has developed an approach to monitoring and evaluating the implementation of specific goals by the European Union. Such efforts are an essential foundation for civil society contribution to the debate over policies for the future and the institutions of governance necessary to implement them.

Policy Reform
"Getting policies right is of crucial importance. If economic and social structures are inequitable and if policies (either for preserving the status quo or reform) are inappropriate, then the mere expansion of funds and programmes in a country would not be enough and may indeed increase the problems. This applies to structure and policies at both national and international levels" (Khor, 2003).

What kind of development model should be pursued? Should the focus be growth or removing inequalities? What kind of "pro-poor" policies are feasible and most effective? What impact does external economic environment (like falling prices of development countries exports, cutback in social sector expenditures due to structural adjustment programmes, financial instability due to unregulated flows of external funds, etc) have on national economic development? These are some of the important challenges which need to be analyzed, debated and addressed not only by local and national civil society, but also civil society at the global level if the world is to be made a better place.

Governance

Finally, good policy, honorable intentions and plentiful resources produce no results if there are no institutions to implement good policy, convert priorities into action and properly and efficiently utilized financial resources. Lack of effective institutional framework in many a countries has led to little or no improvement in the state of the masses, despite the inflow of resources. The role of civil society need not be limited to local and national initiative, but there is also a need to promote global governance alternatives.

7.   CONCLUSIONS

To spread benefits of globalization more equitably across nations and regions and to achieve the MDGs, all development partners need to play their due role. This paper demonstrates that the civil society sector is instrumental in promoting local economic development, alleviating poverty, advocating policy change, contributing to good governance and campaigning for the Millennium Declaration. Their contribution, however, needs to be strengthened. Critical engagement on the MDGs can increasingly become the approach for many CSOs, adapting, extending, updating, and localizing the goals, as appropriate to their own situation. The Millennium Declaration and the local civil society movements can strengthen and reinforce each other both at the local and national level. Moreover, increased global awareness, dialogue and a true partnership between the North and South will strengthen engagement and set us firmly on the road to 2015 especially from the viewpoint of reducing global poverty by half.

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