

# FIT FOR THE FUTURE?

## Development trends and the role of international NGOs

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**This short paper summarizes the main global trends in international development, before exploring two pressing questions: how is our own *understanding* of development changing, and what are the implications of these changes, whether practical or conceptual, for the future role of international non-government organizations?**

**It highlights the folly of simple, linear interventions and the merits of alternative approaches such as bringing together stakeholders to find joint solutions (convening and brokering), or rapid iteration based on fast feedback and adaptation.**

**For Oxfam, this new thinking would mean relinquishing a command-and-control approach across all aspects of its work in favour of embracing a systems approach.**

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# SUMMARY

After briefly summarizing the main trends in international development, this short paper explores two pressing questions: how is our understanding of development changing, and what are the implications of these changes for the future role of international non-government organizations (NGOs)? The paper is intended to provoke discussion rather than offer a balanced overview. It does not represent Oxfam policy.

Increased attention to systems thinking in development raises profound challenges for international NGOs. It highlights the folly of simple, linear interventions and the merits of alternative approaches such as bringing together stakeholders to find joint solutions (convening and brokering), or multiple experiments and rapid iteration based on fast feedback and adaptation. The non-linear nature of most change processes also underlines the need to be able to spot and respond to potentially short-lived windows of opportunity, such as shocks or moments of political flux.

Unfortunately, a simplistic interpretation of private sector thinking is also pushing aid agencies towards a linear 'Fordist' (assembly line) approach to going to scale, even though large parts of the private sector have long since abandoned that approach in favour of systems thinking, disruption and innovation.

How should international NGOs respond to this changing environment? How can they plan and operate within complex systems, accepting that they cannot know what is going to happen? There are numerous options, most of which would entail a substantial change in working practices.

For Oxfam, this would mean relinquishing a command-and-control approach across all aspects of its work in favour of embracing a systems approach. In terms of investment, this means increasing the ratio of 'change capital' to 'delivery capital'.

Pursuing this kind of change would mean asking some tough questions:

1. Does size matter? Is working in this way best done by major international NGOs with their advantages of large knowledge bases and economies of scale, or by a cluster of more agile 'guerrilla' organizations like Global Witness, Avaaz or single-issue institutions like the Ethical Trading Initiative?
2. How can Oxfam identify and address sources of inertia in its programming? Unless it does, these kinds of discussions are unlikely to reach a different outcome.
3. What does this mean for Oxfam's staff? What would need to change in terms of HR practices (recruitment, training, performance management, incentives and internal narratives) to become an organization with a better balance of planners and searchers (entrepreneurs)?
4. And how could such an organization be funded?

# 1 THE CHANGING FACE OF DEVELOPMENT

This section briefly summarizes the headlines from several horizon scans of the changing nature of global development.<sup>1</sup>

## THE SHIFT TO THE SOUTH

Beyond the well-documented rebalancing of the world's economy from West to East lie several other relevant trends:

- Sources of financing for development: There has been a decline in official aid relative to domestic resource mobilization (better taxation of natural resources, other tax reforms) and to other forms of inflow (migrant remittances, private investment).
- A Southward migration of social and health issues once seen as largely 'Northern' problems: Ageing, obesity, alcohol and tobacco addiction, mental illness, the illicit drug trade and road traffic accidents all now kill considerably more people in developing countries than, say, malaria.
- A blurring of the boundaries between South and North: This has produced 'South in the North' pockets of marginalization and exclusion, as well as 'North in the South' islands of extreme privilege – both of them driving greater levels of inequality.
- The rise of 'One World' collective action problems (climate change, planetary boundaries, the arms trade, international taxation, curbing corporate malpractice): These are problems that do not lend themselves to exclusively national solutions.

## THE CHANGING LOCATION AND DEMOGRAPHICS OF ABSOLUTE (<\$1.25 A DAY) POVERTY

- In most countries, widespread poverty is giving way to pockets of chronic poverty.
- According to the most fine-grained recent analysis, 60 percent of the multidimensional poor live in pockets of poverty outside the least developed countries.<sup>2</sup>
- In the longer term, as effective states generate growth and some degree of trickle-down, fragile and conflict states are likely to become the final, most difficult terrain for 'getting to zero' on absolute poverty.<sup>3</sup>

One social and political consequence of development has been growing social complexity and diversity within developing countries:

- Economic growth has prompted the rise of domestic middle classes, which have become increasingly important political actors, along with increasingly vocal domestic private sectors (whether individual companies or business associations).
- Mass literacy, better healthcare and urbanization have underpinned a rise in mass political engagement, which has both fed and been fed by the spread of governments chosen through elections (albeit often some way short of full democracy).
- Girls' education, literacy and women's increasing role in the paid workforce have both prompted and been reinforced by a rise in women's political engagement (in mainstream politics and in social and women's movements).

- This growing agency of a range of social actors has been enhanced by the increased connectivity available through the spread of communications technologies and improved infrastructure.
- In most countries, growth has also been accompanied by increased inequality, sharpening political and social conflicts.

## 2 DEVELOPMENT'S CHANGING DRAMATIS PERSONAE

The development shifts outlined in the previous section have led to an upheaval in the 'cast list' – partly through the rise of new actors and partly through recognition of the importance of hitherto-ignored players.

The increasing economic and political power of many Southern states is undeniable and has already had profound consequences for international NGOs. More and more of their activities and spending (on programming and influencing) take place at national level; 'state-building' at local or national level is a growing activity in areas such as humanitarian relief; and influencing states through programming, partnerships and advocacy is becoming more important relative to, for example, global campaigns on bodies such as the World Trade Organization (WTO). All of these trends are likely to continue and intensify.

But seeing the world in terms of nation states is also problematic. Sub-national state bodies such as city councils or provincial authorities are often at the forefront of innovation on environmental and social issues,<sup>4</sup> while rapid urbanization has been accompanied by an upsurge in urban social movements. Is it time for international NGOs to think in terms of 'city-level' change strategies rather than national or global ones?

In many countries, the rise of a middle class – both inside the state system and, increasingly, in the private sector – has major political consequences. Many political scientists<sup>5</sup> and some economists<sup>6</sup> see this as a key driver of democracy and human rights (although it should be remembered that in some contexts it can have the opposite effect, resisting reforms that would benefit poor people). In addition,

- international migration has led to an increasing role for national diasporas, both as sources of finance but also as political and social actors.
- South–South interactions that completely bypass the traditional powers (and international NGO home countries) are increasingly important, including government-to-government contacts and the rise of Southern transnational corporations (TNCs). BRAC International<sup>7</sup> has become the first major Southern international NGO, with a €75m turnover in 2014, providing a low-wage alternative to conventional Northern service delivery NGOs.<sup>8</sup>
- Civil society is both more vocal and more at risk. According to Tom Carothers and Saskia Brechenmacher of the Carnegie Endowment for International Peace, 'The lion's share of the most significant political upheavals of the past 15 years have come about as the result of assertive citizen activism...'<sup>9</sup> Interestingly, though, much of this activism has bypassed the bulk of conventional civil society organizations (CSOs) that are partnered with international NGOs. There is therefore increasing recognition of the breadth and diversity of grassroots CSOs (including those that are faith-based, employment-based or neighbourhood-based), traditional groupings such as burial and savings societies, or cultural groups such as the soccer club supporters that played an important role in Tahrir Square. In addition, what might be called middle-class civil society – the media, higher education or private sector associations – is also on the rise in many countries.

But assertive states have also moved to curb civil society's role. In recent years, more than 50 countries have enacted or seriously considered legislative or other restrictions on the ability of NGOs to organize and operate, according to Carothers and Brechenmacher.<sup>10</sup>

New technologies have acted as multipliers for many of these trends, including at the level of individual citizens. Increasingly, poor people have access to identity documents and SIM cards, which has implications for gaining voice and access to services. New technologies are also

opening up new possibilities for aid agencies – for example, in mapping during emergency response, individual cash transfer schemes and ‘disintermediated giving’ from Northern benefactors that can bypass traditional charity structures. But much of the real innovation is coming from start-up NGOs rather than the established players. This is epitomized by the GiveDirectly charity,<sup>11</sup> which has built up an \$18m turnover in just three years by putting 91 cents of every donated dollar directly onto the SIM card of a Kenyan living in poverty (85 cents in Uganda). Avaaz<sup>12</sup> offers a similar example of disruptive innovation in online campaigning.

Increasing political density in the South contrasts with a ‘G Zero’ vacuum at international level. As Mark Malloch-Brown puts it, ‘The dilemma of the modern politician is that the answers are abroad but the votes are at home.’<sup>13</sup> So, according to a forthcoming paper by Alex Evans,<sup>14</sup> the toughest issues increasingly get escalated upwards – to heads of government at home and to bodies like the G7 or G20 internationally – where there is too little capacity to do much more than react. The urgent ends up crowding out the essential (financial reform, climate change, international taxation), with long-term risk management giving way to firefighting the crisis of the day.

Reflecting these shifts, the aid conversation has changed. According to Oxfam Global Innovation Adviser, James Whitehead:<sup>15</sup>

- ‘Supporters used to be happy with standing orders to a trusted international NGO and the odd letter to an MP. Now they want to see where their money goes and engage on their own terms.
- Donors wanted international NGOs to deliver agreed projects. Now they don’t care who delivers as long as they can demonstrate value for money and quantifiable results.
- Local NGOs wanted the funding that was available through international NGOs. Now they want direct access to funds and greater control.
- National governments wanted to encourage aid and service providers through NGOs. Now they don’t want foreign meddlers and are happy with no-strings Chinese assistance.
- The private sector wanted CSR [corporate social responsibility] and publicity. Now it wants partnership or the chance to win the donor contract.’

All of these changes in the development landscape provide new opportunities and threats (including potentially existential ones) for international NGOs.

### 3 THE CHANGING UNDERSTANDING OF DEVELOPMENT

The previous two sections have summarized some fairly well-trodden ground – the changing issues and actors in the development game. This section summarizes something more intangible and perhaps less well-known: a number of breakthroughs and shifts in our understanding of the process of development.<sup>16</sup> (By ‘our’, I mean the aid industry and its academic support network.)

**Systems thinking and complexity:** Baking a cake is a linear, ‘simple’ system. All I need to do is find a recipe, buy the ingredients, make sure the oven is working, mix, bake – and voila! However bad the cake I made, you’ll probably be able to eat it. Baking a cake is a pretty accurate metaphor for the current practices of many aid organizations. They decide on a goal (the cake), pick a well-established method (the recipe), find some partners and allies (the ingredients), and off they go.

But most social, political and economic systems are *not* simple – they are complex systems, in which the sheer number of relationships and feedback loops means that the system cannot be reduced to simple chains of cause and effect. Think of a crowd on a city street, or a flock of starlings wheeling in the sky at dusk. It is impossible to predict (even with supercomputers) the movement of any given person/starling, but there is order; few collisions happen, even on the most crowded streets.

Some of the characteristics of complex systems that are most relevant to international NGOs include the following.

**They are quite literally out of control:** No one pedestrian or starling controls the crowd. Complex systems evolve in ways that are unforeseeable (however smart we may be). The question for international NGOs and others seeking to influence the system becomes this: what aspects are within our control and what should we let go of (not least because seeking to control it could reduce the prospects of success)?

**Every context is specific and different:** Similar interventions in different places and at different times will have different results. Local knowledge and networks created by local actors matter more than imported best practice. Rather than getting involved directly in complex local processes, big donors may be better advised to pursue ‘arm’s length’ approaches by funding intermediary organizations better able to develop local networks and adapt to events.<sup>17</sup>

**Critical junctures and shocks:** Change in complex systems is often characterized by moments of sudden change (with recent examples including the Arab Spring, food price spikes and financial meltdowns). International NGOs need to recognize shocks both as major windows of opportunity (for example, in their advocacy work) and as threats, leading to a focus on tackling vulnerability by building resilience, as well as trying to dampen or prevent shocks in the first place. Developmental ‘shock absorbers’ – from social protection to food reserves – have become much more salient in the development debate.

**Resilience:** Like complexity, ‘resilience’ is both a relatively new addition to aid agency jargon and a property of systems rather than of their individual components. The term describes something that lies at the heart of ‘well-being’ – the ability of women and men to realize their rights and improve their lives despite shocks, stresses and uncertainty. This goes beyond helping people survive one shock after another, to enabling people to thrive despite the shocks,

stresses and uncertainty that affect their lives. A systems approach is essential to understand the factors that combine to strengthen or undermine the resilience of poor people and their communities.

**Doing Development Differently (DDD):** A network of academics and aid agencies (including Harvard, the Overseas Development Institute (ODI) and some leading thinkers on governance at the World Bank) have issued a 'DDD manifesto',<sup>18</sup> which criticizes the failure of most orthodox aid interventions (epitomized by universal 'best practice' approaches to reform) and argues that successful initiatives reflect certain common principles:

- They focus on solving local problems that are debated, defined and refined by local people.
- They are legitimized at all levels (political, managerial and social), building ownership and momentum throughout the process to be 'locally owned' in reality (not just on paper).
- They work through local 'conveners' who mobilize all those with a stake in the issue (in formal as well as informal coalitions and teams) to tackle common problems.
- They blend design and implementation through rapid cycles of planning, action, reflection and revision, drawing on local knowledge, feedback and energy to foster learning – from success as well as failure.
- They manage risks by making 'small bets': pursuing activities that show promise and dropping others.
- They foster real results – real solutions to real problems that have real impact: they build trust, empower people and promote sustainability.

One of the intellectual drivers behind the DDD manifesto is Harvard's Matt Andrews. He argues that the role of outsiders should not be to propose solutions, but to help identify, research, amplify and get consensus on the nature of problems, and then convene local stakeholders to seek solutions through 'iterative adaptation'.<sup>19</sup>

But there are some weaknesses of the DDD approach; these include a tendency to downplay the importance of political contestation and power imbalances as obstacles to progressive change (what if the local political boss simply blocks reforms to his sources of kickbacks?), and its relative gender blindness. This is unfortunate, since feminist thinking and the increased attention to women's rights has informed many of the new ideas in development, leading to a deeper understanding of the nature of power, poverty and well-being. If it can avoid being confined to a gender rights silo, a women's rights lens could make an important contribution to wider discussions on the nature of innovation, leadership and social norms. It may well be that attention to political and gender dynamics should sit alongside systems thinking and 'doing development differently', constituting three pillars that are all required if aid agencies are to keep up with a rapidly changing world.

**Leadership:** When actions and policies are shaped by local contexts, donors may find that it makes more sense to invest in people, in particular leaders, rather than pursuing specific reforms. Scholarship programmes fall into this category; indeed, several US institutions such as the MacArthur Foundation<sup>20</sup> have gone as far as providing unrestricted funding ('genius grants') to individuals they judge to be particularly likely to do good work. Closer to home, there has been increased interest in the origins and nature of 'developmental leadership' and how to promote it.<sup>21</sup>

**Norms and values:** In recent years, international NGOs have focused a great deal of their efforts on changing policy, at the national and international levels. However, there is increasing recognition of the deeper underlying importance of social norms and values (aka attitudes and beliefs) in shaping how development evolves in areas such as rights or environmental stewardship. Oxfam is probably ahead of the game in some areas in this regard – for example, in its work on women's empowerment and leadership. Recent research has shown how deeply embedded norms – for example, around violence against women and children's rights – can



shift relatively rapidly through a combination of top-down action (e.g. UN Conventions) and pressure from below (social movements and community activism).<sup>22</sup>

But there is one key driver of norms and values with which Oxfam and many other international NGOs struggle to engage: faith and religion. This may stem from a secular bias in the way aid is conceived (in turn, partly due to the predominance of economics in understanding and interpreting development). But it may also reflect the nature of religious polarization, with faith having the ability to play both a positive and negative role in development (conceived by Amartya Sen as a progressive expansion of 'the freedoms to be and to do').

Other changes in thinking within the development sector raise challenges for these ideas in the following areas.

**Private sector pre-eminence:** The rising profile of private sector language and approaches is a welcome correction to a development discourse – epitomized by the Millennium Development Goals (MDGs) – which gave too little attention to jobs, growth and livelihoods. On a more parochial note, large, private sector companies are playing an increasing role in the aid business both as implementers and consultants. There is also much that can be learned from the private sector in managing complexity, innovation and adaptability. However, there is also an undeniable level of uncritical hype,<sup>23</sup> and a danger that 'private sector solutions' are supported even when they are ineffective, or risk exacerbating exclusion and inequality.

Overall, there has been a failure to apply the lessons from the 'Doing Development Differently' rethink to advocacy of private sector solutions in development, which are often excessively simplistic: markets are better than states at delivering certain types of goods and services (including at the macro level in terms of jobs, growth, etc); but it is equally clear that the respective roles of business and the state, the manner in which they should be balanced and regulated, and the power and potential of different types of actors (big, small, local, global, etc) is dependent on the sector, context and timing. It is particularly galling that non-private sector development people apply such a linear understanding to the role of the private sector, when companies themselves epitomize the need to work in non-linear ways.<sup>24</sup>

**Results and value for money:** 'Doing development differently' is only one of the new intellectual currents that are transforming our understanding of aid and development. Partly in an effort to shore up public and political support for aid budgets, donors are increasingly demanding tangible results and a focus on value for money. In theory, there is no reason why that should inhibit a shift to systems thinking, 'learning by doing' and iterative adaptation. In practice, though, budgets are constrained, staff are in short supply, and measuring results and value for money in complex systems is much more difficult and expensive than counting bednets and vaccines. The risk is that such practicalities will skew development actors towards counting what can be counted rather than counting what counts.

# 4 HOW SHOULD INTERNATIONAL NGOS ADAPT TO THIS CHANGING ENVIRONMENT?

This is the key question for this paper. In this section, we use the analysis of previous sections to generate some options and questions for the future of international NGOs.

## SYSTEMS THINKING

How do we plan and operate once we accept that in a complex system, we cannot know what is going to happen? There are numerous options, most of which would entail substantial changes in the working practices of large international NGOs like Oxfam.

**Relinquishing control:** A traditional command-and-control stance is ill-suited to complex systems: it reduces diversity, stifles innovation and adaptability, and slows down response times to changing circumstances. But institutional anarchy is not an option either—international NGOs must be accountable for how we spend money and the impact of that spending. We need to manage risk, but how do we decide what to try and control, and what to let go of? In a complex system, a default option of ‘don’t control unless there is good reason to do so’ may be more productive than the reverse approach, which would say ‘control unless there is a reason not to’. What would such a change in approach mean for Oxfam and its donors?

**Fast feedback:** If we don’t know what’s going to happen, we have to detect changes in real time, especially when the windows of opportunity they generate are short-lived. That means having (or developing) acute antennae, embedded in multiple networks, picking up signals of change and bringing them into the organization. This in turn requires an organizational culture that thanks staff for doing so and is ready to adapt or even shelve the previous plan if that is the best way of responding to events. In aid work, this is the daily reality for people working on emergencies, but those working on campaigns or long-term programming are sometimes either reluctant to abandon the plan or simply unaware that the context has changed and new opportunities have opened up. Advances in information and communications technology (ICT) should enable this to happen, but we have been slow to change business models. Where is the equivalent of TripAdvisor<sup>25</sup> for the development sector?

**Multiple parallel experiments, fail faster, learn and adapt:** In a complex system, it is highly unlikely that agencies will get things right from the outset, or even if we do, that we will stay on course. It is crucial to ‘fail forwards’. How quickly we detect failure and respond to it is central to making change happen; staff have to be ready to have candid discussions and learn from failure, rather than sweep it under the carpet. Fast feedback on our organizational impact is thus just as important as feedback on the world outside, not least to detect unintended consequences (if people are keeping chickens in the latrines we are building, we probably need to go back to the drawing board!) One way of accelerating this process is by mimicking venture capitalists who, perhaps unwittingly, adopt an evolutionary theory of change by backing ten projects knowing that nine will fail (and knowing that he/she will make enough money on the one that succeeds to more than compensate for the other failures). Oxfam’s Chukua Hatua accountability programme in Tanzania is one (rare) example of a successful venture capitalist approach to development.<sup>26</sup>

But is the success/failure spectrum the right way for international NGOs to think about performance? Or is it an unhelpful polarizing dichotomy when, unlike the private sector, there

isn't usually a clear 'bottom line' and, in practice, almost any programme or change process is a combination of the two? Isn't it more important to be able to identify elements within a programme that are not working and fix them en route, rather than reduce everything to binary red/green lights?

There is a temporal issue here too. Development veterans who return to countries after long absences find that local staff in programmes that were once deemed 'failures' often turn up years later at the heart of success stories. Failure, it turns out, is also a complex process.

**Convening and brokering:** When change is non-linear and inherently unpredictable, and solutions must be discovered afresh in each new situation rather than 'rolled out', good results are more likely to be achieved by bringing together the relevant stakeholders in an open-ended process of experimentation, failure and adaptation. Oxfam is starting to build a useful track record in this – for example, by getting more involved in multi-stakeholder initiatives at the global and national levels. Successful Oxfam examples include the Tajikistan Water Supply and Sanitation Network (TajWSS) project<sup>27</sup> and the Vietnam Empowerment and Accountability Programme (VEAP).<sup>28</sup>

**Leverage:**<sup>29</sup> One of the concerns with redesigning international NGO approaches to make them compatible with systems thinking is that this may lead to a series of context-specific interventions that fail to 'go to scale'. One way round this is leverage – working with others in order to lever a bigger change than we could ever achieve on our own. This depends on developing a rich web of mutually beneficial relationships and alliances at country, regional and global levels; leverage emerges out of that connectivity. Convening and brokering is one example, but so are campaigns and advocacy (leveraging our influence over large corporations, states or international bodies), private sector collaborations (for example, Oxfam's work in helping Unilever develop smallholder-based supply chains), and research (new ideas are the ultimate scalable products).

## HOW CAN WE PROMOTE INNOVATION?

In complex, fast-changing systems, solutions and approaches need to evolve rapidly. Today's 'best practice toolkit' is likely to become tomorrow's redundant fax machine. That places a greater premium on innovation, but achieving it with any consistency has proved difficult for Oxfam and others. That may be because the kinds of approaches described above are incompatible with a large international organization with numerous procedures, reporting requirements and accountability chains. But there are some ways of getting around this:

**Collaboration (especially with unusual suspects):** Joint ventures and incubators allow us to engage other capabilities and start-ups.

**Learning by borrowing:** Major tech companies buy-in innovation through mergers and acquisitions of emergent start-ups. Something similar, but less systematic, happens in development, as the ideas of small campaigns and NGOs are picked up by larger NGOs and even governments. Could this be made more explicit?

**Positive deviance:** Positive deviance accepts that success often emerges through an unpredictable combination of luck and skill, and goes looking for it elsewhere in the ecosystem. The approach seeks to identify and study 'outliers' – the results that are particularly good (or bad) – and use them as the basis for change. In his 2013 book on systems thinking and aid, Ben Ramalingam recounts a classic case of positive deviance in Vietnam.<sup>30</sup>

**Create safe spaces ('skunkworks') for innovation:** Google's renowned 20 percent time for personal projects is conspicuous by its absence in international NGOs. It has proved difficult for NGOs to create spaces free from standard organizational procedures and to truly incentivize 'intrapreneurs'.

**People not projects:** Individuals are often more flexible, agile and durable than projects. Is there a case for investing more in spotting, nurturing and backing leaders at all levels? The challenge is akin to spotting and training sports stars; do you wait until they emerge in the top flight and then work with them? Identify them earlier on, in junior teams (the developmental equivalent might be university or religious activists)? Or concentrate on promoting an enabling environment in which more and better leaders are likely to emerge? Current approaches by international NGOs are closest to the first (supporting and mentoring emergent leaders in communities and CSOs). University partnerships, scholarships, competitions and active leadership training and mentoring could expand the range of options available.

**Spinning off successful innovations as start-ups:** As tech universities do with new ideas, or Oxfam has done in the past with New Internationalist – initially an Oxfam/Christian Aid project that then became a hugely successful independent magazine – could be one way to maintain momentum and prevent backsliding into ‘business as usual’ approaches. But it does carry organizational costs in terms of ‘losing’ our success stories.

Examples of most of these approaches can already be found in Oxfam’s work – for example, fast feedback loops in advocacy, use of theories of change in long-term development, and a willingness to take calculated risks in humanitarian response. What is proving elusive is making such innovations the norm rather than the exception, and replicating successful approaches (if not blueprints, given the importance of context).

## SEEING OUR WORK AS AN EXERCISE IN ECOSYSTEM MANAGEMENT

In the most recent edition of his book, Mike Edwards likens civil society to a diverse ecosystem.<sup>31</sup> Yet international NGO support for civil society more often resembles monoculture – finding and funding partners that ‘look like us’ in terms of their institutional structure and discourse. But Edwards suggests a different way of doing things:

*‘Always look for forms of associational life that “live” relatively independently in their context--not just the “usual suspects”. They may be conservative-minded mosque associations in Lebanon (which Samir Khalaf shows are contributing to the development of tolerance), burial societies in South African townships (which played key social, economic and political roles under apartheid) or labor unions in France and Brazil (which have been prime movers in the burgeoning global justice movement)...*

*Second, we should focus on the associational ecosystem by fostering the conditions in which all of its components can function more effectively, alone and together. If the “soil” and the “climate” are right, associational life will grow and evolve in ways that suit the local environment. This requires support to as broad a range of groups as possible, helping them to work synergistically to defend and advance their visions of civic life, providing additional resources for them to find their own ways of marrying flexible, humane service with independent critique, and leaving them to sort out their relationships both with each other and with the publics who must support them...’*

A third option is for large, international NGOs or bilateral donors such as the Department for International Development (DFID) to play the role of an ‘ecosystem gardener’. This could include finding ways to overcome the ‘big money’ problem (large aid agencies with relatively few staff can only sign large cheques) – for example, by developing ecosystem intermediaries which can break up large cheques into hundreds of small grants, or equity for spin-off organizations.

A system-wide approach also includes deliberately building a more balanced risk/return portfolio. Using a finance analogy, an international NGO has clear needs (emergency or services) on which it needs to deliver at scale, efficiently, for incremental improvement (cf long-term investment with low risk and low return... such as a passive investment by a pension fund).

But if it seeks to promote innovation, it needs to add riskier activities, focusing on disruption and exponential rewards and systemic impacts (cf a high-risk, high-return venture capitalist-type profile).

## IMPLICATIONS FOR THE WAY WE RESPOND TO EMERGENCIES

A great deal of the previous discussion applies in equal measure to the three traditional ‘siloes’ of international NGO work – long-term development, humanitarian response and ‘influencing’ (otherwise known as campaigns and advocacy). But there are some important nuances. A recent paper by Ben Ramalingam and John Mitchell<sup>32</sup> suggests four distinct models that emergency response organizations should be able to use, according to context:

*‘Comprehensive model: here humanitarians attempt to strategically and operationally substitute for the domestic response because of the inability of governments and local actors – a good example is the Haiti earthquake response*

*Constrained model: here humanitarians are severely limited by domestic actors, government and others, who may be creating the crisis and/or actively restricting the delivery of aid – Syria is perhaps the most pertinent example*

*Cooperative model: here humanitarians need to work in close collaboration with domestic national and civil society actors, as well as development actors – the Philippines and Indonesia are good examples*

*Consultative model: here humanitarians fill gaps in nationally managed responses, typically in developed countries. Good examples are the Japanese tsunami of 2011, or the Sichuan earthquake in 2008.’*

To some extent, these models echo Oxfam’s own thinking on humanitarian response as being designed for the different quadrants of a 2x2 matrix based on whether a state is willing/unwilling and able/unable to respond to an emergency within its borders.<sup>33</sup>

Oxfam GB’s International Programmes Director Olga Ghazaryan sees the current humanitarian system as facing a series of existential challenges. Western constructs of humanitarian response based on neutrality, impartiality and independence are being increasingly contested by the rise of new actors such as the Gulf states and the fallout from military adventures invoked in the name of ‘responsibility to protect’. Recipient nation states are increasingly assertive in saying what aid should be provided, to whom and how, with the aim of using aid for political and sectarian purposes and as weapons of war. Access for Western agencies is becoming more restricted and ‘no go’ countries becoming more common; ‘remote programming’ may become a much greater feature of our work.

Oxfam trustee Nkoyo Toyo argues that the real challenge for international NGOs is political acceptance in a world of state fragmentation and piecemeal rejection of Western norms: ‘legitimacy and relevance are much more important than size and agility’.

## IMPLICATIONS FOR OUR INFLUENCING WORK

Our international nature and ability to influence policy inevitably gives international NGOs a comparative advantage. In light of the previous sections, some potential future roles stand out:

**Global governance:** While national and subnational interaction between national states and increasingly diverse domestic players will play an ever-more central role in development,

international NGOs could choose to focus (at global or national level) on the growing number of collective action problems that are currently defeating the chaotic institutions of global governance. Examples include climate change, the narcotics trade and intellectual property rules.

**Global citizenship and norm shifts:** International NGOs have a fitful engagement with debates on social norms and citizen rights. Although it is less straightforward to measure effectiveness of these kinds of activities, striving to influence and accelerate normative shifts around the rights of any number of groups that currently face discrimination (whether women, indigenous communities, disabled people, elderly people, gays and lesbians) is an important activity that lends itself to an international approach.

**Putting our own house in order:** The Washington-based Center for Global Development has made a virtue of lobbying exclusively for policy improvements in rich countries in areas such as climate change, aid policy or tax havens. International NGOs have engaged with this advocacy agenda to some extent, but there is certainly scope for expanding actions to include new and pressing topics such as migration policy.

**Local-to-global linking:** The convening and brokering role of international NGOs can easily span national borders – for example, in multi-stakeholder initiatives in global supply chains such as the Ethical Trading Initiative.<sup>34</sup> On the new generation of ‘one world’ issues such as obesity, tobacco or road traffic accidents, international NGOs could play a useful initial role in facilitating Southern contacts and exchanges with Northern campaigners and experts who have a track record of success.

John Gaventa and Rajesh Tandon highlight how important international mobilization is to an increasing number of national struggles.<sup>35</sup> Success depends in part on a new tier of heroic ‘hybrid mediators’ who manage to simultaneously stay rooted in community struggles and navigate the international system, moving between them and speaking both their languages with equal facility. International NGOs are well placed to support such activities. An international presence could also be a strength in encouraging South–South exchanges between activists, as Oxfam increasingly does in global programmes such as Raising Her Voice.<sup>36</sup>

**Boots on the ground:** Our on-the-ground presence in developing countries, either via partners or through direct programming, provides international NGOs with a potential ‘prairie dog’ role of spotting new trends, successful innovations and/or raising the alarm when necessary (e.g. where governments are constraining civil society space). However, for this to function, there need to be effective feedback systems in place. Influencers are sometimes too caught up in their own ideas and networks to spot when things have changed in the ‘outside’ world, even when those changes bring new opportunities. Field staff on the ground may be better placed to spot relevant trends, as may journalists or other observers. How do we get better ‘early warning systems’ in place to pick up on such signals? A monthly ring-round of 1,000 key informants? A big data-scraping exercise to spot words appearing more frequently on Twitter or in email subject headings?

## 5 FINAL THOUGHTS: WHAT TO DROP; BIG QUESTIONS TO ASK

It is always much harder (and more controversial) to suggest things we should *stop* doing. In terms of engaging in developing countries, the litmus tests in deciding whether to work on a given issue should include the following:

- Are local organizations working on the issue already or likely to be doing so in the next 10 years?
- Does any direct programming have a clear link to systemic impact (e.g. by acting as a pilot, or providing ammunition and legitimacy – ‘skin in the game’) for national influencing)?
- What benefits does an international footprint bring?
- If we do intervene, how do we exit, as soon as possible, in favour of local actors?

In terms of engaging in the North or at a global level, we need to ask:

- Do we currently have or could we develop legitimacy and credibility on the issue?
- Is there a realistic prospect of success?

### SOME FINAL DIFFICULT QUESTIONS

Writing this paper has left me with some lingering doubts and questions.

**1. Does size matter?** Who is best placed to adopt the new ways of thinking and working discussed in this paper: major international NGOs with their advantages of large knowledge bases and economies of scale, more agile ‘guerrilla’ organizations like Global Witness, or single-issue institutions like the Ethical Trading Initiative? Is it the case, as Chris Roche puts it, that: ‘you can’t take a supertanker white-water rafting’?<sup>37</sup>

According to a recent paper by Hugo Slim: ‘The question of NGO scale will become a major issue in NGO politics over the next twenty years.’<sup>38</sup> He argues that a handful of international NGOs have decided to make global scale a priority, even if it comes at the cost of greater compromise in choice of partners and messaging. Other NGOs, including Oxfam, are torn, ‘but the question of growth now faces every INGO as many of them fear being left behind’.

One option might be a ‘conscious uncoupling’ in which Oxfam transitions from a supertanker to a flotilla, with a medium-sized mother ship and a fleet of small, independent spin-offs and start-ups. The smaller, more nimble rafts could include individuals backing potential leaders (whether inside the international NGO circle or beyond) with money and a licence to operate, while minimising the restrictions of reporting requirements and sign-off.

But international NGOs could also back local CSOs to become more effective rafts. Mike Edwards argues that international NGOs should increasingly take up the role of boatyard, equipping grassroots organizations by ‘strengthening the financial independence of voluntary associations, since dependence on government contracts, foundations or foreign aid is the Achilles heel of authentic civic action. Supporting locally endowed, independent grant-making foundations or community foundations is especially useful.’

But there are trade-offs. Scale allows organizations to experiment and exchange ideas between countries and programmes. When it comes to influence, small is seldom beautiful – governments are more likely to listen to bigger players given their reach, particularly when they

have 'skin in the game' in the form of direct programming and staff on the ground. What kind of hybrid combination of scale and subsidiarity provides the optimal blend of flexibility and clout?

**2. Should we increase investment in 'change capital'?** As the rate of change in development has accelerated, the ratio of 'change capital' to 'delivery capital' needs to change too. Big businesses (such as Google or GlaxoSmithKline) in fast-evolving sectors invest far more in research, experimentation and innovation than a company that builds roads or makes T-shirts. For Oxfam, this is reflected in its increased focus on 'thought leadership', research and innovation; but what constitutes good or bad practice in this space? What is the optimum position on the spectrum between innovation and delivery? And would funders and supporters be happy to see more of their cash go on experimentation and learning, rather than direct delivery?

**3. What kind of innovation capacity is it realistic to aspire to?** We international NGOs are always urging ourselves to be more agile, flexible and innovative. But despite some notable successes, we often find it very hard to work like this. Oxfam has been promising to 'go urban' in its strategic plans for several decades, with only limited results. Unless we explicitly discuss, understand and address the political economy of inertia (typically a combination of ideas, institutions and interests<sup>39</sup>), these kinds of discussions are unlikely to reach a different outcome.

**4. What does this mean for the kinds of people we employ and how we support them?** Working in the ways described above involves many features of being an entrepreneur or maverick – deeply embedded in the real world, spotting opportunities, embracing doubt and ambiguity, taking risks, living on your wits. That does not strike me as a typical profile for the kind of staff international NGOs currently recruit. What would need to change in terms of HR practices (recruitment, training, performance management, incentives and internal narratives) to get from how we work now, to how we need to work in future?

**5. What does this mean for our Funding relationships?** We can only do things if they are funded. Innovations such as those referred to earlier in Tanzania and Tajikistan were driven by striking examples of 'Good Donorship' (from DFID and the Swiss Development Agency respectively), with individual countries willing to consider longer timelines and more flexible approaches to how they 'do' development. How can we build on these examples to give funders more of an appetite for these kinds of shifts in agencies' approach? What kinds of partnerships, instruments and influencing activities could increase the funding pot for innovative approaches? In an increasing number of situations, the classic 'aid project' is divided up into ex-ante analysis and design, which then receives funding, is implemented more or less unchanged, and is unlikely to be fit for purpose. We, the aid agencies, and the people and communities we work with and for, need new aid modalities that explicitly support experimentation, iteration and redesign.



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## NOTES

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