Can Magic Bullets Hurt You?
NGOs and governance in a globalised social welfare world.
A Case Study of Tajikistan

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Abstract

This paper establishes some of the criticisms which have been made of the NGO sector in international development, focussing on the issue of governance. It then examines to what extent these criticisms appear to be true for Tajikistan. The conclusion is that many of the shortcomings of the sector generally are, indeed, evident in this country. Despite this, there are a number of factors which indicate that a more positive approach to aid and development in the country could be realised. Some recommendations towards this end are made.

As the problems of Tajikistan are by no means unique, it is likely that this conclusion also has application in other countries in similar circumstances and stages of development.

Definition of Terms

Non-Government Organisation (NGO)

The term NGO is used in general to refer to organisations founded and governed by citizens, without formal representation of government staff or agencies. Here, it always refers to that sub-set of these organisations which provide community services or social services. Elsewhere, terms such as nonprofit or not for profit organisations, third sector operations or Community Social Welfare Organisations have been used. Several researchers have put together extensive typologies of non-government actors across countries (eg. Salamon & Anheier 1997).

International non-government organisation (INGO)

International non-government organisations are NGOs based in countries of the industrialised world, but active in providing services in developing countries. The activities of INGOs within their home countries are generally limited to fundraising and community education. The staff of INGO offices in developing countries may be foreign or domestically sourced, or a combination of both.

Local non-government organisation

Local NGO (here) refers to those NGOs which are located in the developing world, but which are indigenously controlled and locally based. They may receive funds from international groups, including international non-government partners, inter-governmental organisations or donor governments, and are accountable to these donors for these funds. However, unlike international NGOs, they are not outposts of an organisation with a headquarters in a foreign land.
Intergovernmental organisations (IGO)

IGOs are multilateral governmental agencies, which have been created by formal agreement between governments, and to which membership is limited to states (Cupitt et al 1997:13). Examples include agencies of the UN family, regional development banks (eg. Asian Development Bank), the World Trade Organisation (WTO).

Hukumat

A term used in Tajikistan to refer to a formal administrative district smaller than oblast (region) or raion (district), and larger than mahallah (village/community), and the level of government which administers this region. It is loosely translated here as ‘local government’.

Mahallah

A term used to describe the self-governing neighbourhood communities which operate throughout Tajikistan. Poliakov (1992:78-9) explains the role of the mahallah as to effectively control all aspects of life for people in Tajikistan, especially in rural areas.
Introduction

The past half century has seen an increasing emphasis on the part of western donor nations on the use of NGOs to administer social welfare programs, both at home and abroad. Policy makers have been swayed by liberal democratic arguments that NGOs offer the potential for delivering the kind of bottom-up, participatory development which can lead to long-term, sustainable solutions to poverty. Their perceived ability to deliver cost effective outcomes, largely through reliance on voluntary labour, has added economic weight to these arguments in more recent times.

One side-effect of the resulting emphasis on the non-government sector in overseas aid has often been the by-passing of host governments in the development process. Rather than enhancing the capacity of these generally weak states to govern in the future, this can only have the opposite effect. Given that it has often been a lack of government capacity to address social problems which has resulted in the need for aid, this approach seems unlikely to achieve long-term, sustainable development outcomes.

This paper discusses the history and background of this drift towards non-government welfare providers, and outlines certain of the characteristics the sector tends to exhibit as a result of this history. Following this, it presents a case study of the current situation in Tajikistan. It is argued that many of the criticisms of the sector in general are also valid in this context. However, there appears to be considerable scope to improve on current arrangements, and some recommendations for some ‘first steps’ which key players could consider taking towards this end are also presented. With development programs as yet in a relatively rudimentary form in this country, there is the time and opportunity to put in place a better framework. However, this goal will require bilateral and multilateral donors to re-focus their efforts with this end in mind.

As the problems of Tajikistan are by no means unique, it is likely that this conclusion also has application in other countries in similar circumstances and stages of development.
Historical framework

As early as the mid-1960s, the ability of governments and large bureaucracies in general to effectively achieve aid and development outcomes was being questioned. The realisation was dawning that the implementation of large-scale, state-based social welfare efforts at home, encapsulated in such efforts as the Social Security Act of 1935 in the US and the 1942 Beveridge Report in the UK had fallen far short of delivering the “cessation of insecurity and poverty once and for all” which they had promised (Latham 2001:115). Governments were increasingly being criticised on the grounds that the funds were not getting to those who needed them most or were being lost to corruption, and that bureaucracy stifled the kind of local involvement in the development process which, many believed, contained the key to long-term sustainable development efforts (Korten in ANGOC 1988:9; Theunis 1992:8).

A rash of negative evaluations of bilateral giving which emerged at this time cast doubt on the ability of governments to perform any better abroad (Theunis 1992:10). Large, bureaucratic IGOs, such as the UN, were also increasingly coming under fire over perceived duplication of efforts and inefficiency (Cassen 1994:212).

At the same time, a rising tide of socially progressive values was leading to growing community support for bottom-up community development methods, delivered through non-government agencies. NGOs gained a reputation for offering specific advantages over more bureaucratic government structures, including being able to better reach the poor and obtain meaningful participation of intended beneficiaries, being flexible and responsive, strengthening local institutions, achieving cost-efficient outcomes, offering tailored and innovative interventions, motivating and retaining personnel, and promoting sustainable development (Fowler 1990 in Biggs & Neame 1996:50). As such, they seemed to offer the perfect antidote to the perceived failings of the more institutionalised, state-based remedies of the 1950s. Options for non-government delivery of services began to be increasingly examined, both in the delivery of domestic social welfare in industrialised countries, and aid and development programs abroad.

This trend was further reinforced through the 1980s and 1990s by the rise of a general ideological preference for the private over the public sector, under the banner of the New Policy Agenda (Robinson in Edwards & Hulme 1996:2). This set of ideals, which gained prominence throughout the industrialised world over these decades, twinned neo-liberal economics with a socially democratic set of political values. Among the effects was a shift in thinking which saw governments constructed more as the ‘enablers’ of (privately provided) services, rather than direct service providers themselves. Each of these factors contributed to the scaling back of government welfare efforts in favour of those delivered by organisations in the non-government sector, both at home and overseas.
In the international context, the move had additional attractions. By channelling public revenues through charitable organisations, governments could avoid being seen to be officially assisting governments they may have been critical of in other fora, for example those with questionable human rights records (Smith 1989:322). Importantly, donor publics have been more willing to support aid transfers of both private and public funds to NGOs than to effectively support foreign governments. This allowed bilateral donations to be supplemented from the pockets of willing private philanthropists, and countries could be seen to support larger aid programs without requiring additional public expenditure.

Given these influences, it is unsurprising to find that over the past 25 years, an increasing amount of government official aid has been channelled to and through NGOs. The proportion of total aid from OECD countries flowing through NGOs increased from 0.7% in 1975 to 3.6% in 1985 to at least 5% in 1993/4 (US$2.3 billion in absolute terms)\(^1\) (Edwards & Hulme 1996:3). Australia currently delivers around 7 percent of its total aid budget through Australian and non-Australian NGOs (AusAid 2001).

NGOs are also able to raise considerable sums in private donations from donor publics. Over half of the AU$200 million which Australian NGOs spent on overseas aid during 1996 came from private donations. Canadian and Swiss INGOs, too, receive less than half of their funding from government sources (Smillie & Helmich 1999:9, 15, 179, 228). Private donations to European international charities hover around the US$1 billion mark, representing about twice the amount of government funding (Smith 1989:321, 327).

As the amount of funds available to NGOs has risen, the number of NGOs in existence has also steadily increased; it seems likely, in fact, that the two trends are causally related (Edwards & Hulme 1996:3). The number registered with the OECD in industrialised countries rose from 1600 in 1980 to nearly 3000 in 1993. This expansion has been even more pronounced throughout the developing world. The number of NGOs registered in Nepal rose from 220 in 1990 to 1210 in 1993; in Bolivia, the figure increased from around 100 in 1980 to 530 twelve years later; Tunisia boasted 5186 NGOs in 1991, compared to 1886 only three years earlier (Edwards & Hulme 1996:1-2).

While the overall amount channelled through NGOs is still small compared to total bilateral transfers, the total spending of OECD NGOs in developing countries reached US$5.7 billion in 1993. Collectively, NGOs are larger than some bilateral donors (Cassen 1994:51). As such, they are hardly inconsiderable players. More importantly, in specific countries where bilateral giving is not well established, the share of aid delivered via NGOs can be considerably greater than its importance in overall terms might imply.

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\(^1\) This figure omits multilateral agency funding to NGOs and NGO funding from the US government, which represented over half the total in all previous years.
The fact that non-state organisations are involved in welfare is not new. Non-government actors, in the form of charitable societies, pre-date state efforts to alleviate poverty, both in developed and developing countries. What is new is the degree of influence which NGOs are able to exert. This has risen with their relative share of funding importance, so that they now occupy a “strategic and weighty position in the development landscape” (Theunis 1992:11). In some countries, such as Bangladesh, NGO social welfare programs are larger and better known than government equivalents. In the last few decades, NGOs have increasingly been viewed not as an alternative to state activity, but as a preferred channel for aid, in deliberate substitution for the state (Edwards & Hulme 1996:2; Theunis 1992:7). The sector has now become something of a ‘magic bullet’ for development practitioners, as one analyst has put it, that can be “fired off in any direction and … still find its target” (Vivian in Edwards & Hulme 1996:3).

These trends are not necessarily negative. However, most of the statements made in support of NGO activities appear to be somewhat tinged with idealism. Broad analysis of NGO efforts has commonly shown that there is no general case to be made, and that one has to look at specific NGOs in specific contexts to see what, if anything, they do better (Biggs & Neame 1996:43). There is also a growing chorus of complaint which attacks NGOs for being “unrepresentative, unaccountable, and often plain uninformed”, and questioning their legitimacy in the global debate (cited in Edwards 2000:2). Many of the sector’s detractors are at pains to point out that this does not imply that NGOs do not perform good work – “generally speaking they are on the side of the angels, and the world is a better place for them” (Edwards 2000:36). However, their popular image may, at times, be exaggerated.

It is this popular image, though, which has been said to lie at the heart of ‘NGO-creep’, being “a gradual insinuation of NGOs at all levels of planning and policy, without a clear idea … about where this is leading” (Smillie & Helmich 1999:286). This has the potential to lead to problems in countries where NGOs may not have the capacity or legitimacy of the sector in other countries, but where they may still demand, and be accorded by donor bodies, a considerable share of influence over the policy agenda. If their noble image is a distorted reflection of their true position, then a disproportionate degree of influence may be accorded to them, due to an ideological preference for non-government solutions.

Importantly, if NGOs are accorded a stronger role in development, the converse is a weaker influence for the governments of the developing countries within which the programs operate. This may impinge on the capacity of these governments to govern.
Three of the major issues which can lead to this outcome will now be discussed, under the headings of: External accountability, relationship with government, and coordination of NGO efforts. Following this, consideration is given to the ultimate impact of these factors on governance, and hence to the potential implications for long-term development outcomes within countries which receive aid funds. The specific case study of Tajikistan will then be examined in some detail, to ascertain to what extent these effects are evident in that country. Following this, some recommendations are presented which aim to address some of the deficiencies identified.
Systemic issues

External accountability

Two diagrams are provided below, to show the typical flow of funds and accountability within an industrialised economy and these flows within a developing country. These can be used to illustrate a great deal about the accountability of NGOs to their donors and their beneficiaries, and the particular circumstances of NGOs in developing countries.

Figure 1: Domestic social welfare flows

Figure 2: International social welfare flows

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Flow of funds

Flow of funds across national borders

Line of accountability
As shown in Figure 1, lines of funding and accountability within developed countries are contained within one set of national boundaries, and relatively streamlined. The responsibility of NGOs flows downwards to the beneficiaries of their programs, and upwards back to government and private donors.

NGOs operating in developing countries, conversely, source the majority of their funds from donor bodies outside of the country. These bodies can include foreign governments, INGOs, multilateral organisations (and the foreign publics that fund them), as well as private donors in external countries. This is shown in Figure 2.

What is also shown is the quite tangled web of accountability which NGOs can be drawn into as a result. Yet accountability to the domestic government is only a fragile thread in this web, as they generally donate only token amounts, if anything, to NGOs. In some instances, this link is missing entirely. As funding bodies tend to seek to strongly influence policies and programs, NGO activities can, and often do, end up becoming skewed toward donor driven agendas for development, rather than indigenous priorities (Hashemi 1996:128-9). James (1989:312) notes that this influence from abroad is not found in the social welfare policies of the US or most other developed countries and that, more than likely, it would not be tolerated.

External financial dependence not only decreases the financial accountability of NGOs to domestic actors, but also the political accountability to which NGOs can be subjected. Within a democratic national context, governments are held accountable for their policies through the mechanism of an elected Parliament, within which both the donors to and beneficiaries of government programs can express their satisfaction (or otherwise) with the decisions which their representatives make on their behalf. By comparison, where the government itself has limited say over its programs, policies and priorities, beneficiaries in the developing world are necessarily limited in the degree of influence they can exert over social welfare policy through such democratic mechanisms.

As such, the use of NGOs as agents for development effectively weakens the mechanism through which political accountability to program beneficiaries can be achieved. Interestingly, while western donor governments commonly tout the importance of strengthening democracy, it can be seen that their emphasis on the use of NGOs in development can, in this way, have the opposite effect; it inhibits the capacity of government to implement and control policies, that is to govern, while weakening the ability of the populace to have their concerns addressed through democratic mechanisms.

Elites in developing countries have often stepped in and pushed for greater indigenous control of development initiatives in response to this external financial and political focus (Salamon & Anheier 1997:499). This has often been the genesis of the local or indigenous NGO network. However, in the absence of domestic revenue sources, these groups remain effectively as constrained by external accountability as the INGOs. Unless the host government is able to step in and impose a certain degree of control over the
work of local NGOs, this situation is unlikely to change. However, it is unlikely that real control can be effected in the absence of funding from government bodies.

Relationship with Government

The external financial and political accountability which NGOs generally exhibit tends to lead to a somewhat contradictory relationship between the non-government sector and government. On the one hand, the role and scope of aid activities undertaken by NGOs can pose a threat to the legitimacy of government, if NGOs can offer services and assistance which government cannot match. In some cases, NGOs have actively worked together to build up de facto monopolies, and through this, bypass existing rural power structures and challenge the legitimacy of the state. The tendency of NGOs to embrace the empowerment of disadvantaged groups and the alteration of the status quo as a goal can further inflame this already sore point.

Many host governments harbour suspicions of the sector for this reason, and react negatively to it from time to time (see eg. Hashemi 1996:124 for discussion). While ill-feeling may generally simmer away virtually unnoticed, where it boils over the consequences can be significant. The gaoling of NGO workers in Afghanistan in 2001, under the accusation of proselytising Christianity, provides one example of this.

Yet at the same time, NGOs can assist to legitimate government action – including inaction and ineffectiveness – by hiding the incompetence of government policy makers. In this way, tolerating and supporting NGO activities can effectively contribute to the chances of re-election of both governments and individual politicians. They may be accepted and supported by elected officials for this reason (James 1989:293).

In general terms, this appears to result in a situation whereby governments that do allow NGOs to operate within their borders largely leave them alone, trading off devolved decision-making capacity and control in order to gain desperately needed development assistance. However it highlights the accuracy of the words of Kuti, who describes the context within which NGOs work as “…full of uncertainties, and with considerable ambiguities” (1997:471).

Coordination of NGO efforts

NGOs tend to be small, focusing on project-specific issues of local interest, and targeting interventions to specific local groups. These characteristics, which represent some of the sector’s greatest virtues, are ironically also the origin of what has been termed their greatest single endemic weakness: an inability to think and operate strategically, and integrate their work with other actors (Natsios 1997:297). This can lead to a “patchwork quilt” of social services developing in which only certain regions are supplied by well-resourced NGOs, leaving others to fend for themselves under weak central oversight.

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2 An example of such a situation is described in Togo, in Anheier (1989:352).
(Edwards & Hulme 1996:5). The result can be that “conflicting strategies and objectives, or their abysmal absence … cancel each other out” (Natsios 1997:300).

In contrast, where some control can be exerted over NGO operations through funding or regulatory mechanisms, NGOs can be coordinated so that the work of each agency complements, or at least does not conflict with, that of other agencies, and of the government itself. Yet private donors, who have generally proven reluctant to fund administration and other ‘overheads’, may be unable to see the importance of increasing expenditure on such aspects as strategic coordination of efforts in order to achieve more efficient use of resources overall. This means that NGOs may lack not only the incentive to act in a more coordinated way, but the financial capacity to do so.

Given this difficulty, there are two main options available through which better coordination can be achieved: through the use of a multilateral actor, such as the UN; or through developing the capacity of the host government to act in this way.

More often than not, it has been the former path which has been taken. Yet very often, UN agencies have proven similarly poorly placed to counter the issue of external accountabilities and impose the sort of discipline which would be required to achieve a more coordinated development effort among NGOs (Natsios 1997:300). The other main option, enhancing the capacity of the state to act in this way, appears to be relatively rarely chosen. Partly, this derives from the characteristics which NGOs tend to exhibit, such as external reliance and lack of political accountability, which do not lead them naturally to seek to involve domestic governments in their operations. The implications of this state of affairs for governance are discussed below.

**Implications for governance**

Traditionally, political sovereignty has been seen as the preserve of the nation state. While this concept might, as Edwards (2000:12) notes, be on the way to the “increasingly crowded dustbin of history”, the right of legitimate governments to have control and influence over the activities of international actors operating within their borders is generally still maintained.

Third world governments, though, are not always in a position to exert this right. Their poor receive resources from foreign donors, both public and private, which their own governments cannot match. This may leave cash-strapped nations facing a choice between receiving this money but having limited say over its use, or not receiving it at all.

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3 Hence the debate over the problems inherent in pulling governments out of social welfare entirely and vesting all control of the resources spent on the poor with the wealthy Americans who donate to private charity (eg. in Wolpert 1995:3).
This problem is mitigated where beneficiary governments receive funds directly from donor governments. While such funds often come with substantial ‘strings’ attached, government officials are at least aware of how the money is being spent and can possibly have some influence over its actual use. However, where NGOs directly receive the funds they require to operate from external sources, the domestic government can find themselves virtually bypassed. As the use of NGOs becomes more prevalent, the potential for this increases.

The caveat raised by Edwards (2000:12), that it is important not to exaggerate these trends, since governments are still capable of regulating both the private sphere and civil society, is noted. However, the rise of NGOs does challenge the authority traditionally vested in the state, through directing responsibility for the poor, and control of programs designed to assist them, to actors outside of the country’s borders. As noted above, while on the one hand this trend can contribute to government legitimacy, it also legitimates government inaction, while reducing the ability of a people to bring their government to account. Rather than building the capacity of the host government to better meet the social welfare needs of its population, it contributes to a transfer of responsibility to developed world donors.

The implications for overall development outcomes are considerable. As the World Bank is at pains to point out, “Good government is not a luxury – it is a vital necessity for development” (1997:15). While the era of state monopoly provision of social services and other public goods has probably passed, evidence suggests that good governance— the ability of the state to undertake and promote collective actions efficiently— does lead to better development outcomes (World Bank 2001b:99; 1997:3). Many studies have documented strong associations between per capita incomes and measures of good governance. To a certain extent, this reflects the greater capacity of rich countries to provide good institutions. But recent findings also point to a causal effect running from better governance to better development outcomes. As a result, the World Bank has identified, as a high priority, the channeling of resources to poor countries with good policies and a strong commitment to institutional reform (1997:12). Presumably, then, we should see, in the actions of these multilateral actors, not only support for governments with good policies, but a commitment to strengthening the capacity for governance of these states.

In fact, we often do not. Indeed, as Natsios (1997:295-6) notes, donor agencies have a tendency to look to NGOs as the preferred partners in development initiatives, specifically because host governments are ineffective. Yet in doing so, no incentive is ever provided to them to promote the kind of changes which would ultimately reduce their dependency on foreign donors (discussed in Gallarotti 1997:375; 388-9). Thus, the

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continued dependence of the governments of beneficiary nations on foreign assistance is effectively supported, rather than challenged. Donors must accept some of the blame for this.

It is not my argument that the solution is to cut NGOs out of the picture. The non-government sector can have advantages over government alternatives, and it is not my belief that their current responsibilities should be handed over to the state. But, if the most serious challenge to the international community is “developing and implementing strategies for dealing with failed states or preventing their collapse in the first instance”, as Natsios (1997:299-300) asserts, a complementary aid strategy would strengthen the capacity of host governments to take on a greater role in social welfare provision. This would be most likely to be achieved if donor bodies actively involved governments in social welfare provision, in a way which developed their capacity for governance.

NGOs should, then, be aiming to support and facilitate the empowerment of the state. This, in turn, would contribute to economic and political stability, which would provide a foundation for the kind of growth and development which will allow donor governments to pull back from international welfare provision altogether. The role of the donor governments and multilateral actors, in this endeavour, should be to assist and support host governments to the greatest degree possible.
Case study: Tajikistan

The history, background and context of NGOs in the international aid and development environment has been discussed above, along with three of the systemic issues which tend to arise where NGOs are used in international development. The situation in Tajikistan will now be discussed, and an assessment of the emergence of these three systemic characteristics made. Consideration of a ‘best practice’ model of government and non-government cooperation forms the basis on which recommendations for the future direction of development efforts in the country will be made.

Methodology

A number of interviews conducted between June and August of 2001 with government workers at national, regional and local level, non-government agencies headquartered both internationally and locally, and other welfare stakeholders operating within the country, are used to provide the framework of evidence around which the arguments of this paper will be made.

It should be noted that conducting research in Tajikistan is complicated by a number of factors. The information which is available is generally limited, and much of that which is available may be incomplete or outdated. Relatively little has been committed to paper, and only a small proportion of that is available in English, meaning that checking facts can be problematic. These complications are likely to have affected both the kind and quantity of information that was gathered.

The following table provides a breakdown of the agencies interviewed and their major activities. (In some instances more than one individual from an agency was interviewed.)

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5 Given the sensitive nature of many of the comments recorded here, all interviewees have been confidentialised. References to ‘local’ or ‘foreign’ in the notes denote whether the interviewee was a national of Tajikistan (‘local’) or expatriate staff (‘foreign’).
Background

The social welfare system in Tajikistan

Tajikistan had an extensive system of cash and in-kind state welfare benefits in place under Soviet rule which offered a framework of cradle-to-grave security to the population. However, this social safety net proved extremely fragile following independence in 1991, and the collapse of the subsidies from Moscow which largely funded it ripped it to pieces. The protracted civil war which followed, ending only in 1997, left the country’s physical, economic and human capacity in shreds, and put the task of even beginning to mend the system back by decades. With a GDP of US$370 in 1998, Tajikistan is now the poorest of the 15 former Soviet republics, and at 126 out of 143 countries in GDP per capita, one of the poorest countries in the world (CIA 2001).

Today, the notional state welfare entitlements which remain are paid at far too low a level to pull families or individuals out of poverty. Many of these entitlements are not paid at all. Previously universal access to health is now primarily available on a user-pays basis, with many people unable to get access to even the most basic services. Public education is limited and not well placed to meet the needs of a market economy. A World Bank assessment put unemployment at above 30 percent, with underemployment likely to be much higher (World Bank 2000a). More than eighty percent of the total population live below the poverty line, although the concept of a poverty line becomes largely meaningless in such a context (CIA 2001).

Tajikistan now relies on international humanitarian assistance for much of its basic subsistence needs, including meeting an estimated food deficit of around 360,000 million tons (out of an overall need of between 800,000 and 850,000 million tons). Net aid flows totalled around US$121.5 million in 1999, representing just over 10 percent of total GDP.
(World Bank 2000b, 2001a). The share of this assistance which is distributed bilaterally is low at 29% in 1999, down from 42% in 1997 (OECD/World Bank n.d.). As can be seen from Table 2, the major donors are multilateral bodies. Bilateral giving is dominated by the US, who in 1999 contributed US$22 million of the total US$121.5 received.

Table 2: Top 10 Donations of Net Overseas Development Assistance to Tajikistan (1998-99)

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<thead>
<tr>
<th>Rank</th>
<th>Country/Group</th>
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<tbody>
<tr>
<td>1</td>
<td>World Bank</td>
<td>37</td>
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<tr>
<td>2</td>
<td>United States</td>
<td>22</td>
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<tr>
<td>3</td>
<td>European Community</td>
<td>19</td>
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<tr>
<td>4</td>
<td>Asian Development Bank</td>
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<td>5</td>
<td>SAF/ESAF (IMF)</td>
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<tr>
<td>6</td>
<td>UN Development Program</td>
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<td>Germany</td>
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<td>8</td>
<td>Switzerland</td>
<td>3</td>
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<tr>
<td>9</td>
<td>World Food Program (UN)</td>
<td>2</td>
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<tr>
<td>10</td>
<td>Netherlands</td>
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Source: OECD/World Bank

The World Bank has specifically identified low state capability as a major issue in the Commonwealth of Independent States, of which Tajikistan is a member, and one which represents a serious and mounting obstacle to further progress in most areas of economic and social policy (1997:14). While it is my opinion that the political will to move towards more modern methods of public administration is present at the highest levels, this has not been translated into any form of action which might address the World Bank’s concerns. At higher levels, there is little understanding of the ways in which social welfare can be organised within a market structure. At lower levels, bureaucrats are poorly paid and poorly managed and have little, if any, incentive to change the way in which they operate, nor understanding of the benefits to be gained by doing so. As such, the country is poorly placed to initiate or undertake reform of its public sector generally, or its social welfare sector specifically.

The non-government sector in Tajikistan

Under Communism, the state was considered to have a monopoly over the provision of welfare services in Tajikistan, and non-state actors were considered superfluous and unnecessary. As a result, as well as due to the potential threat to the state posed by civil association, non-state actors were generally either banned under communism altogether, or found themselves subsumed into state agencies. Tajikistan was no exception, and NGOs were outlawed in the country until 1994 (Falkingham 2000:28).

6 The history of the state control of third sector organisations in Hungary, and their re-establishment following glasnost, is outlined in Kuti (1997).
Since then, as elsewhere in the developing world, the number of NGOs in the country has exploded. The growth over a period of less than two years is shown in Figure 3.

**Figure 3: Total number of NGOs registered by the Ministry of Justice, Tajikistan**

The activities and policies of international donors have directly – and deliberately – contributed to this growth. USAID, which contributes around 10 percent of the country’s total development assistance, has specifically adopted a policy of channelling aid funds in large part through NGOs, with a view to “building local organizational capacity and strengthening the ability of Tajiks to build and sustain their own economic recovery” (USAID 1997). Further, they identify the leveraging of multilateral donors such as the World Bank and UNDP to act similarly as a priority endeavour. As a result, many major INGOs have bases in Tajikistan, both in the capital, Dushanbe, and in regional areas. Most of these are working in partnership with local community groups and local NGOs.

Indigenous NGO activity is also vigorous. This is fostered by INGOs and local elites, who actively assist local community leaders to form official, registered NGOs, which is a requirement for obtaining access to external (foreign) funding. Local NGOs mostly receive funding directly from or through partner INGOs, although in some instances NGOs are also receiving funding directly from IGOs, such as the UNHCR.

Local NGOs are now active in all regions of the country, in a variety of sectors. Many channel in-kind humanitarian aid from foreign donors to the poor in urban and regional areas. They have also stepped in to provide some replacement services in such areas as health, education, and training where the state no longer meets demand. Some local and

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7 Out of some 600 NGOs registered in Tajikistan in mid 1999, it is estimated that only a small proportion – perhaps 120 – were active (Falkingham 2000:28).
international NGOs are focussed on capacity building, and provide training for other NGOs as well as community groups who wish to formalise their operations and become NGOs. In some instances, NGOs are also providing training directly to government bodies at local and republic level, on such issues as health, social welfare and gender and development.
Exemplary accountability

In most developing countries, NGOs have a high level of reliance on foreign sources of funding. Tajikistan is no exception. However, existing legislation specifically prevents the government from making any financial donations to NGOs. As such, where in other countries organisations may have at least a limited accountability to government, in Tajikistan NGOs operate entirely autonomously of government, and are not accountable to it.

The inherently unsustainable nature of this arrangement is widely acknowledged within the NGO sector. One commentator noted:

"...the government should also include NGOs in their budget. Because once the international agencies are gone, there is no sustainability."

Similar sentiments were expressed by another NGO head:

"While we have no [domestic] budget funds NGOs will be unsustainable. This is why we would like to develop [profit generating] workshops, as one day the international aid will stop."

This weakness is also acknowledged within the international players, in statements such as the following:

"The main obstacle to the development of the NGO sector is that the sector and civil society are still weak, and they are heavily dependent on outside assistance."

In many countries, this problem is alleviated to some extent by the involvement of the local educated elite, who can step in and provide some stability within the sector through local positions.

Certainly, within Tajikistan, local NGOs appear to be largely under the control of members of the local elite. Of the four heads of NGOs I met with, two were medical doctors with foreign training, and one was a former program manager for a major IGO locally, who spoke fluent English. The manager of the local IGO program I met with also spoke fluent English, having been educated in western Europe.

It has been this class which, in many other developing countries, has grasped the need for a non-government sector, and used its collective language and cross-cultural skills and personal networks to secure available international funding and build up a local NGO sector. However, the size of this elite is limited in Tajikistan, due largely to the effects of

the civil war which saw the majority of young, educated professionals flee the country. As such this resource, which elsewhere has formed the framework on which the development of an indigenous non-government sector has been hung, is absent in Tajikistan.

Exacerbating this problem is a degree of distrust and misunderstanding which NGOs feel characterises their relationship with the broad population. This situation may have been exacerbated by the fact that the translated term for ‘non-government organisation’ used in Tajikistan has the connotation of ‘anti-government organisation’, which may mislead some as to purpose of the sector. As one NGO worker explained:

_In 1995, the first training for local NGOs was provided by Counterpart Consortium, an INGO which trains local groups. Then I thought an NGO was something informal, and directed against the government. Many people had similar ideas._

This ambivalence was picked up by one survey, which asked the question, “Do you think NGOs are necessary for economic, political and social development of Tajikistan?”

Those surveyed answered as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolutely necessary</td>
<td>9.9%</td>
</tr>
<tr>
<td>Necessary</td>
<td>31.9%</td>
</tr>
<tr>
<td>Absolutely unnecessary</td>
<td>37.1%</td>
</tr>
<tr>
<td>Don't know</td>
<td>21.1%</td>
</tr>
</tbody>
</table>

While two in five respondents expressed positive views on the role of NGOs in Tajikistan society, only slightly fewer people held negative views. Fully 20 percent were uncommitted, indicating a degree of uncertainty of the sector among the population on the role, place, status and even necessity of the non-government sector in Tajikistan at this point.

These issues are likely to represent severe barriers which the sector will need to overcome prior to being able to reduce its general degree of external dependence, both financial and political, and its consequent susceptibility to hijack by external agendas.

**Relationship with government**

Generally, government officials seem to feel that NGOs do good work with poor people, and that they provide assistance which the government is not in a position to do. One regional government official made the following comment:

_Some local NGOs are just starting. They have compiled lists of people who they have given aid to, the poor people. This is good action, and they are being very helpful._

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12 Sharq (1999)
13 A.U. (local), Head of Section, regional Department of Social Protection Office. 26 July, 2001.
The head of one local NGO, when asked if the role of NGOs was well understood in Tajikistan, responded:

*On one hand, yes. Anyone who came here and saw our operations would understand what we were doing and respect us for it.*

High level officials certainly appeared open the possibility that such groups are a positive initiative, and acknowledge that they have access not only to resources, but to knowledge which the government does not. One senior official in the Ministry of Labor and Social Protection stated:

*Local community groups providing aid to vulnerable people at the community level – these are new things for us... We need to be taught.*

Such sentiments were supported by the President of the Republic, in his New Year’s Eve speech of 2001, where he made his first official reference to the non-government sector in Tajikistan, specifically mentioning its ‘dignity and value’.

As noted, NGOs in Tajikistan have a degree of autonomy matched in few other countries. Effectively, they operate entirely independently of government bodies. As one local government official explained:

*We get humanitarian aid 2-3 times a year, from [one INGO] ... They work directly with the mahallahs, who have a list of the poor people ...*

Probably as a result of this separation, NGOs, both local and international, also reported a generally low level of understanding of their activities as a major problem. In many instances, they felt that they were viewed primarily as sources of potential revenue for the government. As the Director of one local NGO complained:

*...the government doesn’t understand entirely our mandate. They only see us as things which they can tax. We opened a bank account once. But then the government came and said, ‘oh, you have a bank account, you must be very wealthy’ and they tried to tax us and find out all about our finances. So we closed that bank account.*

This sentiment was a common one, with another local NGO head commenting:

*...people would not understand the size of our budget. We couldn’t tell anyone this, such as officials, because they would not understand.*

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14 Mrs. A (local), Head, local NGO. 6 July 2001.
19 Mrs. A. (local), Head, local NGO, 6 July 2001.
So, while officials seem generally open to the idea that NGOs are a positive development, their independence, combined with a lack of understanding on the part of government as to their mandate and capacity, appears to have resulted more in resentment on the part of NGOs of government interference, rather than an attempt to involve them as partners in the development process. One NGO head summed up her feelings thus:

*What is the problem with government? What I want from them is to give me a building and leave me alone. Let the international agencies give donations to finance the agencies.*  

The support of the Government for the work of NGOs was also perceived to be rather shallow and self-serving. One international worker commented:

*The government is supportive of our work as long as it is seen to be helping them [the government] with their problems.*  

Certainly, there was a general feeling that the government did not fully appreciate the contribution of NGOs. Several NGOs, both international and local, felt that they should benefit from concessional rates of taxation rather than being heavily taxed themselves, as they were providing valuable services to the people which the government would otherwise have to provide.

The degree of autonomy with which NGOs acted as a result of their external funding arrangements was certainly not lost on government officials. However, opinion on the result was divided. Some local government officials felt that this method resulted in better outcomes than if the assistance were directed through the government bodies themselves. As one outlined:

*Before, the Hukumat decided who got the assistance, but there were many questions asked – why did it go to this person, why didn’t I get any help, and maybe it wasn’t really going to the poorest people. But now the mahallah organises it, and it’s better this way. We haven’t had any problems with any complaints since we did it this way. They definitely do know better than us who is in need.*

However, there were other local government workers who expressed extreme dissatisfaction with the situation.

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23 Mr. K. (local), Chairman, regional Hukumat. 27 July, 2001.
As one noted:

*They [NGOs] don’t discuss with us who to give it to or who needs help, they don’t come to us and ask. They just go and look. They don’t come and ask us, ‘where are the very poor?’ It’s difficult, because we have no funds to give our people, but they do. It shouldn’t be like this. We also see very poor people, and we should have some aid to give to them ... It’s not good that the Department of Social Protection cannot give anything, but the mahallahs can.*

This distrust on the part of government agencies was picked up by certain NGOs, one of which reported:

*They [NGOs] are viewed as a bit of a threat to the central government agencies.*

From talking to workers from local and international NGOs as well as a variety of government officials, my overwhelming sense is that NGOs are tolerated by government in Tajikistan, because of their ability to attract badly needed resources. One international worker summarised this feeling in this way:

*...we have excellent relationships with local government agencies ... We feel they are supportive of the work we are doing here, they are more interested to see what we are doing and how we are doing it and what kind of results we can have. They have concerns about the decentralisation of power, but overall they are supportive because it means funds and labour going into the villages which wouldn’t be there otherwise.*

Despite the ambiguity of the relationship, productive partnerships between the two sectors have sprung up, generally on an ad hoc basis. Several local NGOs, for example, reported receiving premises and utilities either free of charge or at reduced rates from local government partners, in acknowledgment of the work they do. The central government has also reduced NGO registration fees recently, including those for international NGOs, which fell from US$800 to US$500. This does indicate a degree of good-will among certain government officials and offices towards the sector, which could possibly be capitalised on, for mutual gain, if the conditions were formally put in place to do so.

**Coordination of NGO efforts**

The lack of coordination which plagues the NGO sector elsewhere is also acutely evident in Tajikistan. This was identified by one international consultant on a broad governance project as a major issue to be overcome:

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27 M.R (local), Director, local NGO. 17 July, 2001.
Much of the World Bank, Asian Development Bank and UN efforts are on poverty alleviation, but there is little on co-ordination of existing and on-going efforts. This means some work may be duplicated and some missed.28

One former high level government official explained that this was also leading to development and aid efforts being concentrated in the relatively easy to reach, but less needy, urban regions of Dushanbe and Khojand29. While each NGO individually is undoubtedly doing good work, the combined ‘patchwork’ effect is less effective than it could be as a result, and almost certainly not reaching the poorest.

One of the factors which appears to contribute to this in this instance is the relatively high staff turnover of expatriate staff in what is generally acknowledged as a hardship posting. One head of an international NGO noted:

...it’s difficult for [the Tajikistan Government], because the staff turnover of the international NGOs is so high that they never have time to build up a relationship with the project leaders. I’ve been here one year, but now the new person will start, so they will have to start again with her. It’s a problem with INGO coordination overall, we have monthly meetings, but they are really just information sharing sessions, there is no coordination or strategic approach between us, mainly because of the high turnover.30

The sector’s lack of coordination is also likely to be related to the extent of its external reliance. If NGOs were even nominally accountable to an internal body, there would be both some impetus to coordinate the efforts of the different actors, and a mechanism through which to achieve this. As it is, there is neither.

One international NGO worker described an attempted response to this problem by the UN:

There is not a great deal of coordination among INGOs here. The UN tried to implement some kind of plan, but no-one turned up to the meeting about it because no-one trusts the UN to do anything good. It’s a big problem. Everyone doing their own thing, working on their own, not willing to share information on what they are doing, but just meeting their own interests and the interests of their donors.31

This indicates that, as in other countries, expecting a multilateral donor to be able to achieve a more coordinated system may be more problematic than it initially appears.

Despite this, the importance of taking a more strategic approach appears to be generally acknowledged within the sector. Several local NGOs spoke of moves to create a peak coordinating body, and of the advantages in service effectiveness and efficiency which

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this would bring\textsuperscript{32}. A UNIFEM representative also spoke of moves to bring NGOs working on gender issues under more centralised control, in order to boost the strategic coordination of gender-related efforts\textsuperscript{33}. These efforts, if successful, could make a real contribution towards bettering the current situation.

**Implications for Governance**

The financial independence NGOs enjoy from the Tajikistan government allows them to almost entirely by-pass government structures if they wish, which it appears they often do. It is not the development outcomes of this which the government seems to have complaints about, so much as the back-seat position to which they are relegated as a result. However, knowing that they are in no position to replace these services, they are not left in a position to do anything about this.

Yet, it does not appear that the NGO sector is widely viewed, at this time, as a potential replacement for state welfare arrangements, inadequate though these clearly are. Even at a series of forums with NGO workers to strategically plan the activities of the sector for the coming years, many of those in attendance stated that “the solution to most problems was the responsibility of the government” (Counterpart 2001:7).

As such, even though the government appears in a poor position to assist the population in the short- to medium-term, still the population look to it as the proper provider of the solutions to their problems. NGOs, within this context, seem to be considered by the people, even those involved in the sector, as the secondary partner, despite their superior access to funding and resources.

However, the current donor policy of increasingly relying on NGOs to deliver aid programs neither addresses the current incapacity of state actors, nor capitalises on the goodwill which is apparently maintained towards the state by the population. Rather, it appears to be increasing tension and distrust between the NGOs and government, which may put effective partnerships in the future out of reach. Moreover, the result appears to be a rather uncoordinated, unfocussed development response on the ground, which is not necessarily well placed to identify or meet the needs of poor Tajiks, and certainly not formally accountable to them. Further, the internal resources which, elsewhere, have been mobilised to address these issues are not present in Tajikistan, making such action unlikely in the near future.

Despite these issues, it is undeniable that the very presence of NGOs in the country is having positive impacts on the everyday lives of poor people. NGOs are allowing some poor people in Tajikistan to express their needs and have some of these met. They do offer a route through which poor people in Tajikistan can receive development and humanitarian assistance. In this way, they represent opportunities for poor people to

\textsuperscript{32} A.A. (local), Executive Director, local NGO. 5 July, 2001; M.R. (local), Director, local NGO. 17 July, 2001.

\textsuperscript{33} N.N. (local), Media Manager, IGO. 24 July, 2001.
access services which the government cannot and does not provide, and no one would wish that they did not exist for this reason. The current situation is certainly not perfect, but it is infinitely preferable to no development assistance flowing into the country whatsoever. The question becomes, then, what kind of model might offer a direction for future reforms, with the goal of both building on existing strengths and addressing current deficiencies?

Best practice example

One particular, although isolated, project in Tajikistan offers an encouraging ‘best practice’ example which may suggest a way forward. This involved the establishment of the country’s first micro-finance project in 1999. To achieve this, the Tajikistan Social Investment Fund (TASIF), a government agency, worked in partnership with the World Bank and an INGO based in the US. The Tajikistan government provided 15 percent of the funding, with the World Bank meeting the remainder. The collective goal was to set up an indigenous NGO which would eventually take on the responsibility for running this major micro-finance program on a self-funding basis. By 2001, the project appeared on track to achieve this goal, with the degree of reliance on external funding being progressively, although slowly, decreased as its own earnings increased. To date, the project has directly improved the living conditions of nearly 5,000 women and 20,000 of their dependents.

This project exhibits a number of characteristics which are contrary to the more usual model found in the country. The role of the INGO in this project was not to manage the project, or even partner the local NGO on an on-going basis. Rather, it offered the technical expertise which the government was in need of, particularly in the project design phase. As government workers gained the skills they needed to run the program independently, the involvement of this INGO was scaled back and eventually phased out. As a result, the project was not destined to remain accountable to external bodies, but rather had internal accountability as an essential part of project design. The skills transfer component of the project was vital in ensuring this. The local NGO, far from operating autonomously and independently of the government, is responsible to it. As such, in this instance, there is little ambiguity or uncertainty about the NGO’s motives and activities. Importantly for governance, the government was not side-lined, but took charge of the project management and coordination, under the guidance of the World Bank and the INGO. TASIF retains on-going responsibility for monitoring and evaluating the project’s outcomes. Placing these responsibilities in government hands ensures that the project is accountable to its beneficiaries through democratic mechanisms.

34 The information in this paragraph is taken from personal communication with Mr. A. (local) and Mr. H. (local), Project Managers, Tajik Social Investment Fund. 25 July, 2001. The success of the project was confirmed by R.B. (local), Consultant, International Project, various occasions, July/August, 2001.
‘Value adding’ through government involvement

This example indicates that the government does have the potential to be actively engaged in achieving such good development outcomes, given the resources and assistance to do so. Moreover, the active involvement of government added value to this project in the following ways:

- It strengthened trust and enhanced relationships between the government and non-government sectors, rather than creating tensions;
- It contributed to the ability of the domestic government to identify and address the needs of its people into the future;
- It directed responsibility for a country’s poor towards the domestic government, who are accountable to the beneficiaries through domestic political mechanisms;
- It enhanced the legitimacy of the government as the democratically elected governing body.

In short, it strengthened, rather than weakened, governance. In this, it contrasts strongly with the majority of the NGO-run projects in the country which, as discussed above, tend to have the opposite effect. With better governance leading to better development outcomes, it provides a model example of the way in which development efforts could be re-focussed to achieve better outcomes, using the relative strengths and merits of all actors. Ultimately, this represents the best opportunity for the development of the kind of domestic capacity which will allow donor governments to pull back from international welfare provision altogether.
A way forward?

It is my argument that the current dominant model of aid administration being implemented in Tajikistan is not likely to maximise the best possible development outcomes for the country. The TASIF ‘best practice’ example offers an indication of what a better model might look like, and suggests that it is achievable. However, the Tajikistan government is not in a position to fully grasp the importance of making moves to replicate this model, let alone able to make such demands of funding bodies. As such, it is up to donor bodies to actively seek to make this happen.

On a positive note, the relatively undeveloped nature of aid and development programs in the country means that a particular model is not yet entrenched. This provides a substantial opportunity for Tajikistan to avoid following the mistakes of other countries on such a large scale, and harness the maximum benefit from future aid efforts.

In order to do so, it is likely that all players will have to make concessions to their current policies, for the greater good. Specifically:

**NGOs**

NGOs may have to make greater efforts to facilitate not only effective partnerships with their beneficiaries and their donors, but also with the domestic governments who host their activities, as an integral part of their role. This should involve not only a free flow of information on the role, activities and, possibly, budgets of NGOs but, where possible, a flow of skills and technical assistance which enhances the ability of governments to take on a larger share of the responsibility for their poor. They should also actively seek to engage with government, perhaps with the assistance of a multilateral agency, on ways to achieve a better coordination of combined aid efforts throughout the country.
Government

The host government cannot expect to be given more say and influence if they are not willing to bring something to the bargaining table. There will have to be more evidence from the government of a willingness to support and trust NGOs. This might be brought about by facilitating a better understanding of what the sector’s activities are, perhaps achieved through an improved dialogue with the sector. Setting up an Office of NGO Coordination, or similar, which exhibits goodwill towards the sector and disseminates information to other government players on the successes, roles and achievements of NGOs, might be one option. Working in partnership with the sector to set up the peak or coordinating body which they have called for might be another. In attempting to develop such productive dialogue, the government will need to be aware that the views of NGOs have been coloured by negative experiences which many have had with local level officials.

Ultimately, the government’s efforts will almost certainly have to include financial assistance, whether in cash or in-kind. Some form of concessional taxation arrangement, which provides recognition and acknowledgment of the value of NGOs, may go some way towards meeting the demands of NGOs to this end.

Donor bodies

Donor governments and multilateral agencies, for their part, should be ensuring that their efforts are supporting these developments, and not acting against them. This may entail seeking to involve NGOs in the capacity in which they are most able to act, rather than for ideological reasons or to achieve cost efficiencies alone. It almost certainly involves a greater effort to involve the host government in development efforts, including through capacity transfer programs wherever possible. This will not be an easy or straightforward goal to achieve. However, if the long-term interests of the country – and of the taxpayers who fund government overseas development efforts – are to be best served, it is a goal at which donors must aim.

Of course NGOs should not be cut out of the picture. But neither should the government of the country within which activities are occurring. The goal should be to involve all players in partnerships for development – including host governments – using the comparative advantages of each, within a sustainable framework. It is the role of donor bodies, through their accountability mechanisms, to ensure that this takes place.
NGOs are important conduits through which vital aid dollars are channeled to the poor in Tajikistan. However, their current dominant role within the overall aid and development system does not appear to be optimal. Specifically, the government is currently being alleviated, to some extent, of responsibility for its own poor people. Not only is this unsustainable, it also results in the emasculation of the already weak state which is at the root of many of the country’s problems. While delivering acceptable short-term results, it does little to ultimately address the needs of the country as a whole.

Here, I have argued that much could be gained from more actively involving the host government in the delivery of social welfare services, within a capacity building framework. Such an approach will not only support government efforts to provide social welfare services in the short-term, but strengthen its domestic legitimacy and capacity for governance in the long-term. Ultimately, this represents the best opportunity for the development of the kind of domestic capacity which will allow donor governments to pull back from welfare provision. For Tajikistan, this is necessarily a long-term goal. However, the evidence of one ‘best practice’ case suggests that it is a possible one, if donor bodies are willing to engage with the government to achieve it.

This does not mean handing back total responsibility for the poor to the state. The involvement of NGOs in the process can clearly add value. But so, equally, can the involvement of government. As such, the end goal should be to involve all players in partnerships for development using the comparative advantages of each, within a sustainable framework. It becomes the role of donor bodies within the system to ensure that this takes place, and to ensure that their policies do not, either actively or unintentionally, contradict this goal.
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