The Nature and Future of the Relation Between Neoliberalism And Non-Governmental Organizations

Mehmet Şahin¹, Özge Uysal Şahin²

¹(Public Finance Dpt./Biga Faculty of Economics and Administrative Sciences / Canakkale Onsekiz Mart University / TURKEY)
²(Public Finance Dpt./Biga Faculty of Economics and Administrative Sciences / Canakkale Onsekiz Mart University / TURKEY)

ABSTRACT: Non-Governmental Organizations (NGOs) are important actors brought to the forefront by the neoliberal age. Their number increased throughout the last century, and the size of the economic resources they use and the number of the people they employ is increasing in a fast pace. Similarly, their efficiency at political, economic and social level is also increasing in the whole world. In this process, many states encourage NGOs to fill the gaps in the fields from which they withdraw due to neoliberal policies. Those who oppose neoliberalism try to resist neoliberal policies via NGOs. In brief, while NGOs are considered as the important actors for the planners of neoliberalism in realizing their policies, they are also considered as the basic actors in the fight against the neoliberalist policies by those who are the opponents of neoliberalism. According to the thesis set forth in this study, this conflicting situation actually serves the targets of neoliberalism.

Keywords: Non-Governmental Organizations, State, Neoliberalism

I. INTRODUCTION

Neoliberal policies have been accepted widely in the whole world in the past 4-5 decades, and they are almost universally applied. Neoliberalism also constitutes the ideology of the New World Order, which is also named as “globalization”. With the application of neoliberal policies, mechanisms and actors that are suitable for these policies are also emerging and becoming efficient. The efficiencies of those actors who do not comply with this process are, on the other hand, becoming weaker in time.

In this context, while states lose power with neoliberalism, private sector and Non-Governmental Organizations (NGOs) are becoming the rising stars as the most favorite actors. The developments of NGOs in number and their increasing roles in the whole world coincide with the rising period of neoliberalism. Of course, this development has not appeared all of a sudden as a coincidence. The suitable medium (was) developed for NGOs with the application of neoliberal policies and with the decline in the notion of social state. Due to different reasons, NGOs have become many in number and have been included in every aspect of daily life both in developed and in developing countries. No matter whether NGOs are considered as the self-proclaimed outcomes of societies, or as a realization tool for neoliberal policies i.e. the products of deliberate struggles-, they constitute one of the veins of life for neoliberalism with their existence and functions. In this context, the relation of NGOs with neoliberalism must be analyzed in an accurate manner.

II. THE CONCEPT OF NON-GOVERNMENTAL ORGANIZATION (NGO) AND ITS DEVELOPMENT

The concept of NGO is difficult to define with absolute certainty. The frame of the concept may be wider or narrower according to various definitions. In one sense, it may be accepted as a bag concept or as an umbrella concept. It is even possible to claim that almost everybody has a definition for NGOs just like people in a dark room touch an Elephant without knowing what they are actually touching and defining it according to their perceptions. Despite this conflicting situation, the literature on NGO has developed in recent years; and now, it is at least possible to name what the qualifications of an NGO must be with a somehow consensus. Based on the qualifications that an NGO must have, the following definition may be given: “The non-profit institutions that are established on a voluntary basis working independently from the state within legal limits and that are based completely on voluntary unification whose members work for the interests of the society beyond their own interests” (Şahin, 2010: 20). Each qualification named in this definition is the basic requirement of being an NGO. On the other hand, generally the majority of the present NGOs more or less comply with one or some of these requirements. In this sense, when NGO is mentioned, one thinks of a structure that has many different characteristics and qualifications.

In general terms, the history of NGOs date back in history. On the other hand, the emergence of NGOs in modern sense happened in the last century. The structures that might be called as NGOs in previous periods were mostly religion-centered charity activities and charity institutions. However, in our present day, although
NGOs include such structures, they have a deeper meaning that is beyond this old concept. The voluntary actions of people in such areas that seek the public benefit are included in the concept of NGO. Today, these activities have been brought to an area that is beyond such religious urges. The emergence of NGOs in modern sense started when states abandoned the social state notion and enacted neoliberal policies. Throughout 20th century, some public properties and services that were previously provided by the state were also covered with the market economy and NGOs in addition to the state with the early 21st Century. In other words, today, the state is not the sole producer in public property and services. In addition to this, the private sector, public-private sector partnerships, and NGOs act together with the state or act as supplementary bodies (sometimes even as competitors) to the State in providing any kinds of public property of service. Actually, the reason that caused modern NGOs to emerge is the withdrawal of the state from public services. Four basic crises and two revolutionary driving forces were influential in the withdrawal of the state and the rise of NGOs. It is possible to explain them as follows (Salamon, 2001: 5-7):

I. Four Crises
- The Crisis of the Welfare State: The bottleneck of resources experienced by states due to the excessive development of welfare state in developed countries, and the crisis that emerged due to the inadequacy of the state in performing its functions increased the expectations from NGOs.
- Development Crisis: The oil crises in 1970s and the dramatic recession period that was experienced in early 1980s led to the questioning of the understanding of the development in developing countries.
- Environmental Crisis: The environmental disruptions that have emerged in recent years, the inefficient fight by the state against these disruptions prepared the suitable ground for NGOs.
- Socialism Crisis: NGOs played important functions in the conversion to capitalist system after 1989 Revolution as a result of the crisis experienced by socialism.

II. Two Revolutions
- The Revolution in Communication: The communication among people and several groups was strengthened as a result of the revolution experienced in data processing technologies and in the field of communication. This process strengthened the opportunities for the development and spread of NGOs.
- The Revolution of the Middle-Class: The world economy grew at a rate of 5% between 1960 and 1970. However, no adequate increases were observed in the welfare of the majority of the population with the increasing production levels. A new bourgeoisie class emerged, which was also called as the middle-class. This class played an active role in the development of NGOs.

As a result of these driving forces, today, NGOs are becoming widespread both in terms of volume and efficiency almost in every country. It has come to an extent that many NGOs have activities at international scale and the number of these NGOs has increased greatly in recent years. While the number of international NGOs could be counted with the fingers of our both hands nearly one hundred years ago, today, the number is over 50,000. The number of the members of NGOs, in local, national and international scale, the financial resources they manage, the number of the people they employ, and their production volumes have reached gigantic dimensions, and are still increasing. For this reason, researchers have begun to consider NGOs as the third sector as well as the public and private sectors when they are investigating today’s economies. The future of this sector depends on the future of neoliberalism. Meanwhile, the success and/or failures of NGOs will shape the future of neoliberalism.

III. THE NATURE OF NEOLIBERALISM - NGO RELATION

The philosopher, who explained the viewpoint of liberal philosophy on democratic mass organizations, and therefore, the infrastructure of the relation between NGOs-neoliberalism today in a pioneering manner, is Gramsci. The following statements summarize the viewpoint of Gramsci on the topic:

“The situation of theoretical syndicalism, on the other hand, is different. Here, what is important is a dependent group, and the dominance of this group is prevented by this theory to develop and reach economic-corporative stage, and have a dominant position within the State. The main thing here is the part of the governing group that wants to change the direction of the administration and not the structure of the state in terms of “laissez faire”; and [a part of the managing group is what counts here] that wants to reform the regulation that regulates the commerce and the industrial [regulation] in an indirect manner (because it is not possible to deny that protectionism limits the freedom of industrial entrepreneurship and facilitates the formation of monopoly in an unhealthy manner in countries that have weak and limited markets). The thing is not the formation and organization of a new political society and even a new civil society type, but the transfer [replacement] of political parties that have the government power among themselves (Gramsci, 1984: 55).

Briefly, according to Gramsci, the existence of syndicates and democratic mass organizations in capitalist system guarantees the sustaining of the bourgeoisie. In this way, capitalism can re-produce itself and
survive with minor corrections within the system. The conflicts of capitalism, on the other hand, still continue to linger. According to Gramsci; under modern capitalism, bourgeoisie bent the sovereignty forms by allowing that certain demands of syndicates and mass political parties are covered; and thus, in one sense, it performed a “passive revolution”. According to him, capitalism sustains its sovereignty with a hegemon culture in which bourgeoisie values have become the “common thought” of everybody in an ideological manner, and not through mere political-economic violence. In this way, a consensus medium-culture is developed, and employees associate their own benefits with the benefits of bourgeoisie (Yurtsever, 2007: 292).

Of course, NGOs are very different from democratic mass organizations like syndicates and political parties. Similarly, neoliberalism is also different from liberal philosophy that was present 100 years ago. However, today, the ideas set forth by Gramsci form the basis of the neoliberalism-NGO relation. In order to comprehend this, it is necessary to understand the spirit of neoliberalism-NGO relations. It must be emphasized that it is almost impossible to define neoliberalism with a complete hypothetical approach, because it is not a type of production, but it rises on a spectrum of a wide social, economic and political phenomena that show complexity in varying degrees. In this context, on the one hand some phenomena such as the increasing power of finance or the undermining of democracy have extremely abstract quality; and on the other hand, the relations among privatization or the relations among foreign states and local non-governmental organizations (NGOs) have relatively more concrete quality (Saad-Filho and Johnston, 2007: 15). As a matter of fact, the rise of neoliberalism in the whole world and NGOs coming into the agenda show a serious parallelism in terms of historical process. Both concepts began to be popular as of 1970s. There is a supplementary relation in the core of this togetherness.

The majority of NGOs acted in the field of supplying humanitarian aid to those who were the victims of dictatorship regimes in 1970s, which prepared the ground for the transition to neoliberalism or which accelerated the process or, actually, managed the process. The soup kitchens supported by NGOs helped the families who tried to survive in the first wave of the shock applications under the management of neoliberal dictatorships. However, they were receiving foreign resources, and this limited their areas that they could criticize and their human rights activities. As the opposition grew stronger, the United States of America (the USA), the European Governments and the World Bank increased the funds they allocated for these NGOs. There was a direct relation between the growth of social movements that fought against neoliberal model and the struggle of guiding the social movements through NGOs by creating alternative forms (Gorenel, 2002: 323). Similarly, the same power centers provided important supports to the NGOs in the collapse of the communist regime by guiding them to market economy as of late 1980s. The NGOs in these regimes were influential in the spread of global capitalism by having the role of defending democracy. 1990s were the years when NGOs in these conversion countries developed their activities in an intense manner. In this process, the World Bank became the ‘purest’ supporter of a civil society that had cut off its relations with politics due to any reason except for democracy. The concept of social capital was especially emphasized by the World Bank in this context. The process of the inclusion of the democratic discourses in the neoliberal system in such a way was one of the important elements that had a role in the legitimation of neoliberalism in 1990s (Munck, 2007: 117).

Another important and beneficial concept, which was brought into the agenda by neoliberalism and which was used by NGOs, is the concept of Governance. The thing that is tried to be performed under the title of transferring the authority to the civil society with the Governance model is replacing the civil society, which is in fact the area of private interests with the political society to which citizens participate as equal political subjects, and ensure that private interests present themselves as the common interests of the society. In this situation, the governance model has results that are no more than limiting the political rights of the citizens in actual fact. For this reason, in this context, it becomes obvious that the governance model has a function of renewing the hegemony of capital and nothing more. The role of the NGOs in this hegemony project is to perform the ideological functions, which are inadequately realized by political parties and parliamentary politics; and thus, legitimize neoliberalism, which is a monopolist and technocratic system (Ataay, 2015: 141).

The most important means of neoliberalism to support the NGOs-especially the ones in developing countries--is the developmental aids. The emphasis of the aids provided in these countries is on forming the administrative power of the state and providing the infrastructure both for public and private sector enterprises. For this purpose, USAID (the USA International Development Agency) encourages the realization of reform with the leadership of the state and providing credits and technical support to the poor living in rural areas with the help of public institutions. Non-governmental organizations (NGOs) were emphasized more in order to transfer funds more directly to the local societies by excluding governments. These NGOs ensured a beneficial connection channel for the ODA (Official Development Assistance); and beyond that, ensured secondary benefits including empowering the local organizations that chose to develop and weakening the class-based organizations with contrary-to-the-system administrations for the donor country. In this context, NGOs were also used in an almost coincidental and “innocent manner” to avoid revolutions and encourage economic and social development, as well as to help to advertise the virtues of democracy and capitalism (Veltmeyer and
Petras, 2007: 204). In 1980s, ODA was given a brand new content with structural adjustment programs, which constituted an important infrastructure of neoliberal globalization project. In this context, a more participative development form, which was based on the partnership of intergovernmental ODA organizations and the NGOs, and which would act as intermediaries between the donors and the public in realizing the development projects, had been designed as an alternative. Although the de facto fund flows that were directed by these NGOs remained in an extremely modest dimension (less than 10% of the total amount), they were influential in making the public organizations stay away from acting against the system in a direct manner; instead, it made them choose a “participative local development” form (Veltmeyer and Petras, 2007: 209).

In 1990s, with the collapse of dictatorships one after another, and with the collapse of communism resulting in the realization of a global system based on market economy with all aspects, the struggle between the people and the state was carried to a different dimension. The person was isolated after the notion of society lost its meaning and the concept of “individual” started to dominate, and set himself as the main theme of his struggle. Today, one of the most important functions of NGOs is treating one of the major diseases of the modern society. This disease is the problem of adaptation to a world that has become alienated and created by identity crisis (Yucekok, 1998: 4-5). NGOs stop the feeling of being excluded by the individuals, who are isolated from the system and the environment, under the dome of NGOs by making the individuals feel as if they are active individuals; and thus, prevent them from entering contrary-to-the-system movements. NGOs, in this sense, internalize the individuals who feel excluded or who feel like being excluded. This helps that the system re-produces itself in one sense. Of course, this situation is welcomed by the guides of the neoliberalism (Sahin, 201: 35). By so-doing, nowadays, people abandon political senses like “saving the state”, which they once adopted in order to solve social problems. Instead, they work in the NGOs, which are established by them to cope with their problems. As a matter of fact, this voluntary spirit brings forth the participation, solidarity, expressing oneself, etc. beyond political aims. It also contributes to social services by enhancing the individual and group initiatives. Today, individuals want to be the engineers of the social world that surrounds them. They do not want to be mere records in the electorate lists, governmental services or for simple consumers (Yildirim, 2004: 181).

In this sense, NGOs have been the intermediary tools for ambitious classes to climb upwards. Academicians, journalists and professionals abandoned their inclinations in leftist movements from which they could not receive much support in this process, and were involved deeply in the attraction of achieving a profitable career by managing an NGO. While doing this, they merged their rhetoric abilities for being organized and a certain populist terminology. Today, thousands of NGO managers drive their cars worth 40,000 dollars when they travel to their attractive offices from their apartments or houses designed according to the latest fashion, and leave the daily errands of their houses and their children to servants and their gardens to gardeners. They spend most of their times not in muddy villages of their countries, but in international conferences on poverty in overseas regions.

Depending on their capacities of keeping the international funds and important people groups, NGO leaders constitute a new class that has the function of producing services for the countries that provide their funds. While they are running after legitimizing their own positions, the claim that they are fighting against the conflicts of neoliberalism is extremely deceitful. In this context, the justification of NGOs is forming a weak layer of professionals that succeed in saving themselves from the damages of neoliberal economy and in climbing upwards within the already-present social class structure (Veltmeyer and Petras, 2006: 184-185). As it is clear, no matter how hard they act with innocent aims; in the end, NGOs have the duty of ensuring the continuance of neoliberal order or they are somehow being used as a tool for this purpose. The future of neoliberalism and NGOs will be defined exactly and mostly by the issue of whether or not this relation will change. The fact that neoliberalism still continues its dominance in an absolute manner -despite all its problems-, and a serious alternative not having been presented so far are the results of the abovementioned situation to which the individuals have been pulled. In this sense, it is possible to claim that NGOs are the “Trojan Horses” of the “invisible wings” of neoliberalism.

IV. THE CRITICISM AND FUTURE OF NEOLIBERALISM - NGO RELATION

The revival of NGOs has coincided with the rise of neoliberalism in an intrinsic manner to the tools and discourses used by neoliberalism to adopt legitimization to it and to ensure a fast enhancement. For this reason, the criticism on neoliberalism requires that the place of civil society within this project is questioned. In addition to this, the complex, dynamic and transnational processes, which act as intermediaries in shaping the other NGOs that are against neoliberalism, must be analyzed (Sinha, 2007: 271). The State-NGO relation has a great importance in the relation between neoliberalism and NGOs, because, first of all, NGOs are considered as being independent from the state. In this context, a mission like filling the fields that are not filled by the state after it withdrew itself and did not leave to the market will make them become the tool of the states and neoliberal policies. So far, they seem to have undertaken this mission either knowingly or in an unconscious
manner. In some situations, states support NGOs deliberately in works to which they provide support but do not prefer to organize directly. States have come to a point where they influence even audit these institutions in an increasing manner. The majority of the NGOs that participate in international conferences are the ones whose expenses are covered by states more or less and are the ones audited by them. These NGOs use the vision of being independent as a cover to support the aims of their own states (Halliday, 2008: 586-587).

As a matter of fact, studies conducted so far show that most NGOs are not complaining about the state. Similarly, the majority of the NGOs (nearly 70%) are satisfied by “liberalism” of the state, i.e. the support of the state. They avoid judging the general policies, which constitute a part of their activities, and also avoid having information on this topic. Most of the time, they do not approach economic liberalism or globalization, which provide its infrastructure, in a critical manner (Amin, 2016: 135). The activities of NGOs that are influenced by the dominant discourse are full of conflicts. Financial resources and the autocratic structure of the state make them become addicted and take them under control. Their target audience is relatively limited, the participation of their owners of the rights is controversial, and beyond that, since their activities underline the public responsibilities of the state in the face of the needs of the society, they have depoliticizing effects (Amin, 2016: 119). On the one hand, neoliberal ideology has turned into an ideology that is obeyed in a strict manner just like a religion; and on the other hand, it has also established the bases of a new cultural hegemony as a result of its cooperation with the other well-established ideologies like religion and conservatism (Durmus, 2012: 43-44).

The functions expected from NGOs as the rising actors of global neoliberalism are increasing more and more. These expectations stem mostly from a needy situation that emerged with the withdrawal of the state and mostly from exaggerated hearsay about success stories. However, the success stories of NGOs are full of suspicions. Also, there are no concrete evidence on whether NGOs work in a more efficient and productive manner. On the other hand, it may be claimed that there are concerns about NGOs’ causing serious waste of resources with their scattered structures. In basic terms, the growth of the third sector that is depending on NGOs may be explained with the “clearing of conscience” activities of the world oligarchy that doubled its wealth and power in a few years in the economic recession. The activities of NGOs have either not achieved anything or achieved minor insignificant success in deteriorating conditions of hijacking or environmental problems to which people were exposed. This situation is based on structural reasons, because the institutions that are meant to fight against poverty must perform their duties without interfering to the increase in wealth that feed them. If it was ensured that everybody who fought against poverty was made to adopt anti-wealth policies overnight, we would find ourselves in a very different world. Helpful donors would not provide financial supports for such a conversion. In addition, although there are many people who want such a thing but cannot perform it in these institutions, because the NGOs which are in the very center of the problem would not approve this (Harvey, 2015: 290).

The services or the goods that are expected from the state to produce require a non-profit presentation because of their structures. When the state does not provide these services, either the private sector will not provide them because they are non-profit; or if it provides, there will not be adequate consumption because of the lack of the motivation of profit. This situation will cause serious concerns. States must take the necessary precautions on areas where they retreated with neoliberalism to ensure that the services, which they undertook once in the past, are run or produced by the private sector or by NGOs in an adequate manner and are presented for public use in a proper manner. Since the market economy does not have the adequate motive to produce these services, the adequate development of the third sector that does not seek profit and that act in a voluntary manner is extremely important for social welfare. In this sense, it is necessary to make NGOs and voluntary movements become widespread. In this situation, we are at the point where we were in the beginning, where today’s dilemma on NGOs really lies. In this context, as long as the naked realities that doomed half of the humans to hunger and more than half to poverty still keep their places before us, the cries like “building the civil society”, “freedom, right now, right here”, and “expanding democracy” do not have much meaning; because, in the end, these slogans are based on accepting an unequal world, and creating islets of “welfare” and “freedom” in it. In this sense, associating the success in the common freedom of humanity with the freedom of individuals is an empty dream. It is not possible to speak of freedom in a world where social equality does not exist. This is valid not only for those who are exploited, oppressed and left deprived; but it is also true for those who exploit, oppress, and who “own”, because those who oppress cannot be free! (Yurtsesver, 2007: 117).

Despite all criticisms, NGOs grow in a fast manner, and fight for a serious legitimacy. In many situations, the legitimacy and taking seriously are controversial. In recent years, NGOs have been taken seriously in an increasing manner in national and international level. This will empower the legitimacy of NGOs in the long run. NGOs’ finding a counterpart in international negotiations at global level is important in this aspect. The institutionalized representation is becoming more important in these negotiations in an increasing manner. The participation of NGOs in the negotiations of international marketing systems in an institutionalized manner will empower their legitimacy procedures as long as they provide a transparent medium for the decision-making processes in national public environments, and establish new relations between their decision-
making processes and sub-level units (Habermas, 2008: 648). This will be the first step in ensuring that NGOs will act in a more independent manner in the long run.

V. CONCLUSION

NGOs are the rising actors of today’s global economies. Their number and power in the whole world are increasing day by day. The meaning associated with them and the expectations from their activities are also increasing with each passing day, because NGOs are considered as the “straw” as in the proverb “a drowning man will clutch at a straw” in the face of wild neoliberalism or as the “leverage” in this unequal world for the groups in society. With each passing day, more and more people join NGOs in an increasing manner, and states support their activities by approaching them with a more understanding manner; and finally, the private sector organizations support NGOs in varying levels under the name of social responsibility. The international institutions that plan globalization and that are responsible for it, on the other hand, have already brought NGOs into the agenda for a long time and have been supporting them.

Of course, all the abovementioned developments are shaped by the viewpoint of the neoliberalism and its institutions on NGOs. Seeking mere charity and the helping motive behind the NGO-loving attitudes of international institutions, states and private businesses would be considered much of being a naïve. This relation will strengthen as long as the expectations from NGOs and the results of the activities of NGOs coincide. The events have happened in and around these circumstances so far. In this context, NGOs have important functions in the development, placement and sustaining of neoliberalism if events have happened in and around these circumstances so far. In this context, NGOs have important functions in the development, placement and sustaining of neoliberalism in an unconscious or conscious manner, or in a willing or unwilling manner. There is a need for a different NGO understanding and structuring in order to correct the crooked nature of neoliberalism and to recover from the swamp of it. One of the important elements of neoliberalism that ensures the creative destruction of it is NGOs. In this sense, there is also a need for a new creative destruction, which is assumed most probably to rise from among the civil society.

REFERENCES