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Introduction

The social and humanitarian efforts by catholic and (later on) protestant missions can be considered as the first harbingers of NGDO’s in the field of development cooperation (‘non governmental development organisations’ or NGDO’s). These missionary activities were already heavily sponsored and controlled by political authorities. The Spanish patronato-system provided mission congregations with sufficient funding in exchange for the integration of the ruling nobility in the upper clergy (Dussel 1981: 38-40). This example illustrates how governmental institutions and NGDO’s have been walking together for ages. The ‘modern’ NGDO’s are exponents of a wider ‘third world solidarity movement’, a distinct sectoral unit of the (in)famous ‘new social movements’ (Smillie 1995, Smith 1990, Lissner 1977).

1 The new social movements came about in the contestation wave that swept across Western-Europe (and other parts of the world) during the 1960s and 1970s. Issues related to the rights of minorities, peace, disarmament, environmental degradation, etc. entered the agenda of many grassroots movements. Specific to issues concerning world hunger and the global poverty divide was their close link to the decolonization process that shook the international status quo in the 1960s and 1970s. Issues related to the rights of minorities, peace, disarmament, environmental degradation, etc. entered the agenda of many grassroots movements. Specific to issues concerning world hunger and the global poverty divide was their close link to the decolonization process that shook the international status quo in the 1960s and 1970s (Van Kemseke 2006). Notwithstanding its common ground, the third world solidarity movement, entering the stage in the 1960s, was by no means very homogeneous. Historically, NGDO’s can be categorised along two main axes representing their conceptions of the North-South divide and preferred operational strategies (Develtere 2004). A first axis refers to the preferred agents that should take the lead in tackling global poverty: states or private actors. A second axis refers to the preferred ends of that action. Should actors aim at increasing wealth in developing countries or reducing inequality? NGDO’s advocating different conceptions and action strategies co-existed in a very diverse organisational field.

Research reports a clear trend towards increased interaction between NGDO’s and governmental entities all over the world, not seldom in co-operative ways (Salamon 1994, Paquot 2001, Lindau 2005, Agg 2006). Increasing state-NGDO interactions are linked to the rise of NGDO’s since the mid-1970s and 1980s, in the context of what Anheier and Salamon (1999) called the ‘global associational revolution’. This revolution came about in the slipstream of the ‘crisis of the state’ and is seen as a manifestation of a profound questioning of the postwar welfare system in the North, distrust of state-oriented, modernist development policies in the South, the bankruptcy of socialist projects in Central and Eastern Europe, mass mobilization for new, ‘moral’ issues as environmental degradation, nuclear disarmament, anti-apartheid, etc. ‘In addition to stimulating support for market-oriented economic policies, this questioning of the state has focused new attention, and new expectations on the civil society

organizations that operate in societies throughout the world’ (Salamon, Anheier et al. 2002: 332).

The ‘global associational revolution’ paralleled the acceleration of neoliberal globalisation and privatisation of different societal sectors (Pierson 1995, Stiefel & Wolfe 1994, Smith & Lipsky 1993). Official funding for NGDO’s became a primordial characteristic of the voluntary, non-profit sector in most Northern countries as part of a much broader process of farming out public goods and services (Degnbol-Martinussen & Engberg-Pederson 2005). Official funding immediately implies monitoring and a certain level of control, as one of the fundamental characteristics of Western, democratic government is public accountability (Bovens 2005). Simply said, NGDO’s have to answer to the hand that feeds them. This does not necessarily mean NGDO’s are puppets on a string, although a strong current in contemporary research states growing interactions between NGDO’s and governments erode NGDO ‘autonomy’ as a result of ‘taming’-, ‘franchising’- or ‘damping down’-processes (Kaldor 2003, Edwards & Hulme 1997, Fowler 1992). This problem was already noted as far back as the mid-1980’s. In 1985 the International Council of Voluntary Agencies (ICVA) noted that NGDO’s could formulate goals and strategies other than their own because of the potential for public financing (Degnbol-Martinussen & Engberg-Pederson 2005: 163). One of the well-documented potential downsides of the integration of NGDO’s in official aid regimes is a tendency towards professionalization and bureaucratisation in NGDO’s (Degnbol-Martinussen & Engberg-Pederson 2005, Smillie 1995, Smillie & Helmich 1994). For NGDO’s, this poses a catch 22 as professionalization is alienating them from grass-root constituencies in North and South.

In this paper, I argue that in the case of NGDO’s in the field of development cooperation, official funding of NGDO’s and state control is not fundamentally rooted in the context of neoliberal globalisation and the crisis of the state from the late 1970s and early 1980s. I will demonstrate that the decolonization context of the early 1960s was crucial to the institutionalization of the growing NGDO-community and was shaped both by NGDO’s and the state. Furthermore, the insight that the Belgian co-financing system was partly shaped by NGDO’s and not merely the result of a ‘colonization process’ by the state, sheds new light on the impact of such institutionalization on NGDO’s. The co-financing system resulted in a situation in which nearly 60% of NGDO-budgets is provided by the state.² Today, for every €1 NGDO’s raise themselves, the state adds nearly €3 to their budgets. International comparisons show that Belgian NGDO’s depend quite heavily on public financing. According to Concord, the European NGDO confederation for relief and development, public financing accounts for 32% of European NGDOs’ budgets (Concord 2005: 8). The heavy dependency on state funding could imply Belgian NGDO’s sit ‘in the pocket’ of government institutions, because ‘when you have your hands in another man’s pocket, you must move when he moves’ (African proverb cited by Kramer 1981: 158). I will propose a more nuanced view. The case of the Belgian co-financing demonstrates that ‘close comfort’, paraphrasing Hulme (1997), between governmental institutions and NGDO’s can simultaneously produce considerable limitations and opportunities for the latter.³

² There are only marginal differences between the French speaking (58,2%) and Flemish (57,5%) communities. Other than financing from the Belgian state, NGDO’s receive funding of the European Commission, which amounts for less than 10% of NGDO financing in Belgium.

³ This paper draws mainly on primary sources found in archival records of different NGDO’s (NCOS, the federation of Belgian – Flemish from the mid-1980s onwards – NGDO’s), personal records of some crucial personalities in the establishment of NGDO-policy and official records of the Consultative Council for Development Cooperation, in which NGDO’s were represented to voice the NGDOs’ interests vis-à-vis the government. We focus on NGDO-state relationships up until 1991. In 1991 a new regime was installed of which
The transformation of a colonial administration and the debate on voluntary service

In 1960, Congo became an independent state, as did more than 16 other African countries. The end of Belgian colonial rule in Congo rendered the colonial administration superfluous. Initially, a ministry of ‘African Affairs’ succeeded the ministry of Colonial Affairs. In 1961, a minister for ‘technical assistance’ and ‘foreign trade’ joined the newly formed government. The christian democrat Maurice Brasseur requested Jef Van Bilsen, a university professor who had worked as a journalist in Congo, to draw up a detailed policy plan for the future ‘technical assistance agency’. Van Bilsen’s report marked the take off of an early official development policy.\(^4\) The new institutional arrangement had to be free of any intervention of the ministry of foreign affairs, which proved to be very difficult as the ‘integration laws’ for returning Belgian nationals in Congo demanded the integration of former colonial officials in the new agency.\(^5\) De facto, at least during the first years, this led to the continuation of colonial projects (Van Bilsen 1993: 196). Van Bilsen favored an autonomous administration that would operate under the responsability of a separate ‘development cooperation’ portfolio. Moreover, Van Bilsen favored a consultative council in which the new, non-governmental actors should be included and given a decisive voice.\(^6\) Donor governments should realize the growing importance of NGDO’s in the development process because ‘they offer the opportunity to the people to actually reach and help the people’.\(^7\) To Van Bilsen, in the meantime appointed secretary-general of the official aid agency, the proximity of NGDO’s to the target group of that development policy justified public financial support. ‘In exchange for wide financial support […] the quality of individual NGDO-projects has to be evaluated and clear agreements have to be made about the role and statute of volunteers’.\(^8\) From the very beginning of its first formulation, the potential official NGDO-support was subject to certain conditionalities.

In the early 1960s the Belgian state was already indirectly financing private development initiatives. The newly established official aid agency proposed to yield the profits of the national lottery to the Association Internationale de Développement Rurale Outre-Mer (AIDR), a voluntary association which in fact was a continuation of the public Fonds du Bien-

\(^{4}\) Koninklijk Besluit betreffende de organisatie van de samenwerking met de ontwikkelingslanden, Belgisch Staatsblad, 1962-01-18.

\(^{5}\) Most ‘imperialist’, Western countries saw this gradual, not seldom problematic shift from colonial to development administrations in the age of decolonization. Kothari (2006) demonstrates that British former colonial officers constituted the first core of the development personnel as they were integrated in the post-colonial development administration, new academic development departments, private companies with interests in the developing countries etc. Furthermore, she argues these colonial officers already adopted a developmentalist perspective (as opposed to an imperialist, colonial perspective) from the postwar period onwards.


\(^{7}\) Original quote in Dutch, author’s translation: ‘de NGDO’s hebben een groeiende betekenis in het ontwikkelings- en ontvoogdingsproces, omdat zij de mogelijkheid bieden het volk, de maatschappelijke basis, daadwerkelijk te bereiken en ter hulp te komen’. (Van Bilsen 1993: 197).

\(^{8}\) Original quote in Dutch, author’s translation: ‘In ruil voor ruime financiële steun van de overheid van de donorlanden moet […] de kwaliteit van afzonderlijke NGDO-projecten grondig besproken worden en moeten er duidelijke afspraken gemaakt worden over de controle en de rol van de medewerkers ter plaatse’. (Van Bilsen 1993: 197).
Two years later, in 1964, the first legal framework for official support to NGDO’s was developed. These regulations admitted volunteers, sent out by NGDO’s to work in development projects, to the social security system. The sending out of volunteers became a core activity of NGDO’s during the first half of the 1960s. In 1961 King Baudouin had called upon the youth urging them to ‘devote themselves selflessly for the benefit of the developing countries’. This period was characterized by considerable organisational activity in the development field. In 1963 over 25 christian organisations, all of them involved in sending out volunteers, joined in a loose federation (Elias 1999). This motivated socialist and liberal circles to undertake similar organisational initiatives. The legal arrangement of 1964 was directly linked to the problems created by decolonization. After the Congolese independence, volunteers of missionary organisations and other NGDO’s woke up in a foreign country without any legal status, in want of an identity, personal and social protection. The central question was whether voluntary service should be organised by the state or by private organisations. The arrangement of 1964 reflected the interests of the christian pillar in the debate on voluntary service as most NGDO’s involved were of christian inspiration.

The long and winding road to public cofinancing

In the first half of the 1960s individual NGDO’s joined in different coordinating committees. Each committee bundled specific operational activities: reception of foreign students and refugees, projects and sending out of volunteers. In 1966 the Nationaal Centrum voor Ontwikkelingssamenwerking (NCOS, national centre for development cooperation) was established as an ‘auxiliary secretariat’ of the four coordinating committees, evolving gradually to a genuine federation of NGDO’s (Lambert & De Smedt 2006: 18-19). The NCOS aspired to move development cooperation from its pillarized, isolated context to ‘pluralist’ organisations under the protection of strong personalities, dignitaries from the main currents in Belgian politics (social-democrats, liberals, christian-democrats). Although this practice of political patronage was heavily criticized by a younger, more radical generation, it created a space in which NGDO’s and governmental institutions could exchange ideas. This allowed NGDO’s to advocate state funding for their activities through these political ‘liaison officers’. Immediately after its founding, NCOS established contacts with the competent minister to request him ‘to recognize the different committees [of NCOS] as interlocutor on all issues related to non-governmental cooperation and to consult them regularly’. Moreover, the federation demanded more formal contacts with the official development agency through the ‘consultative council’. Simultaneously, NGDO’s were more often recognized as indirect

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10 Konink Besluit betreffende de personen die worden erkend als vrijwilligers voor de samenwerking met de ontwikkelingslanden, Belgisch Staatsblad, 1964-09-24.
11 Archives NCOS (11.11.11, Brussels): NCOS, Projekt van het verslag van de vergadering van de Raad van Beheer. 1966-06-10.
12 Archives NCOS (11.11.11, Brussels): NCOS, Projekt van het verslag van de vergadering van de Raad van Beheer. 1966-10-04. In 1968, the Consultative Council for Development Cooperation was composed of 6 members representing the private sector, 5 representatives of trade unions, 5 representatives of universities, 5 representatives of NCOS, 5 representatives of the women’s movement, 3 representatives of the church, 2 representatives of the national youth movements, 2 representatives of farmer’s movement, 2 representatives of the National Council for Foreign Trade and the National Council for Scientific Policy and 5 representatives appointed by the minister. Cfr.: Archives RAOS (Diplomatic archives, Brussels): RAOS, Notulen van de vergadering van de Raad van Advies. 1968-01-12. After the establishment of the cofinancing system in 1976, a Royal decree regarded the Council, as a full-fledged reflection of different professional, political, philosophical and religious trends, the means par excellence to establish a dialogue between all actors involved in development cooperation. (cfr. Koninklijk
partners in aid policy. In his government programme of 1967, foreign affairs minister Harmel requested the 'numerous intermediary organisations' to support the aid efforts. ‘C’est l’affaire de toutes nos communautés: publiques, para-publiques ou privées, chacune est, aujourd’hui, interrogée sur ce qu’elle peut offrir d’expérience, de connaissance ou des ressources, dont le tiers monde a besoin’.13

During the second half of the 1960s, two distinct transformations had a fundamental impact on the Belgian NGDO-field. A first current of mainly catholic NGDO’s, imbedded in the different branches of the Catholic Action, aimed to continue their ‘colonial’ missionary activities after the decolonization of Congo. New NGDO’s were established by the episcopate, catholic farmer’s league, etc. Likewise, support activities for missionary congregations were bundled in new NGDO’s. Simultaneously, a more critical, tiersmondist current developed. The student and youth movement observed a direct relationship between underdevelopment in the third world and the Western, capitalist system. This tiersmondist current had a strong politicizing effect on the existing NGDO’s, while new ‘progressist’ organisations were established. In the early 1970s the NCOS’ structure was fundamentally transformed due to the joining of new, tiersmondist NGDO’s, the coming about of local committees for development cooperation and the integration of different social, cultural and youth organisations. These transformations resulted in more democratic, bottom-up, participative structures, renouncing the patronizing dignitaries’ committees’. Nevertheless, the ‘new’ NCOS did not refuse an expansion of state funding for NGDO’s. In 1971 the organisation’s general assembly confirmed its willingness to cooperate with the government, on condition this cooperation was not subject to limitations of the NGDO’s freedom and rights of initiative.14 In the same year, the organisations actively lobbied for state funding of NGDO’s information activities, which was refused by the minister.15

By the mid-1960s, the idea of official NGDO-funding found wider acceptance. In a speech delivered at a meeting of entrepreneurs, official aid agency secretary-general Van Bilsen stressed the fact that ‘numerous private initiatives in the development field have been established, some demanding to counsel the administration, others claiming allowances’. ‘The state could reinforce its aid policy by subsidizing these initiatives’.16 These subsidies should be fitted in an encompassing, appropriate aid policy. Moreover, the favoured organisations should independently raise the bulk of their financial resources and accept clear quality assurances and standards determined by the financing authorities.17 To Van Bilsen, a significant multiplier effect would appear in the field of development cooperation, as purposeful government funding would generate resource flows from individuals, enterprises, local authorities, universities, schools, etc. In other words, official support to private initiative would stimulate the socialization of development cooperation. The newly established Dutch agreements

13 ‘It is an issue concerning all communities: public, semi-public or private. Today, all are questioned as to what experience, knowledge or resources they are able to offer to the third world’ (author’s translation). Archives RAOS (Diplomatic archives, Brussels): Programme gouvernemental pour la politique de coopération au développement, 1967-12-08.
15 Archives NCOS (11.11.11, Brussels): Letter of minister R. Scheyven to secretary-general A. Louis (original in French), Brussels, 1971-08-25.
17 Idem.
cofinancing fitted perfectly in Van Bilsen’s vision. The Dutch government foresaw a budget item to the amount of 5 million francs (€ 125 000) for the funding of non-commercial, private organisations for development cooperation. The Dutch government would finance maximally 75% of capital spending of a particular project, executed by a Dutch NGDO or a local organisation in a developing country. The project had to be approved of by local authorities and judged suitable for the country’s general development policy.  

The Dutch-style funding scheme, favoured by functionaries as Van Bilsen, was not explicitly and unanimously advocated by the NGDO-community. In a follow-up advice on the subsidization of overseas volunteers, the consultative council on development cooperation modestly suggested the state would deliver ‘decent assistance’ to ‘certain actions’ of NGDO’s and would ‘cooperate’ with NGDO’s to ‘complete’ its policy regarding development cooperation. Furthermore, the council provided a perspective on a possible distribution of tasks between public and private actors. ‘Cooperation regarding large infrastructure and equipment works should remain the natural privilege of state-to-state cooperation, while the social and economic take off […] are the privileges of the NGDOs that allow people in developing countries to profit maximally by these large works’. In the meantime, NCOS formulated a quite peculiar proposal. NCOS pleaded for the establishment of a ‘special fund’ managed by a public right body. This fund would be supplied by permanent dotations as a fixed percentage of the development cooperation budget. It should finance information activities as well as projects and should be integrated in the NCOS. A ‘pluralist’ board of directors would administer the fund and determine the distribution to other NGDO’s based on a set of objective criteria. The executive committee of the organisation unanimously decided to refuse a financing scheme that would award funds to individual organisations. NCOS reiterated these principles in its final policy document on this issue. Official funding for NGDO’s had to be administered by the NGDO themselves, which was significantly more democratic and based on objective, rational efficiency criteria. ‘As the NCOS already groups a large majority of these organisations, the general assembly of the special fund should be composed of 30 members of the board of NCOS, complemented by up to 10 representatives of non-member organisations’. The criteria for NGDO’s would be determined in consultation with the government. A government commissioner would be appointed to take part in the deliberations of the fund’s board to see whether the fund’s activities were in line with the general policy principles determined by the government. Remarkably, the criteria proposed by the NGDO’s bore witness of strong willingness to work more rationally and professionally. The criteria focused heavily on sound and balanced budgets, external and self assessments, critical reporting, etc.

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20 Idem.
21 For the cofinancing of information provision, NCOS proposed accepted activities to be financed to the amount of 75%, including overhead expenses, salaries and transport in direct relation to the activities. With regard to the cofinancing of projects a similar ratio was proposed: 75% by the Belgian state and a counterpart of at least 25% by the NGDO’s or partners in developing countries.
22 Archives NCOS (11.11.11, Brussels): NCOS, Uitvoerend Bestuur. 1974-04-23.
23 Idem.
24 Archives NCOS (11.11.11, Brussels): NCOS, Werkdocument ontwerp van besluit van de Algemene Vergadering. 1975-03-03.
25 Idem.
At first sight, one could consider these propositions a bit naive. Raising itself as the pivot in which the entire cofinancing system hinged, was like asking the government for a blank cheque, which the latter would naturally never agree upon. An explanation of these proposals merely from the perspective of the direct institutional interests of the federative NCOS, thus, does not seem valid. I would argue NCOS aimed at requiring such extensive competences in a coming cofinancing system because most of its member organisations did not yet have sufficient structural capacities to be integrated in a Dutch-style funding scheme. That is why in internal debates at the NCOS only the larger organisations were mildly opposed to these proposals. Baziel Maes, secretary of one of the larger NGDO’s called *Broederlijk Delen*, was not in favour of a close identification between the NGDO-federation and the government. He found NCOS would better not take up direct responsibility in the distribution of public funds. Most member organisations of NCOS, though, were still at an early stage of their organisational development and focused on the construction of internal organisational structures. A cofinancing system of which the admission for potential beneficiaries was determined by purely structural requirements, would simply be inaccessible for most NGDO’s. Moreover, NCOS had reasons to assume the establishment of a Dutch-style cofinancing scheme might lead to a Dutch-style NGDO-landscape. Within the pillarized Dutch context only 4 NGDO’s were integrated in the cofinancing system, each of them linked to the main socio-political currents in Dutch society (Schulpen & Hoebink 2001, Dietz 1997). The establishment of the Dutch cofinancing system, as early as 1964-1965, confirmed the dominant position of these NGDO’s and left little oxygen for other organisations because the ‘big four’ absorbed all available resources. A more anecdotal study of the NGDO Hivos illustrates very well how the cofinancing system prompted an early institutionalization and professionalization process in the recognized NGDO’s (Bieckman & Lammers 2008): ‘The political goal […] was to join the Dutch cofinancing programme, which meant you needed a strong organisation’. NGDO’s that missed the governmental train at this early stage, were likely to never see it again. In Belgium, the NGDO-community wished to avoid such convergence within the field. In European perspective Belgium had (and still has) a relatively large number of NGDO’s due to its interlocking with other ecclesiastic, social, cultural and political movements and organisations. To stay with the train metaphor, the Belgian NGDO-community did not want slower passengers to miss the government train.

Before 1976, cofinancing systems were already installed in the Netherlands, Germany, Sweden, Switzerland and Canada. According to Stangherlin, the decisive impulse was the establishment of a cofinancing scheme by the European Commission in 1975 (Stangherlin

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26 *Broederlijk Delen* (Sharing Brotherly) was established by the Belgian episcopate in 1961. *Broederlijk Delen* pleaded for a more modernized concept of the Lent, a reformulation in the context of the widening gap between rich and poor nations (Willems 1993).

27 Archives NCOS (11.11.11, Brussels): NCOS, Beheerraad, 1975-03-18.

28 This is confirmed by our research into archival records of several other NGDO’s at this time (*Broederlijk Delen, Wereldsolidariteit, Coopibo-Vredeseilanden, NFOS, Oxfam-Wereldwinkels*). There is no evidence these organisations, all established between 1966 and 1975, actively lobbied for the establishment of a clear cofinancing system.

29 These NGDO’s were Cebemo (catholic, currently Cordaid), ICCO (protestant), Novib (social-democrat), Hivos (humanist).

30 Original quote in Dutch, English translation by author: ‘Het politieke doel van de Winter was in het Nederlandse Medefinancieringsprogramma te komen. Dat betekende dat je een organisatie moest hebben.’ Cited in Bieckamn & Lammers 2008: 42.

31 Today, the Flemish federation of NGDOs counts about 70 member organizations (list consultable through: http://www.dgdc.be/NL/actoren/indirect_samenwerking/erkende_NGDOs_lijst.html), while the federal agency for development cooperation (DGOS) has recognized 177 organizations that may claim federal subventions (list consultable through: www.coprogram.be).
The then minister for development cooperation, Van Elslande, claimed he wanted to cooperate fully with the NGDO’s. He even had sent members of his administration on field trips to the Netherlands, Germany and Canada ‘because these are said to be interesting examples’. Van Elslande was convinced that NGDO’s were more suitable to execute projects that corresponded better to the people’s needs. Eventually, the Belgian cofinancing system was installed by law in February 1976. The new legislation was rather vague and opaque. There were only 3 main conditions: the applicant had to be a non-profit association having development cooperation as one of its objectives, board members had to be in majority of Belgian nationality and the organisation had to sent an official request for acceptance to the authorized minister. These conditions were not very restrictive and allowed virtually all willing NGDO’s to enter the system. The establishment of the cofinancing system was almost a natural continuation of the policies the government had adopted vis-à-vis the NGDO’s since they had appeared on the scene in the mid-1960’s. The system did not grant the complete responsibility over official funds to the NGDO’s, but made the cofinancing system very accessible. Even NGDO’s that did not deal exclusively with development cooperation could profit. This can be explained by the particular ‘pillar interests’ of christian-democratic minister Van Elslande. NGDO’s within the christian pillar were often active in different areas: welfare, assistance to persons living in poverty, health care, etc. By determining such vague, general acceptance conditions, the system created the opportunity for these organisations to gain by the system.

The Belgian cofinancing system under fire and the ‘revolution’ of 1991

The establishment of the legal cofinancing regime did not bring about peace in the NGDO-field. Criticism arose almost immediately after its coming in full swing. A new advise of the consultative council for development cooperation listed the most important ‘suggestions for more effectiveness of the policy to guarantee the social aid objectives’. First, the NGDO’s wished to break out of the corsage of annual budget planning. This was standard in the governmental administration in order to work more programmatic in the long term. Second, the council wished to facilitate international financing schemes. NGDO’s had to artificially split up international projects into partial projects with ‘a Belgian national tint’ to satisfy Belgian authorities. Third, the council agreed that NGDO’s control of funding applications should be strict, but flexible. Fourth, the council accused the administration of applying budgetary limitations that were not explicity confirmed, as each project of which costs surmounted 25million franks was refused. These criticisms were, in a way, direct consequences of the vagueness of the newly established funding regime. Because the regulations left so much space for interpretations, both with the official administration and the NGDO’s, it lead to heavy criticism. These criticisms also reflected a more structural transformation of the consultative council. In the wake of the establishment of a permanent fund for development cooperation, NGDO’s were given a more prominent role in the council.

33 Koninklijk Besluit van 13 februari 1976 tot organisatie van een regime van financiering door de Belgische Staat en niet-gouvernementele organisaties van samenwerkingsacties in de ontwikkelingslanden. Belgisch Staatsblad, 1976-02-25. (Royal decree for the organisation of a financing regime by the Belgian state and non-governmental organisations of cooperation actions in developing countries).
The number of NGDO-representatives was doubled from 5 to 10. Furthermore, these representatives had to be preliminarily consulted on all NGDO-applications for financing.\textsuperscript{37}

By the mid-1980s, 221 NGDOs were eligible for cofinancing, only 100 of which organisations were still considered to be operational. This situation was no longer acceptable for the new minister who declared a moratorium on the approval of NGDO’s until new acceptance and selection criteria were drawn up.\textsuperscript{38} The general principles of this reform were already laid out by his predecessor. The two fundamentals were that new partners had to be selected based on ‘objective norms’ and official aid should be directed towards the realisation of comprehensive programmes instead of individual projects.\textsuperscript{39} The reform of 1991 thus favoured larger, more professional NGDO’s. Moreover, these conditions stimulated NGDO’s to cooperate with each other and public authorities. We can discern 4 crucial criteria. First, the NGDO had to be a valid, bonafide non-profit association with development cooperation as its main social objective. This condition excluded a number of NGDO’s only marginally engaged in development cooperation. Second, the NGDO had to be exempt of any conflict of interests with public authorities or private companies. Third, a certain level of professionalization in the organisation was required, as NGDO’s had to propound a track record of executed projects in developing countries for at least three previous years. NGDO’s who were unable to deliver such a track record, could be retrospectively expelled from the regime. Finally, the NGDO had to present a counterpart of 25% of the total costs. This measure had a considerable effect, as the number of accepted NGDO’s decreased to 85 in 1991.

To counter administrative overload, a system of programme financing was introduced. The concept was explained in the report to the King, accompanying the law: ‘Programme financing is the global financing of a certain number of projects. This arrangement has more appreciation for the coherency of the ensemble than for each individual project. This means greater responsibility is given to a limited number of NGDO’s or associations of NGDO’s with a more professional character that over the years have maintained a relation of confidence with public authorities’.\textsuperscript{40} Once an NGDO was admitted to the regime, several other conditions had to be met in order to be eligible for actual funding. NGDO’s had to comply to stringent reporting requirements, deliver proof of sufficient, previous experience in project management, dispose of a permanent secretariat in Belgium, demonstrate a network of external expertise, experience and know how in identification, preparation and evaluation of projects and demonstrate certain efforts in sensitizing the general public. Furthermore, the system still provided in provisional financing of short-term projects as a transitional measure. Finally, the new regime provided in a new ‘concertation commission’ to stimulate dialogue between NGDO’s and public authorities. The commission brought the principle of common evaluations in practice. Therefore, the government established Flemish and French speaking federations of NGDO’s: Coprogram en Acodev. Both federations were subsidized to hire 2 staff members each.

\textsuperscript{38} ABOS, Aktiviteitenverslag 87-88-89. Brussel, ABOS, 1989, p. 25.
In 1992 the then state secretary repeated the chalk lines of the reform. ‘Indirectly the procedure urges NGDO’s to clearly define their uniqueness, what should lead to a clear division of tasks and coordination between different NGDO’s. The funding policy explicitly wants to stimulate a specialisation in existing associations’. 41 The main concern of the legislator was, thus, to set more stringent conditions for approval and funding in order to increase the professionality and efficiency of existing NGDO’s by realizing more geographic and sectorial concentration of resources and stimulating a more coordinated action between private actors and public authorities and different private actors mutually. Furthermore, the new legislation joined all existing regulations regarding voluntary action for the benefit of the third world in one comprehensible regime. 42 This reform was not only supported, but even requested by the NGDO-community. In the late-1980s, the head of NCOS’ research department asked for such a reform because the governmental policy was responsible for ‘the abundance of NGDO’s of which the NCOS threatens to fall victim to’. 43 The problem was the organisations was not able to take up all of its service functions towards these NGDO’s. Another staff member criticized the fact that the current regime (in 1987) resulted in an enormous increase of NGDO’s and a situation of unhealthy competition between projects of very varying quality. 44 In 1987 the NGDO-community was consulted at a large conference bringing all Flemish NGDO’s together to debate the coming reforms. The conference agreed to organize permanent and formal consultation with the governmental administration. The NGDO’s clearly demanded a new, encompassing framework that would grant cofinancing after thorough, foregoing screening of the beneficiaries. The legislation of 1976 had to be revised in function of quality and the construction of long-term partnerships with NGDO’s in developing countries. The NGDO-community definitely advocated the system of programme agreements. 45 The French speaking NGDO’s were less in favour of this reform. The NGDO-landscape in French speaking Belgium was comprised of a large number of relatively small and less professionalized organisations for which the new legislation would be disadvantageous (Stangherlin 2001: 19). Notwithstanding this general positive attitude towards the reform, especially in Flanders, the NGDO-community reported some developments which they perceived as malicious. Essentially, the new cofinancing regime amplified an alienation process of the NGDO’s from their grass root constituencies. In turn, this process was a result of a shift in priorities, style, procedures, focus, etc. This shift resulted in a kind of opportunist and consumerist attitude of NGDO’s vis-à-vis public resources. 46

42 Since 1976, two other regulations were established. The first decree of 1980 organized the funding of educational activities of NGDO’s for development cooperation in Belgium (Koninklijk Besluit van 21 oktober 1980 tot regeling van de erkenning en de subsidiëring van niet-gouvernementele organisaties voor activiteiten inzake ontwikkelingssamenwerking. Belgisch Staatsblad, 1980-12-04). The second decree of 1983 organized the funding of training of students from developing countries (Koninklijk Besluit van 14 september 1983 houdende een stelsel voor betoelaging van niet-gouvernementele organisaties voor de opleidingsactiviteiten in België van de onderdanen van de ontwikkelingslanden. Belgisch Staatsblad, 1983-10-28).
43 Archives NCOS (11.11.11, Brussels): NCOS, Verslag Raad van Bestuur. 1987-08-25.
44 Idem.
45 Archives NCOS (11.11.11, Brussels); Vlaams Beraad inzake Noord-Zuidbeluid en Ontwikkelingssamenwerking. De Niet-Gouvernementele organizaties. Voor Algemene Vergadering, 1987-10-31 (dok. Nr. 7/BC/AVH/06.01.87)
**Limitations and opportunities of public funding for NGDO’s**

The institutionalisation of NGDO’s in the context of an NGOing integration in official aid policy has lead to a pessimistic view on NGDO’s future. NGDO’s are said to lose their comparative advantages in development processes (flexibility, non-bureaucratic modes, motivated and selfless staff, better understanding of local conditions in the South, reaching inaccessible target groups, less bound to geopolitical imperatives, innovative attitude, etc.) as they are becoming executive bodies of official aid agencies through cofinancing mechanisms. Apart from these apparent limitations, NGDO’s are offered considerable opportunities.

Following graph shows that official aid through NGDO’s increased considerably after the coming into effect of the cofinancing regime. In international perspective, rates of 15 to 20% are rather high.\(^{47}\) A second conclusion is that the proportion of official aid channelled through non-governmental actors increases considerably after the new legislation of 1991. The establishment of a more stringent and compelling framework for cofinancing did not herald moderation nor significant budget cuts, but created more opportunities for NGDOs as long as they were willing to comply to a new framework of professionalization and inter-NGDO coordination.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total DOS/DGOS/ABOS (million €)</th>
<th>Total cofinancing (million €)</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>147</td>
<td>1,3</td>
<td>1%</td>
</tr>
<tr>
<td>1976</td>
<td>325</td>
<td>29,4</td>
<td>9%</td>
</tr>
<tr>
<td>1983</td>
<td>360</td>
<td>32</td>
<td>8,9%</td>
</tr>
<tr>
<td>1985</td>
<td>385</td>
<td>39,6</td>
<td>10,3%</td>
</tr>
<tr>
<td>1990</td>
<td>507</td>
<td>53</td>
<td>10,5%</td>
</tr>
<tr>
<td>1992</td>
<td>476</td>
<td>71</td>
<td>15%</td>
</tr>
<tr>
<td>1995</td>
<td>421</td>
<td>80</td>
<td>19%</td>
</tr>
</tbody>
</table>

**Table 1: Total official aid and official aid through NGDO’s**

One of the hypothetical consequences of the cofinancing regime of 1991 was that a Matthew effect would play, so that larger, more professional NGDO’s would receive even more public resources, making them even bigger and more professional. This was also the fear of the smaller, more voluntary NGDO’s in French speaking Belgium. The graph below, presenting a dynamic ranking of NGDO’s according to the percentage of total public NGDO-support, indicates that this effect did not play too strongly. The ‘top 10’ of NGDO’s benefitting most by public funding did not change substantially before and after the legislation of 1991. Strikingly, the distribution of public funds over the 10 largest beneficiaries has even become more equal. This table would suggest that the regulations of 1991 resulted in a more homogenous NGDO-field. The spectacular decline of DMOS/COMIDE, from 19,6% in 1982-1983 to 5,6% in 1992-1993, could be explained by the progressive decline of missionary,

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\(^{47}\) Woods (2000) presented numbers for the total of OECD-countries. These vary between 2 and 3% for the time span between 1986 and 1996. Notable exceptions are Germany (12,7% in 1998) and the Netherlands (14,1% in 1998), as well as Belgium, so it appears.

colonial-style modes of development cooperation. The guiding principles of the reform of 1991 did not favour these old-fashioned aid practices. It should be noted that these conclusions are very preliminary, as this thesis should be looked into more profoundly, e.g. by means of case studies of individual NGDO’s.

<table>
<thead>
<tr>
<th>Top 10 of NGDO's as receivers of public aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. DMOS/COMIDE 19,6 DMOS/COMIDE 5,6</td>
</tr>
<tr>
<td>2. SOS Honger 8,2 FCD/FOS 5,1</td>
</tr>
<tr>
<td>3. FCD/FOS 6,8 Broederlijk Delen 3</td>
</tr>
<tr>
<td>4. Broederlijk Delen 5,6 ACT 2,4</td>
</tr>
<tr>
<td>5. Oxfam 5,6 NCOS 2,3</td>
</tr>
<tr>
<td>6. Delipro 4,6 Oxfam 2,2</td>
</tr>
<tr>
<td>7. Viwos 4,5 DISOP 2,2</td>
</tr>
<tr>
<td>8. Coopibo 3,6 Vredeseilanden/Coopibo 1,5</td>
</tr>
<tr>
<td>9. Protos 2,9 Damiaanactie 1,4</td>
</tr>
<tr>
<td>10. Vredeseilanden 2,8 Wereldsolidariteit 1,3</td>
</tr>
</tbody>
</table>

If we then take a look at the individual NGDO’s, there are very considerable differences between different NGDO’s. Nevertheless, there is no doubt that cofinancing mechanisms played a crucial role in the development, and in some cases mere survival, of NGDO’s. I will present some evidence from two NGDO’s from the main competing, historical currents in NGDO-development. Oxfam-Wereldwinkels (Oxfam-World Shops) was established in 1975 as a federation of local fair trade shops, selling products from third world producer groups at fair prices and using those products to inform consumers about the situation in the third world. The openly tiersmondist World Shop model was based on the principle that profits of fair trade activities should be reinvested in political action in the North. Today ‘Oxfam-Worldshops’ is one of the largest NGOs for development in Flanders. The national organization coordinates 220 shops realizing an annual turnover over € 20 million with 90 professional staff members and over 7 000 volunteers (Van de Poel 2006). The more traditionalist Wereldsolidariteit was established in 1971, as the NGDO of the Flemish Christian Workers Movement (Algemene Christelijke Werknemersbond) that grew out of different initiatives in different branches of the workers movement in the 1960s and 1970s. As a consequence Wereldsolidariteit is strongly institutionalized in pillarized structures.

In the case of Oxfam-Wereldwinkels, a large, Flemish fair-trade NGDO, public funding was not vital, as is shown in the graph below. Public funds never amounted for more than 10% of the total budget. This could be explained by the partial commercial nature of Oxfam’s activities. Its commercial, trade related activities were not eligible for public financing, but the gains of which could be used to finance educational and political activities (Van de Poel 2006).

49 DMOS/COMIDE was established in 1969 as an auxiliary organisation for the catholic missions in Central Africa. DMOS/COMIDE focused mainly on material and financial support to educational structures in the former Belgian colonies.
The case of *Wereldsolidariteit*, the NGDO of the Belgian christian worker’s movement, shows a completely different image. In the first stage of its development *Wereldsolidariteit* relied almost completely on public funds, which allowed it to set up operational structures and a more extended grass roots basis. From the late-1980s the rate of public finances stabilized around 50%, rising to 60% after the establishment of the 1991-regulations. Cofinancing, thus, was crucial for *Wereldsolidariteit*’s organisational and operational development of the organisation. It widened the NGDOs’ window of opportunity dramatically.

**Figure 1: Financial resource structure of Oxfam-Wereldwinkels, 1976-2000**

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Conclusions

Should there still be an ‘N’ in ‘NGDO’? The answer to this question should be affirmative. NGO’s for development cooperation grew to be considerable, autonomous actors in aid policies. The comparative advantages of NGDO’s in development activities were recognized by Western governments in the process of developing aid policies and rewarded by a direct financial life line with the government. The evidence from the Flemish case presented in this paper clearly shows this partnership cannot be explained through the realm of neoliberal globalisation and the crisis of the state from the late 1970s and early 1980s, but must be seen as a direct consequence of policy transformations in the context of decolonization. The decolonization process invigorated the transformation of a colonial policy to an ‘aid policy’, often mixing development ambitions with a continuation of geopolitical colonial interests. By NGDO-development was, thus, stimulated by the disintegration of colonial structures, serving as local anchor points for non-governmental activities in the former colonies. That space was partially filled in by the NGDO’s.

The early institutionalisation of NGDO’s within the crystallizing official aid policy was motivated by a very specific national context. A first decisive step was the integration of voluntary service in developing countries – the principal operational task of the NGDO’s in the 1960’s and 1970s - in official aid policy. This voluntary service was organized according to the organisational interests of different pillarized macrostructures. The subsidiarity principle, one of the main organisational principles of pillarization, was adopted in the field of non-governmental aid. This was not unique to the development sector. Subsidiarity was introduced in other fields as well (health care, education, welfare, etc.). Belgium adopted the Scandinavian, corporatist model in which voluntary organisations worked with the state to develop a consensual approach to pluralist governance, based on information, discussion, negotiation and compromise, rooted in a clear separation of powers between government, political parties and interest groups. The search of NGDO’s for public funding was a logical step in this model. This negotiating process was determined by very specific political interests of both parties. The nature, scope and conditionality of different funding schemes do not necessarily imply a monolinear colonization process of NGDO’s by the state, but point to a dynamic dialectic process entailing clear, mutual benefits.

The hypothesis linking a strong resource dependency of official canals to the transformation in ‘government run or initiated NGO’s’ (GRINGO’s) serving as tools for public policy is not supported by this research. Although further research is necessary, I would argue public funding mainly creates considerable opportunities for NGDO’s. The Flemish case demonstrates public funding was crucial to the survival of some NGDO’s. Furthermore, ‘the interplay between quality and volume of funds – official or private – significantly shape and steer what a NGDO is, how it operates and what it achieves’. Although factors such as their ideology and narrative path should not be forgotten as determinants of NGDO functioning. Nevertheless, ‘close comfort’ poses a number of potential threats to NGDO’s combining representative (vis-à-vis the state) and participative (vis-à-vis grass roots constituencies) functions. Compulsary homogenisation, imbalances in the trade-off between professionalism and overheads, etc. put pressure on the NGDOs’ nature as independent thinkers and doers and frustrate the NGDOs’ ability to analyze and debate critically and radically about the nature of the development process.
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