

The Risk of Freedom Briefing

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Make way for Non Governmental Organisations

Few recent changes in the political process have been so rapid and so unforeseen as the forging of the 'non-government organisation'. To write a letter to *The Times* as John Smith, demanding that football be banned, is a futile gesture. But to write as John Smith, Chairman of FFFF (Fight for a Football-Free Future), is to stand a chance of publication. Anyone can found an NGO and thereby become a player in the political game: for 'non' read 'not quite'. The NGO is there to put pressure on governments, to muscle forward in the queue of supplicants, to demand a result that no mere citizen could hope for. And governments have shown a willingness to listen. An NGO always seems to represent something more than the individual who speaks for it. To respond to its lobbying is to please its constituency, and therefore to conciliate a section of the electorate.

However, policy formed in response to pressure from NGOs reflects the agendas of activist minorities, whether or not these correspond to majority concerns. Moreover NGOs lobby wherever they can obtain a favourable outcome.

Environmental groups, for example, are in the habit of lobbying the UN, rather than the governments of sovereign states, in the hope of obtaining legislation

that no elected government could impose without being ejected by the voters. NGOs therefore have a tendency to encourage the transfer of legislative powers from democratically elected governments to unaccountable bureaucracies. Much of EU legislation results from their lobbying, and the same is true of the legislation issuing from the UN and its ancillary organisations.

Thus national legislatures have discovered that a tax on tobacco products is a lucrative and publicly accepted way of raising revenues. Pressure groups like ASH and the BMA are therefore joining the World Health Organization in pressing for international laws against tobacco. The result will be to transfer the trade in tobacco to the criminal underworld, while depriving governments of a relatively painless form of taxation. But there is nothing that the majority can do to stop this legislation, once the enabling decisions have been made. Is this a legitimate or an illegitimate use of NGO power?

In general, what principles should govern the operation of NGOs? To whom should they be accountable and how? Should efforts be made to restrict or regulate their activities, and if so by whom? These questions, although increasingly urgent in the modern world, are not new. The English common law of charities, whose roots lie in the preamble to the Charitable Uses Act of 1601, has for centuries taken the view that the fiscal privileges

enjoyed by charities should not extend to organisations whose principal purpose is political. The American conception of a 'non-profit organisation' allows political purposes, but demands strict accountability and proof that funds are devoted to the purposes declared. The rest is up to the public — they can choose to give or not to give — and also up to the politicians — they can choose to listen or not to listen.

Those simple ideas, however fertile they have proved in our common-law jurisdictions, are of no help in dealing with the new kinds of pressure group. Some of these belong to the 'voluntary sector'; others — like IFAW (the International Fund for Animal Welfare) — are set up quite openly as businesses, seeking donations, but under no obligation, either to the donors or the general public, to account

for the use of them. (Thus Brian Davies, the founder of IFAW, is now a multi-millionaire.) And many of those in the 'voluntary' sector pay salaries to full-time staff, employing full-time fundraisers to maximize the turnover. The RSPCA discovers ever more cases of cruelty, since proof that its work is no longer needed would mean the loss of 1,000 well-paid jobs.

Then there are the 'Quasi-Autonomous' NGOs, set up

by the government in order to off-load some part of its decision-making responsibilities. The proliferation of quangos has led to an enormous and questionable transfer of power away from the democratic process. They can propose by-laws and regulations; some, like the Commission for Racial Equality, even have judicial powers.

Finally, we should note the emergence of a new species of career: that of the NGO apparatchik. Many people spend their whole lives in the 'voluntary' sector, moving effortlessly from quango to quango and pressure group to pressure group, seeking promotion, power and ever higher salaries. One and the same figure may work now for the League Against Cruel Sports and now for the Countryside Alliance, effortlessly changing his colours to suit the ideological requirements prescribed by his salary. And eventually, after sufficient training in duplicity, he will enter Parliament.

Our contributors explore these observations further. Zac Goldsmith argues that NGO campaigns are indispensable in environmental matters; Simon Jenkins questions the legitimacy of NGOs to campaign for change while being themselves democratically unaccountable. We welcome your responses, since we should like to explore further Anthony Adair's call for a Code of Conduct for NGOs, a reform, he believes, that would legitimise the notion of charity.

Anyone can found an NGO and thereby become a player in the political game: for 'non' read 'not quite'

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The Power of NGOs

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Conference notice: *Interrogating the Precautionary Principle*.

Friday, 14 July, 2000. The Royal Institution, 21 Albermale St, London W1. Tickets 020 7670 2986.

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In their Element: NGOs and the Environment

Zac Goldsmith

AT THE HEIGHT of the GM controversy, Tony Blair announced that his government would absolutely not be swayed by what he referred to as 'special interest groups'. This may have seemed odd, coming as it did from a government seemingly obsessed with public relations, but no one seemed to notice.

Just last month, following the 'accidental' planting of more than 40,000 acres of GM seeds on our farmland, Baroness Hayman claimed publicly that, 'this is not a safety issue'. This was by any standards an odd response.

The Government chose to listen to that science which legitimised the path it had already chosen to pursue.

The technology has neither been tried nor properly tested, and most independent scientists advocate at the very least caution when dealing with products of an inherently unpredictable nature. Either she has access to divine knowledge, or she was behaving wholly irresponsibly.

And so when Mr Blair promised to ignore 'special interest groups', he was in fact referring only to those with zero vested interest. Those selling something, and in a position to benefit enormously from favourable government decisions are apparently not 'special interest groups'.

When commentators argue the case against NGOs, they generally use the argument that such structures are unaccountable and therefore not in the public interest. But if this is the case, in which category do big businesses fall, most of which wield a level of power beyond the imagination of the average non-profit NGO? The biotech industry for example has pledged to inject a total of \$250 million into a campaign to persuade consumers and regula-

tors that theirs is a path paved in gold. It has been well documented, what's more, that these same corporations have achieved access to the regulators that makes a mockery of the democratic process.

If not NGOs, then who will scrutinise our policy makers? Too often they have sided with the big boys to the detriment of the small. We only need look at the mountainous regulations imposed by the EU on small businesses, the effects of which can only be to remove unwanted competition from the larger operators.

We cannot trust the numerous 'task forces' set up by government. They too are dominated by big business (Tesco for instance holds more positions on such boards than any other body).

Nor can we trust the established watchdogs some of whose research would be laughable were it not so serious. Imperial Cancer for instance refuses to acknowledge that the alarming rise in all cancers today is in any way linked with the release of nearly 100,000 man-made chemicals, or indeed contamination from nuclear power installations (virtually every one of which is surrounded by cancer clusters). On the contrary, they blame the likes of blue cheese, mushrooms, genetic defects and viruses (for which they admit there is not the slightest evidence).

Our country, indeed the world, is facing a disaster of unimaginable proportions. If not NGOs, then who will alert us to the dangers of global warming, genetic engineering, nuclear power, or the wholesale destruction of the global environment? Government? Big business? Faceless panellists of the WTO?

Zac Goldsmith is the Editor of *The Ecologist*

Greenpeace: its agenda

Malcolm Grimston

Environmental pressure groups such as Greenpeace tell us that they serve to protect the environment from activities of big business. Some of their campaigns have probably been to the benefit of the environment, e.g. the phase-out of CFCs — but only as a by-product of the main objective. The campaign against disposal of the Brent Spar in the deep ocean went in the opposite direction. Greenpeace clearly believed it had a right to damage the environment ('their' environment?) by causing Shell to follow a course which was more polluting, since their goal was to attack the oil industry itself. The apathy, or even antipathy, that the Green movement shows towards technologies such as sequestration of carbon dioxide from flue gases is also instructive. If a large-scale method could be found to remove carbon dioxide from smoke from coal-fired power stations, both the fossil fuel industry and the

environment would receive considerable benefits. But since it seems to be more important for the Greenpeace to damage the fossil fuel industry than to protect the environment, it does not like sequestration and similar technologies. It is now impossible to gather the information necessary to determine whether GMOs, which offer enormous economic and output benefits, are safe, for similar reasons.

Greenpeace, in its enormously powerful current position, is able to act as a considerable threat to market economics and other manifestations of freedom, using legitimate concerns about the environment as an ideological weapon. Until society is prepared to demand some degree of accountability from such groups the threat can only escalate.

Malcolm Grimston is a Senior Research Fellow at the Royal Institute of International Affairs and Chairman of the Education Committee, Wandsworth Borough Council

Publications

A. Passey, L. Hems and P. Jas, *The Voluntary Sector Almanac 2000*, NCVO. Provides information and statistics about UK NGOs.

Meeting the Challenge of Change: Voluntary action into the 21st Century. NCVO, 1996 (3-part report produced by 'The Commission on the Future of the Voluntary Sector'). An attempt to define a role for NGOs.

Elise Boulding, *Building a Global Civic Culture*, New York, Columbia Univ. Press, 1988: transnational NGOs as the answer to transnational government.

J Rabkin and J M Sheehan, *Global Governance, Global Greens*, 1999 Institute of Economic Affairs.

David Chandler *Bosnia: Faking Democracy after Dayton*, Pluto Press.

Alex de Waal *Famine Crimes: Politics and the disaster Relief Industry in Africa* Indiana University Press.

WWW.

www.iea.org.uk/env/NGO.htm the Institute of Economic Affairs website gives a full version Anthony Adair's professional letter (quoted inside) *A Code of Conduct for NGOs - A Necessary Reform*.

www.lrb.co.uk Refer to the *London Review of Books* website, for the full version of Michael Byers' piece (quoted inside), *Woken up in Seattle* (6/1/00).

www.theecologist.org For more about NGOs and the environment.

www.ncvo-vol.org.uk Visit the National Council for Voluntary Organisations website to begin research into both the sector and individual NGOs.

www.capitalresearch.org/trends/ot-o1oo.html From *Seattle's Front Lines* by Julian Morris who moved with the crowd in Seattle, but was not convinced by the NGO campaign.

www.greenpeace.org Take your own view about the Greenpeace agenda.

There are also transnational computer conferencing systems, such as PeaceNet and EcoNet. Proof of 'a global civic culture'?

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Accountable to whom? NGOs in international affairs

Simon Jenkins addresses a gathering at the Lanesborough Hotel

A friend of mine returned from Ethiopia in 1985 and told me what it was like to visit a disaster area, as Ethiopia then was, and as Ethiopia is about to become again. He described arriving at Addis Ababa airport, being ushered into the presence of the United Nations Representative in Addis Ababa, going on to the representatives of the World Bank and two or three United Nations subsidiaries, being directed out into the field to visit various international charities, each of whom, when he landed with his cameraman at the local airport, besieged him, clamouring for his attention. Each offered a Winnabego 4 wheel drive, or whatever it might be that he wanted, to take him to their particular distressed camp where they assured him that he would find the most emaciated children in the land, on the condition that — and he would be given full air-conditioned facilities to encourage him — he used their name in his report.

The experience of this so shocked him that he fell to thinking about the basis of this new form of international interventionism, done with the best of all possible motives, but having led to the most bizarre, and even in his view obscene, consequences. This scenario was duly repeated in Somalia, in Bosnia, in Kosovo, doubtless again in Ethiopia. Although all of us know the motives that lie behind so much charitable activity I think that it is worth every now and again stopping to think why we are supporting it. Because supporting it we all in some sense are.

In the last 15-20 years (and that is all I am talking about here) the growth of NGOs has been truly phenomenal. In 1995 the United Nations counted 29,000 trans-national non governmental organisations operating and registered for not-for-profit activities in the world.

They distribute more money than the World Bank distributes. Amnesty, one of the biggest, now has 1 million members world-

wide. The charities themselves raise something like 5 billion dollars in private donations. They are huge businesses. In an important sense, they now run countries. There is no doubt that for 2 or 3 years they ran Somalia. They now run, using that term in the widest possible sense, the country called Bosnia. They are about to run, in collaboration with the KLA Mafia, Kosovo. These are substantial forces of World power.

It is important also to realise that the NGOs have formulated new ideologies to

... this new form of international interventionism ...

validate their activities. Médecins sans Frontières, in many ways the most interesting and effective of the recent international NGOs, has as its ruling concept the *duty to interfere*, a very French phrase. Perhaps in French it may have some nuances of which I am not aware of. It implies an emphatic obligation to involve oneself in any situation that one feels merits one's involvement.

There was a very good editorial in the *Washington Post* (I think it was in about 95/96), which gave a seminal statement of the new internationalism. It stated quite crudely 'that any country in the world that failed to treat its citizens in a civilised manner forfeited the right to sovereignty and self-determination.' There it was, boldly stated. Yet I doubt that there was even a letter to the Editor protesting of this new announcement of a revision of the United Nations charter. The NGOs concerned have established a wonderful array of sub-groups. There are the RINGOs (Religious Non-Governmental Organisations) very powerful particularly in America. There are the GRINGOs (Government Related Non-Government Organisations) — even more powerful because most of them are even more substantially supported by government funds. There are the BINGOs (Business Front Organisations) in which businesses form an

NGO in order to ensure themselves big contracts in the countries in which the NGOs are significant forces.

What is interesting about the recent development of NGOs in the international theatre is that more and more of them depend on government, to the extent of becoming front organisations for government. Oxfam now gets about a quarter of its total revenue from the British Government, Médecins sans Frontières half its revenue from the French and other governments. In central Nairobi, Kenya, I was told, there are about 120 offices of international NGOs, almost all of them financed entirely offshore. In other words, none of

them in any sense is dependent on the government in Nairobi. They operate to all intents and purposes as the embassies, but very powerful and rich embassies, of foreign powers. And of course the great feature of NGOs is that, they are absolutely beyond criticism. They are the embodiment of the concept of goodness. They control the media to a very large extent, because they are sufficiently powerful in any theatre in which they are operating to give the hospitality and the information that the media requires. And because they do not have the taint of government involvement, because they are supposedly non-political (which indeed most of them are), they have an immunity to criticism which brings with it an immunity to accountability.

I recently read a fascinating book about Wildlife NGOs, which told the story of the growth of the world wildlife movement in America, usually under a multitude of different names like the World Wildlife Fund, which is not the same as the World Wide Fund for Nature. Each of them has a slightly different name, but each is essentially about raising large amounts of money. The book contains an interesting account of a meeting between the fund-raisers for the World Wide Fund for Nature, and their Public Relations consultants, who told them in no uncertain terms that worrying about obscure birds was going

Woken up in Seattle by Michael Byers

The protesters in Seattle were right to point to the relative lack of transparency and accountability on the part of the WTO, but they failed to notice that similar problems exist within other international organisations, most corporations and even many NGOs.

Transnational corporations are also having difficulty adapting to rapid global change, and especially to the rise of the NGOs. Shell was caught out by Greenpeace on Brent Spar and in Nigeria. Monsanto has been forced to halt development of the 'terminator' gene, and to retreat on the issue of GM food in Europe. Bill Gates was conspicu-

ously absent from most of the Seattle event that he'd helped to organise. Corporations have to learn quickly in order to survive, and they are now doing so. Investing in analysts, consultants, human rights specialists, their own universities, all in a desperate effort to understand *the new dynamic of international affairs*, and to shape and exploit it to their advantage. They will ensure that the WTO survives, that foreign investments are protected, existing trade rules enforced, and new rules created. The only thing that remains uncertain, even after Seattle, is whether — and to what degree — other interest will be taken into account.

The NGOs have now to show the responsibility to go with their new-found power. They need to

pick the right issues, to represent the facts accurately, to be responsive to the international civil society that most purport to serve. Not all NGOs support human rights and environmental protection. The International Chamber of Commerce is an NGO; so are the United Steel Workers of America. So to are the drug cartels, terrorist groups and organised crime rings. Nor are even the most benevolent NGOs necessarily democratic. Like lobbyists in domestic politics, they serve particular interests — often without regard to the consequences of their actions or other issues and other groups.

Michael Byers is an academic lawyer. This is an extract from a longer article that appeared in *The London Review of Books* (6/1/00).

Recommending a Code of Conduct Anthony Adair:

'NGOs have claimed for themselves, and in many cases have been granted, recognition for their special experience, skills, knowledge and expertise in their fields of interest. This recognition is used to exert influence and pressure upon governments and the public policy making process. This pressure can be overt or covert; it can take the form of intellectual persuasion or the threat of direct political action. In other words, NGOs seek to convert their reputations into power. This is a perfectly legitimate objective, but in democratic political systems, people and organisations that wield

to butter no parsnips — elephants were the thing. You will recall that, by the end of the 1980s, there was not a children's comic, not a newspaper in Britain that did not have pictures of de-tusked, emaciated elephants somewhere in it, with the implication that the elephant was an endangered species. It isn't. But there was absolutely no way for that wildlife charity to persuade its fund-raisers and their very powerful consultants that the elephant was not the thing to make their cause for raising money.

A final characteristic of these NGOs is that they now have so much power over governments, through the media, that governments are now susceptible to their agenda — pressurised, however unwisely, to take the attitude that 'something must be done'. As we have seen in former Yugoslavia and in Somalia, they even have the power to call in armies. They almost called in an army into Rwanda, they called in an army into Somalia and they have called armies galore into former Yugoslavia.

I am hoping *not* to confuse the good and the bad in what international charities do. Since Ethiopia, and Bob Geldorf's celebrated recantation, there is a more sophisticated approach to the international charitable response to famine. It is however interesting that the Iron Law, which I think was first adumbrated by the British Government in India in the 1880s, still holds: that the one thing you should never do with a famine, is send food to relieve the first post-famine harvest — because then you completely destroy the market in grain seed. We still do that in Africa today. The old lessons are not learned because there is such a potency behind the drive to send relief.

The growth of the NGO movement, in so far as it has been organic and not deliberate, has been a response to a desire on the part of governments to privatise international activity. Bluntly, this is the new foreign policy. We don't want to be seen getting involved in other countries; better therefore to act through non-government agencies. From the World Bank and the IMF right down to the smallest guy with a truck on the road to Kosovo. It suits governments to do it this way, it cleanses the money, it promotes the charity, it is usually more efficient. Anybody who knows the difference between intervention by the European Union and intervention by the Red Cross would always prefer the Red Cross. And indeed the European Union itself now prefers it, as is shown by the fact that 70% of its aid now goes through the Red Cross and other NGOs. There is no doubt at all that privatising International Aid is better

power are expected to be accountable for the exercise of that power.

For organisations that exercise power in democratic societies, a Code of Conduct should be seen, at the very least, as a necessary defence against some of the criticisms outlined above, viz. that they are secretive, undemocratic in their decision-making processes and have less than rigorous standards of governance.

[If a Code of Conduct were adopted then, critics of NGOs,] could no longer say that they were demanding standards of behaviour, accountability and transparency in busi-

ness that they were unwilling to accept in their own organisations. This is especially true of those global, entrepreneurial NGOs that are effectively multinational enterprises with turnovers running into millions of dollars annually, large staffs relative to their clients, and often with career paths and promotional prospects, international assignments and frequent travel as part of the normal conditions of employment.

than nationalising it.

We have here a structure of international interventionism which often doesn't need to justify itself: it chooses its reasons for itself, it goes where it wishes in search of publicity, it uses that publicity to aggrandise itself and to suck in governments and money at the same time. Alex de Waal's description of the intervention in Somalia is a devastating account of what was, in essence, a crude bit of nineteenth-century gunboat diplomacy on the part of NGOs and America, leaving the country in almost exactly the state in which it found it two years beforehand — a venture both extravagant and pointless.

David Chandler's description of democracy in Bosnia at the moment — which I can recommend to everybody — is again a devastating account of the total colonisation of a small European state by some 50,000 outsiders: all well-paid, drawing in more money per head of the population in aid than in any other country in the world. Very little of this money goes to the Bosnian population; instead it is spent on the 50,000 NGO apparatchiks charged with democratising Bosnia. And as Chandler shows with great effect, they are doing no such thing. They have no intention of doing such a thing. They are themselves using local NGOs, to which they are addicted, because the NGOs have nothing whatsoever to do with the democratic process or any conceivable process that would put local people in charge. They are not democratising Bosnia in your and my name, although they constantly say they are. The same trick is about to be played in Kosovo. (See 'publications' on back cover)

You have here a new atomised imperialism. It has no *raison d'être* except the perfectly reasonable one, or at any rate plausible one, of doing good. NGOs are not composed, on the whole, of villains; they are composed of sensitive, reasonable people who want to know what they are about and why. But as we have seen in Yugoslavia, the power of this group of lobbies is now vast. They now have the capacity through their various mechanisms, to suck us into wars. That used not to be the case. No one at the time of Ethiopia in 1985 suggested we go to war in Ethiopia: there was a raging civil war taking place at that time, but we didn't think of getting involved in it. Now it may well be that someone says we must send troops. If we are going to respond to every one of these emergencies not just by sending in aid, privatised, but by sending soldiers, nationalised, we have closed the circle. We have taken what was private charity, in order to supplant the old imperial interventionism of the nineteenth

century, and we have thereby brought it right back to a new sort of imperial interventionism with troops, under the aegis of the United Nations or NATO or National Governments, but to a certain extent at the bidding of private citizens in private organisations.

Anthony Adair is Senior Associate at the Centre for Independent Studies in Australia. This is an extract from his 'professional letter' published by the Institute of Economic Affairs on the web.

century, and we have thereby brought it right back to a new sort of imperial interventionism with troops, under the aegis of the United Nations or NATO or National Governments, but to a certain extent at the bidding of private citizens in private organisations.

I don't like that. I prefer to know what I am doing overseas. I prefer my foreign policy to be coherent, structured and accountable. I sense that we are now moving into territory where it is so no longer. We have atomised it. We have set it free. We have done so with the best of motives, but we are not sure where we are going. I find that frightening.

SIMON JENKINS' interesting talk lacks

Simon Jenkins writes for *The Times*. This is an edited transcript of his address to the Lanesborough Lunch.

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justification for
thinking that
IN RESPONSE: 'accountability' is
a good thing for an
institution. In fact,
Tony Curzon Price there are all sorts of
problems with

accountability: an institution cannot both live by its own tradition, and, be accountable, because traditions don't ask for accounts, but for the right sort of following — keeping accounts is the practice of just one sort of institution, and one that has evolved in a climate of consensus-seeking; accountability will tend to undermine authority because an institution can have noble aims (and consequences) without that being transparent in the aims of its constituent members — accountability will tend to look at the constituents, and not at the more difficult institutional logic. In this regard, it is interesting that the institutions that are said to be most respected are the ones that are not, democratically, accountable: Marks and Spencers, the Monarchy, the Jockey Club . . . The accountability of a corporation to shareholders is minute compared to the accountability required by those who ask for democratic legitimacy. And the same old question: when it comes to accountability who audits the accountants? Here is a dangerous tyranny too.

Maybe Simon Jenkins was just being greedy with his argument — find a characteristic that NGOs lack, and say you like it in order to cast moral doubt on their activities. But if we accept that accountability is not often a virtue for an institution, then anti-NGOism will have to be more piecemeal, considering what individual groups actually do.

Who was it that said that everyone is right-wing when it comes to the topics on which they are experts? In much the same way, could it be that everyone is left-wing on the topic of their favoured NGO.

Tony Curzon Price is an economist at UCL. The Lanesborough Lunches are an informal forum organized by the IUSS 020 7862 8693