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Introduction: shifts in the debate around NGO-State relations

Structural adjustment, economic liberalisation and the rolling back of the state created new spaces for NGOs in Africa in the 1980s and 90s. As donors increasingly identified NGOs as more efficient (and cheaper) service deliverers than the African state, most international NGOs (INGOs) responded to their expanded remit with energy if not enthusiasm. Many new local NGOs (SNGOs) have emerged across the continent, both in response to the growing demand among INGOs for local partners and to the growth of local needs as public expenditure declined. Over the last few years the focus on pro-poor sustainable livelihood approaches, linked to growing emphasis on the role of civil society in promoting good governance, has attached further importance to and expansion of both INGO and local NGO roles.

The massive transfer of donor funds to the voluntary sector and the increasing prominence of NGOs in governance programmes has inevitably created new tensions in the development nexus over the last 20 years. Despite ostensible support for NGOs in their poverty alleviation endeavours, states - both at the central and local levels - regularly work towards frustrating such efforts because they resent the diversion of donor funds from state to NGO channels. This was well illustrated in a relatively early study in Ghana by Gary (1996). On the other hand, there is increasing recognition of the fact that NGOs are neither necessarily virtuous or apolitical but, indeed, often play complex - and sometimes very dirty - roles in the politics of development (Stewart 1997, Mercer 2002).

In a recent cases study from northern Ghana, Mohan (2002) thus emphasises the factionalism which has emerged as local NGOs create their own fiefdoms of client villages and work to manipulate their position as 'owners' of local culture in their negotiations with both 'partner' NNGOs and local administrators. Such studies support a growing view that the strengthening of NGOs (even those with excellent intentions) can create political tensions which ultimately undermine development (Tembo 1998, Mohan 2002, Townsend and Townsend in press.)

This paper aims to extend the discussion about state-NGO relations in a Ghanaian context, principally drawing on interviews undertaken with NGOs of varying types across Ghana in 1999, a workshop in Kumasi (primarily for NGOs) in September 2000, and additional interviews with a range of key informants, including academics and central government employees, conducted for the same project (1). This research was focussed
on SNGO-INGO relations, not NGO-state relationships, but NGO staff very frequently
drew attention to their relations with government in the course of interviews and the
subsequent workshop as an area of major concern and contention. It raises a range of
questions about how participant actors will and should proceed in the future. How are
NGOs likely to fare in the context of Poverty Reduction Strategy Papers (PRSPs) and the
sector-wide (SWAP) approach, increasingly dominant in Ghana and other sub-Saharan
countries? Can NGOs and the state build more productive relationships which will
support the improvement of livelihoods in Ghana? If so, what configurations would we
expect to see in this new era? What supporting mechanisms are needed? And are there
lessons from Ghana’s experience with much broader application beyond sub-Saharan
Africa? The evidence presented here suggests pointers to areas where further research is
needed.

The paper begins with the history of NGO-state relations in Ghana and the way in which
donor activities have impinged on and helped shape them. This is followed by a review
of NGO and (to a lesser extent) government perspectives on the nature of NGO-
state relations in 1999-2000. More detailed consideration is then given to specific issues
around significant established sites of contestation (i.e. potential channels for state
control): registration and recent progress on the NGO Bill, the growth of GONGOs, and
the evolving role of the NGO umbrella organisation GAPVOD. Discussion of the
potential impact of sector-wide approaches (SWAPs) and the Interim PRSP completes
consideration of broad central government-NGO relations. The final section of the paper
turns to local government and the impact of decentralisation on state-NGO relations.

### Background

1. **NGOs, the state and poverty alleviation in Ghana, 1983-2002**

Ghana provides a particularly interesting illustration of the complexities and challenges
of state-civil society relations because, although its NGO sector is relatively young, it has
had a long history of interaction with global actors and global agendas. Nonetheless, the
adoption of one of Africa’s first Structural Adjustment Programmes in 1983 represented a
major change of policy direction in Ghana: by the late 1980s the country was being
hailed as a model reformer. At the same time, however, many difficulties were emerging
in Ghana around privatisation and continued dependency on primary export products.
INGOs consequently moved in and Ghanaian NGOs mushroomed. In 1960 there were 10
registered NGOs in Ghana, by the early 80s about 80, by 1991 over 350, and by 1996
there were 900, including 45 INGOs (Gary 1996; Katsriku 1996, cited in Kyei 1999).

In the early years of adjustment, NGOs - particularly local NGOs - had to operate in a
fairly openly hostile state environment, but this rapidly gave way to a more ‘generous’
attitude, when the retrenchments, currency devaluations and social service cuts associated
with SAP incited mass protest (Atingdui et al. 1998:173, Gary 1996:157). With the
introduction of PAMSCAD (the Programme of Actions to Mitigate the Social Costs of
Adjustment) in 1987, state and NGOs were brought together formally for the first time in
a major national poverty programme. However, NGOs were only called in to participate
at the implementation stage as cheap delivery systems: planning and implementation were kept carefully within the domain of multilateral development banks, donors and, to a more limited extent, government ministries (Gary 1996:158). Gary notes that many NGOs were 'willing handmaidens of structural adjustment': the scramble for donor dollars was already well underway.

The NDC government, given its own limited welfare funds, was forced to utilise the services of NGOs in PAMSCAD, but at the same time wished to keep the NGO focus firmly on social welfare issues and out of politics. This led to moves to control NGOs in the early 1990s through a number of routes, including an NGO bill which would have introduced official registration requirements, the restriction of information channels to NGOs by establishing an umbrella membership organisation (GAPVOD), and the creation of GONGOs. Each of these developments is charted in some detail in Gary's 1996 study. State administrative decentralisation - which had commenced in 1988 in Ghana, encouraged by donor demands for good governance and popular participation - adds a further dimension to (and site of) state-NGO struggles. Local administrations were increasingly expected to work in partnership with CBOs and NGOs to build civil society and catalyse local development efforts.

Despite PAMSCAD, Ghana's poverty problem failed to disappear. A World Bank Participatory Poverty Assessment conducted in 1993-4 (which involved NGOs alongside government line ministries and academics in its field programme) emphasised the limited impact of developmental activities, whether conducted by donors, government or NGOs (Robb 2000). More recent reviews have confirmed the continuation and deepening of these problems (e.g. Konadu-Agyemang 2000). Local observers and many external commentators saw the commitment of the Rawlings government to poverty reduction as amounting to little more than "NDC officials' skill in mastering whatever jargon was in fashion" (Foster and Zormelo 2002:24).

Ghana's NDC government was finally ousted in December 2000, following democratic elections (which brought to an end 19 years of rule by Rawlings, half of it as a military dictator). However, Kufuor's NPP government has not yet moved far from previous trajectories. Ghana has joined the HIPC (Highly Indebted Poor Country Initiative) World Bank/IMF programme in order to obtain relief on its $5.8 billion foreign debt. Consequently, its development programmes continue to receive strong support from donors. The impact of the change of government on NGO-state relations has not yet emerged clearly. Foster and Zormelo (2002) suggest that statements from the NPP government indicate it is continuing - like the NDC government which preceded it - to put the main emphasis on growth, not poverty reduction. This will impact on relations with many NGOs.

The embarrassing failure of development approaches has recently prompted new initiatives by donors, led by the World Bank, which will inevitably impact on state-NGO relations. Sector-wide approaches (SWAPs), which channel budgetary funds and donor institutional support for service delivery through public sector ministries, and the introduction of Poverty Reduction Strategy Papers (PRSPs) has introduced new questions
and tensions in many sub-Saharan countries. How local NGOs interact - and how they should interact - with central and local governments remains a major issue of concern and debate.

2. NGO-donor relations
NGO (and state) relationships with 'donors' inevitably provide crucial context to the history of NGO-state relationships, shaping and shadowing NGO-state interactions at many levels. NGOs may have a range of direct and indirect relationships with both internal and external 'donors' - including embassies, INGOs and (for small NGOs) the big local service NGOs. These relationships must be constantly nurtured in order to ensure a steady stream of funding (and associated job security): most NGOs - even the larger INGOs - are very much at the mercy of market forces.

Funding pressures are then a constant source of concern, negotiation and intense competition, both within the NGO corpus and between NGOs and the state (Mawdsley et al 2001, Townsend et al. 2002). An office in Accra and an influential leader are widely considered critical elements along the route to the establishment of a successful sustainable NGO. Core funding for overhead costs by a donor or INGO is likely to be a prime indicator of that success. But even if core funding has been achieved, the ongoing demands of local and international partners have to be accommodated (Mawdsley et al. 2001: chapter 3) (2).

Discourse around state-NGO competition

1. NGOs talking about the state: competition, competencies and donor politics
In our interviews with NGOs in Ghana in 1999-2000, competition for funds with government emerged as the central issue for most local organisations; at the heart of recent interactions with the state and of much more widespread concern than policy directions. Local NGOs resent the fact that government still has substantial power to direct donor funding and consultancy contracts, although it lacks teeth to shape donor agendas. Common accusations of government include ignoring donor requirements for government-NGO collaboration or syphoning funds into GONGOs (Government NGOs) and, when collaboration does occur, of failing to meet its obligations so that programmes fail:

\[ \text{We do not even talk to government...If there was less competition between government and NGOs there would be more resources for NGOs} \] (Senior staff member, Environmental NGO).

\[ \text{The tension with government is just about money - not about ideas. We're all working within national priorities...on Vision 2020 we broadly agree. It's a problem of implementation.....If we leave it to government, Vision 2020 won't happen.......Our approach is more direct, more flexible. We don't want political gains.} \] (Director, major local service NGO)

Implementation issues were raised by others too:
We always pretend. Our work is in line with government - it’s a World Bank agenda. All policy directives are from external sources. The government signed all sorts of conventions. Once the structure is set it depends how it’s implemented. Details can’t be prescribed. NGOs have to be able to reshape prescriptions - but government won’t let it. Government is frustrating …they say we NGOs are devious. (Director, INGO)

Another NGO director identified a significant difference in government approaches at different levels:
So far the government’s been supportive of NGOs at cabinet level. At that level there has been accommodation of NGOs and there is goodwill towards NGOs. At the bureaucratic level there is competition. NGOs are viewed as competing with government departments.

A few local NGOs argued that it is their (minority) interest in advocacy which has exacerbated difficulties with government (3). One NGO reported how it was investigated regarding its political leanings, because it was a potential competitor with a prominent GONGO, then left to its own devices, probably because the investigators decided it was too small to represent serious competition - and because they resisted:
They sent someone from the Bureau of National Investigation to go round the 3 regions and investigate. He wanted to sit in at a board meeting. I said ‘no way!’ He came back to Accra and asked his bosses [to intervene?]... they disassociated themselves. (Woman director, local NGO)

Government suspicion of NGOs and concerns that close links between NGOs and the grass-roots could colour political affiliations and loyalties were inevitably at a heightened level in the run-up to the 2000 elections, as fights between government and opposition parties over political space intensified.
When the government finds you are doing a lot of publications exposing government deeds ....they ensure you don't get funds..... [The government] sees NGOs as a problem in a number of cases - we work at the grassroots, win the confidence of people.... we don't usually influence who they vote for - but we could influence them, the government thinks. (Director, local environmental NGO)

For the most part, larger International NGOs have a more cordial relationship with government, in part because of their more influential position in terms of linkages to donors. This is inevitably resented by local NGOs:
They [government] relatively favour foreign over local NGOs because the foreign ones bring in resources. XXX [major local service NGO] and the other local NGOs bring in resources but they are not visible and sometimes they would have gone to government... it’s like we come in between. (Founding director, major local service NGO)

The government is very happy with NGOs. XXX [major INGO] keeps links to DCEs, Regional Ministers etc. XXX contribute a lot to government programmes........
At the national level we participate in government and NGO donor networks - especially the education network ......And we serve on the decentralisation working group set up by the Ministry of Local Government - it has some donors and some NGOs which are involved in the decentralisation programme. It’s very important, very highly regarded by
the Ministry. Its deliberations are taken seriously. And we’re part of the National Poverty Alleviation working group - a consultation role again - we consider these are important links with government. (Director, INGO) (4).

2. Government perspectives on NGOs

Our interviews in the NGO sector drew frequent attention to the way competition within the sector has encouraged corruption: lack of transparent procedures, false receipts, back payments to secure contracts with government and donors, stolen project ideas. Clearly, many NGOs lack virtue in their dealings with each other, with beneficiaries and with government. This was, perhaps inevitably, the point which the small number of government staff we interviewed tended to emphasise in their comments on NGOs.

The founder of a small NGO in northern Ghana who had recently worked in a senior position in government observed:

*I have told colleagues that we should give copies of all our reports to government but they do not. They are afraid of exposing themselves. If a government officer was to come and check they might see that the NGO is not doing really what it said it is doing in its reports......the partnership between the government and NGOs is of real importance, but instead of cooperating it is more of a battlefield.*

One government key informant who said he had worked briefly for a major local NGO and resigned after just a few weeks, because of the way the organisation was run, provided considerable detail about the frustrations he had encountered in trying to work with NGOs:

*Most local NGOs ... do not follow the basic principles of development. They don't have a board or transparent procedures and don't even employ accountants. ....We need NGOs - good ones - to work with us.*

He described the difficulties he had experienced in trying to recruit NGOs and expressed disappointment that even the supposedly top quality NGOs were ‘no good’. The (local) NGOs they had recruited were found to be running large numbers of other projects and, despite lack of capacity, would not recruit additional staff for the new programme. Nor did they prepare project proposals adequately, failing for instance to visit relevant sites and groups. He had recently clashed with an NGO director over the amount of jargon in the reports and found him unwilling to make amendments:

*he stuck to his guns- it's like an ideology - "we NGOs work this way"...it is all just talk and noise.*

Another issue was the length of time which the participatory approaches employed by NGOs take to yield results:

*They kept saying "you can't rush the community"... I told them... we are employing you so you need to produce something, and these are poor people ...you burden them with meetings ...and if nothing comes...*

He wants to see simpler, shorter methods and suggested that employment of younger inexperienced fieldworkers who ‘want to try everything they have learnt at school’ was holding up the serious business of development.
Because of these reported difficulties the government agency concerned does not involve local NGOs on some projects even though their input would be appropriate. The use of INGOs is ruled out, meanwhile, because they are too expensive (figures of $350 per day for a lead consultant, other consultants at $200-250 were quoted). But our respondent’s argument that capacity building for local NGOs is crucial and that donors need to support it is echoed across the NGO sector.

3. Alliances and networks: straddling the state-NGO divide

As a corollary to the discussion of NGO and government discourses above, it is necessary to emphasise the dangers of assuming a simple state/NGO dichotomy (5). There is growing recognition of the blurred and shifting alliances which regularly operate between a commonly factional state and a heterogeneous NGO sector in sub-Saharan Africa.

In Ghana the network of linkages between state and NGO sectors is mostly easily identified with reference to the development of GONGOs (so-called Government NGOs), discussed below, but is widely in evidence in the form of elite and middle-class networks which straddle the state/NGO divide. Inevitably, in Ghana (as across Africa) elites have looked to NGOs as sources of accumulation as state resources have declined and retrenchments in state sector employment have occurred. Key NGO players working for the major INGOs and running major local NGOs often have family and friends who work in central or local government; they themselves may have moved from one sector to the other. This is, indeed, the norm: one respondent suggested that 90% of NGO staff were once civil servants. Individual personnel may be employed simultaneously in both sectors. 'Old-boy networks' based on alliances initiated at leading secondary schools and the universities may be important sources of contacts for NGOs looking to raise funds and obtain contracts:

*to raise funds locally is very difficult unless you know someone in a high ranking position for instance in the UN or government.* (Programme Manager, local NGO, northern Ghana.)

However, the extent to which government contacts are utilised by staff of INGOs and local NGOs (and vice versa) and the developmental impacts of such interactions are unclear.

**Areas of contestation**

1. Government NGOs (GONGOs)

During our interviews in 1999, the NDC government was regularly accused by NGOs of channelling resources through GONGOs and - to a lesser extent - using GONGOs to control civil society.

*They try to frustrate every effort to criticise the government - they defend government……Those groups are not there because they represent people, but are there because officials have developed them to represent people.* (Director, local NGO)
And there are a number of people in government who’ve actually got there own NGOs, touting for work - they’re getting work from their own ministries... a large number of consultants do the same though - it’s jobs for the boys.  (Donor informant)

People have doubts about XXX [a major membership NGO] because they are not sure if it is government or an NGO. The President is patron of the XXX - people find it difficult to know where they stand... like the 31st December...people always have their reservations.  (Director, local NGO)

Probably the most contentious GONGO in Ghana has been the 31st December Women's movement, led by Nana Konadu Rawlings, the wife of ex-President Jerry Rawlings. It was described by the directors of other INGOs in 1999 as ‘more or less a political wing of the government’, 'a parastatal virtually'. Gary (1996) tracked the transformation of this organisation from 'revolutionary organ' to NGO in some detail. He observed the way it promoted itself as an NGO while many organisers were on the salary of state ministries (despite the fact that they worked full time for the movement.)

When we contacted NGOs for our study in 1999, the 31 December Women's Movement was one of the very few NGOs where key staff were unavailable for interview. Shortly following the accession of the NPP government in 2000, it came under scrutiny of corruption investigators examining its large and unsecured loans. Numerous allegations have been made that it was used in vote-buying operations in the run up to the 2000 elections. However, there are some outside the organisation who would still defend some of its achievements:

But it has championed women - it has raised issues that have always been there.... It takes advantage of the issues that are topical.  (woman academic informant)

Whether the current government will eschew the promotion of GONGOs remains to be seen.

2. GAPVOD: still 'swinging with the wind'
GAPVOD - the Ghana Association of Private Voluntary Organisations in Development - was established in the early 80s by 14 NGOs as a forum for information sharing and coordination of activities (Gary 1996:160) but has had a troubled history. Gary describes how GAPVOD was essentially captured by government and international donors following its enlistment in the PAMSCAD programme in the late 80s. Two former high-level government officers took over the administration of the secretariat. Although NGOs were forced to remain under its umbrella by donor funding requirements, it became increasingly discredited to the extent that UNDP funding was eventually suspended in 1992. Gary described it in 1995 as 'a shell of an organisation with no full-time employees'.

In 1999 GAPVOD still clearly remained in limbo, despite the 200 members on its books. By this time it was being chaired by the director of a local environmental NGO who had taken over in 1995, but had only one staff member (a retired civil servant), a secretary and driver. While a few NGO staff and GAPVOD key players we interviewed argued
that it is as a useful organisation, or an organisation with potential, a majority felt its hands remained tied by government, that it was reactive rather than proactive, and that it represented such a diverse constituency that it was difficult to move forward.

*Gapvod has to ‘swing with the wind’ - it dissipates energy finding crumbs to work with. And it’s created a secretariat mentality. They haven’t helped by recruiting a Civil Servant person as Executive Secretary. - They need to sort these two issues before they can get a framework for critical thinking. We’ve come to associate leadership with MEANS.* (Service NGDO founder)

‘I’m all for GAPVOD but it needs some radical pick up from the bottom up. GAPVOD could then support other networks - a pillar’. (NGDO director)

*GAPVOD! - the name itself indicates the style! It’s never able to position itself.* (Advocacy NGO director)

In October 1999 a World Bank sponsored workshop was held on the role of civil society in assessing public sector performance and involved donors, government and NGOs. The proceedings (p.33) indicate that though the need for networks was emphasised, GAPVOD (though represented) was still not viewed with favour in the NGO community: ‘GAPVOD should not be asked to lead any follow-up process, as they are not representatives of NGOs or CSOs.’

There have been attempts to form other umbrella networks in Ghana but with limited success. Only the International NGO Forum, which meets regularly in Accra, currently seems to play a significant role in discussions with government.

3. **Registration and the NGO Bill**

Much NGO resistance to the state in Ghana - as elsewhere - has focussed around the issue of registration, since legislation requiring registration before an NGO can operate gives government enormous power over the NGO community (as Osodo and Matsvai 1998 show in their Kenya study.) Gary’s 1996 paper charted the Ghanaian government efforts to introduce a bill ‘aimed to coordinate and control’ NGO activity. The draft bill (which Gary reports as being circulated by government as a ‘discussion paper’ early in 1995), would have required all NGOs working in Ghana to register with an advisory council which would have to be satisfied that the NGO was ‘willing and able to work in cooperation with any agency of state that the Minister [for Employment and Social Welfare] may direct’ (Gary 1996: 162, citing Yeboah-Afari 1995 and ISODEC 1995) (6).

Gary observed the enormous resistance this draft bill evoked from NGOs in the context of increased competition for declining donor funds. One of the main complaints from NGOs was the lack of consultation with the NGO sector in the development of the bill: *If they meant to regulate [NGOs] you’d think they’d have had NGO membership [of the committee developing the bill] - but they brought people totally outside without knowledge of NGOs.* (INGO director, 1999)
'It looked like putting up a structure to police NGOs'. (NGO staff member, 1999)

The bill was eventually dropped, apparently because of the remarkable extent of organised NGO opposition: seminars, press conferences, televised debates and publications. INGOs reportedly even threatened to leave Ghana if the bill became law (Gary 1996 citing Biney 1995).

When we interviewed staff in 1998-9 we found there was still widespread residual anger about the draft bill, as well as considerable apprehension about likely future tussles with government on the registration issue (7). The Ministry of Employment and Social Welfare at this stage were in discussion with NGOs and a recent INGO meeting had promoted the idea of a joint working group - ‘so, more participatory and broad based, and not just Accra’ (INGO director.) A fairly clear-cut distinction in attitude was evident, however, at this stage between INGOs and local NGOs regarding the way forward. INGO staff saw the potential for better legislation, focused more on basic requirements regarding what an NGO would be expected to do and what agreements with an external NGO should encompass:  

*I think government has a legitimate right to have a framework under which NGOs operate. As to content, it’s where we want an input - so we’ve space as NGOs to be creative and make our own choices, so we don’t always have to follow the government line...... Most NGOs are looking at how to protect that democratic space. (INGO director).

Local NGOs, by contrast, while commonly accepting the need for some regulation, because of the proliferation of organisations in recent years, argued that given the dangers of excessive government control and potential abuse, more self-regulation was the best way forward. They pointed out - as they have ever since government tried to introduce legislation - that the constitution is clear on freedom of association and the Companies Code makes provision for associations of NGOs (8):

*Government want some framework for regulation - they thought the NGOs were competing with government, and there are the NGO money-makers, and there are NGOs using the NGO for political purposes. There are even legal problems. XXXX [major local service NGO]and so on are regarded as limited companies. The Company Code is very elaborate on reporting requirements - it doesn’t need more. The government doesn’t show any sensitivity to different legal forms. Really it just wanted control. The Constitution is clear on freedom of association and the need to FACILITATE people regarding the development of notions about development. So how unconstitutional!...We want just self regulation. The mischief is a desire to regulate. (Director,major local service NGO)

*Local NGOs cause more suspicion because there is no regulatory body. We need a self-regulating body with a code of ethics...... There are awful stories of local NGOs. (Director, major local service NGO)

 Much as government says it wants to regulate, we think differently. It’s an attempt to stifle initiatives of NGOs the government perceives to be opposed to it. It’s the same for
most developing countries. Unfortunately, in this country everything is coloured by politics. The laws there are now are enough to control any illegalities. There is no need for any additional thing except tightening up. (Local NGO director)

This had inevitably led to some tensions between local NGOs and the INGO community: 'some international NGOs see regulation as important, they are not so aware of the fundamental legal [considerations]....government plays on that. Also international NGOs have access to local agenda we can’t have. I clashed with the XXX (major INGO) director - they thought a law would be good. But people at the ministries will stop and listen to them - they [INGOs] have budgets larger than District Assemblies! ....there’s no agreement about how to proceed - the umbrella groups in the country are not representative'.

[Director, major local service NGO]

Since our fieldwork took place, the registration debate has moved on in Ghana. Recent updates (International Journal of Not-for-profit Law v.2 (4) and CAF West Africa website) indicate that a participatory process of consultation between government and local NGO networks has occurred over the last few years: 'the current process seems to have been developing in a very cordial and collaborative manner' (IJNPL 2,4) A National Consultative Group was established with representatives from 14 NGO networks and five government ministries. A draft discussion document was then reviewed in October 2000 by a wide range of interest groups, including local NGOs at workshops across Ghana. The outcome, a 'Draft National Plan for Strategic Partnership with NGOs', reportedly 'specifically recognises NGOs as strategic partners in national development and democratisation, and creates a legal and institutional environment which should enable NGOs to contribute effectively.' It provides for the establishment of an autonomous National Commission on NGOs (NCNGO) which is to include government, NGOs, donors, private companies and beneficiary communities, with a higher proportion of NGOs than other groups. The NCNGO is to undertake registration and act as forum for consultation between government, NGOs and other stakeholders on policy affecting the non-profit sector (CAF West Africa). The NCNGO submitted a Draft National Policy for Strategic Partnership with NGOs’ to government in March 2001 (i.e. following the December 2000 elections and change of government) (9).

Although reports to date look reasonably favourable, it is not entirely clear to what extent various types of NGO - particularly local NGOs - have been instrumental in shaping the legislation. The draft National Policy seems to have required further dialogue following the change of government and has not yet been approved by cabinet: discussion on the NGO Bill will not begin until then (E. Akwetey, pers. comm, Sept. 02). The approach appears to follow the line INGOs promoted; whether the better local NGOs will be able to operate effectively within the confines of the new legislation is an issue which requires investigation.

**Recent donor interventions and their impact on NGO-State relations**
1. The Sector-Wide Approach (SWAP)
A major theme affecting state-NGO relations in Ghana which has emerged strongly since Gary's study is the introduction of the sector investment programme approach, otherwise known as the sector-wide approach (SWAP). The World Bank and many bilateral donors are promoting a reform process in a programme which is supposedly designed to suit specific country conditions and aimed at improved service delivery to the poor and vulnerable. It operates in a similar fashion to structural adjustment programmes in that several donors come together with the recipient state government to negotiate a sector-wide programme, linked to a mutually agreed budget and a set of policy reforms. The World Bank is usually the lead donor in this process, providing the bulk of the finance. The programme then commonly involves the implementation of new public management systems, ministry reorganisation and decentralisation of sector activities to local communities.

SWAPs are supposed to be long-term partnerships between government, civil society and donor agencies; a response to dissatisfaction with the project-based approach which have dominated the recent history of development assistance practice (10). The SWAP approach has already received substantial criticism in terms of lack of country-specific tailoring, disproportionate concern with reforming budgetary processes (to satisfy donors) and inadequate community participation and accountability to communities. There is also 'a tension between promising increased government control at the same time as increasing donor influence on policy and sectoral reform in SWAps.' (Hill 2002:1735). Much evidence to date comes from the health sector, where there has been growing emphasis on sectoral approaches since the mid 1990s (Hill 2002).

The literature on SWAPs tends to focus on donor-government relations, rather than on the impact of those relationships on NGOs. However, Foster and Mackintosh-Walker (2001:5) observe that defining the role of Government, private sector and NGOs in the provision and financing of services has been difficult in the health and education sectors, and is even more difficult in the agricultural sector. They report (2001x) finding numerous examples where SWAps 'have involved NGOs in planning and monitoring of SWAps, and have channelled funding to NGO ... service providers where they are more cost-effective. There are several examples where SWAPs are seeking to expand the scope of NGO and private involvement.' (However, the African examples they then cite all relate to the private sector- the one NGO example is Bolivia's agriculture programme.) A study of the Chilean health service following sectoral reform presents a less positive view of SWAP impacts on NGOs (Gideon 2001). It suggests the ministry has moved from working through NGOs to a focus on voluntary groups, relies heavily on unpaid labour and that this has impacted negatively on women (simply using their labour power to get jobs done).

Donors have been putting increasing emphasis on sector-wide approaches in Ghana for a number of years. The need for an increased government role in aid coordination due to 'the sheer size of aid and the large presence of the donors' and strengthening of sectoral and subsectoral coordination, in the context of 'agreed sectoral strategies and action plans' was a key recommendation of the World Bank's Ghana Country Assistance
Review in 1996 (Armstrong 1996: 9, 126). The key sectors first covered were health, education, water and natural resources, followed by rural infrastructure (DFID Country Strategy Paper 1998). The Ghana Water Sector Restructuring Secretariat (and its privatisation activities) has been particularly controversial (and has received highly adverse press attention in recent months, e.g. New Statesman 6 May 2002).

Ghana's first health sector programme was eventually undertaken in 1997-2001, following years of preparation, and has caused much tension between government and donors (Hill 2002, citing NORAD 1999 and Foster 2000). Foster and Mackintosh-Walker (2001:11) state that use of government funds to procure services from NGO service providers is a major feature of the Ghana health programme. However, in their subsequent review of the Ghana health sector, they observe (p. 79) while there has been substantial government funding for mission hospitals, 'liaison with NGOs and with the private for profit sector has so far been largely limited to the preparation of strategy documents'. The report notes (p.83) that a civil society participation strategy is being developed for the sector and that this will have a strong pro-poor focus. It is to be hoped this does not amount to a repetition of Chile's experience.

Not surprisingly then, a number of the smaller INGOs and big local service NGOs we interviewed in Ghana in 1999 raised the issue of SWAPs and the problems they introduced as a substantial issue:

'Instead of different donors each having a region of Ghana, now all the money is channelled through government. And so it is up to the government what happens - which way the money is spent and who to involve.' (Senior staff member, local service NGO).

Some organisations are concerned that this will necessitate a change of approach, as they would have to target sectors where money is available. The director of a small INGO in northern Ghana described how they had moved into the health sector, despite their lack of specific skills: 'because of the sectoral thing - otherwise, in 3 years our staff would be unemployed and XXX [their beneficiary group] not taken care of. It is irresponsible of the World Bank - the assumption that every ministry can meet /budget/brainstorm regarding the application of funds to sectors - it's a gamble. The whole essence of NGOs is that structures don't work - therefore NGOs are just rushing to these sectors without knowledge of health, education etc. They don't have well developed collaboration between NGOs and the Ghanaian government and donors. District Chief Executives call on more support from NGOs - and [health] centres are inaugurated - but the District Assembly doesn't budget for the centre because we built it. They then fall back on the NGOs when there is no water etc. Will the [regional] Minister of Health mention what they are doing with XXX when he goes to Accra to visit donors? No......Ministries bring in NGOs to attend meetings, but this doesn't necessarily open doors for funding.'

(Director, northern Ghana, small INGO)

Not all NGOs, however, have difficulty with SWAP. A few of those we interviewed which were very close to government or donors had been able to develop partnerships with specific government departments to support sectoral activities. Many questions thus remain regarding the impact of the sector-wide approach on the different kinds of NGO
operating in Ghana. Will increasing sectorisation allow GONGOs to flourish? Will SWAPs, in the long term, threaten the potential of local NGOs without good government linkages to aid in livelihood improvements? And how will SWAPs impact on the development of sustainable livelihood approaches, which are multi-faceted and cross-sectoral? (ODI’s July 2002 water policy brief, for example, raises concerns about the impact on water supply and sanitation issues, suggesting it will be necessary to identify water as a sector in its own right as well as having close collaboration with other sectors.)

Linked to these debates is the related issue of budgeting under the PRSPs, which will be increasingly used to support the sector-wide approach.

2. The Poverty Reduction Strategy Paper
All countries involved in debt relief under the HIPC (Highly Indebted Poor Countries) Initiative - including Ghana - are now required to go through the process of producing a PRSP, the latest key strategy in international development approaches for low income countries (Oxfam 2002:4). The PRSP is supposed to be a comprehensive, results-oriented, country-driven long-term programme, based on partnerships between government and other actors, in which all stakeholders participate at both formulation and implementation stages. It appears to offer substantial new opportunities for civil society to influence national policy. However, the deficiencies of the PRSP approach are already becoming evident as the Interim PRSPs emerge - simplistic poverty analyses partially shaped by political considerations and urgency (i.e. the need for rapid international financial assistance/debt relief). A number of major INGOs have already produced reports on the potentials and constraints presented by PRSPs (e.g. Brot fur die Welt 2002, Oxfam 2002). They point to a range of issues commonly absent from PRSPs including gender, land access/reform, labour law, vulnerable groups, political context, and risks of exposure to the global market.

PRSPs are arguably likely to represent a growing site of engagement between NGOs and governments, since they tend to be prepared by a powerful ministry, usually Finance (as in Ghana’s case), which will allow only limited representation by CSOs (Hanley 2002). Preliminary evidence from 10 countries reviewed by McGee et al (2002:vii-viii) suggests that, despite some widening of the range of actors engaged in poverty discourse, there is much frustration across civil society in the countries where Interim PRSPs have been produced because 'participation' has generally been limited to consultation. Local NGOs with genuine concern for grass-roots constituencies may well conceptualise poverty very differently from governments and the World Bank: they will need substantial support in countries like Ghana, if their voices are to be heard as the process of PRSPs precedes.

When we interviewed NGOs in Ghana in 1999, the government poverty programme did not appear to have exacerbated tensions with the major NGOs at central government level: rather the opposite. The director of one of the big local service NGOs spoke approvingly of the programme being staffed by ‘interesting people’ who brought together government and NGOs for discussions on poverty issues (though at the district level there were perceived to be more potential problems). Ghanaian INGO directors were similarly positive. One, referring to their membership of the National Poverty Alleviation Working Group, observed: ‘we consider these are important links with government’.
However, this was before the PRSP process got underway. The Interim PRSP was prepared under the auspices of the NDC government's Ministry of Finance and submitted to the World Bank and IMF in mid-2000 (i.e. prior to the recent change of government). In the interim document finally issued, growth through agricultural export promotion and increased labour productivity remain substantially more prominent than equity. Drawing on the usual donor jargon, it talks (Ministry of Finance 2002: 22) about the need for 'an enhanced consultative process for the formulation of legislation with greater involvement of civil society', the need to expand the role of civil society in promoting democracy, popular participation and good governance, and strengthening the capacity of 'genuine, accountable and transparent' CSOs and NGOs.

Unsurprisingly, perhaps, McGee et. al's recent desk review finds the PRSP process in Ghana 'riddled with contradictions', and suggests excess input from International Financial Institutions: government 'remains wary of CSOs and has hand picked those invited to participate'. (Donors in some cases apparently even acted in part on behalf of uninvited CSOs (p. 35)!) It has been criticised on a range of counts: for being largely in the hands of central government officials, too 'Accra-centric', and lacking incorporation of earlier participatory poverty and social assessments.

Ghana's IPRSP emphasises (in line with Bank PRSP policy) that it is a 'living document'. There may then be an opportunity to improve NGO participation, as the PRSP process evolves, though McGee et al. found no evidence of this when their review was produced. Similar views have been expressed elsewhere. ODI reviews also note that key ministries such as health, agriculture and education are not well integrated into the process (e.g. ODI water policy brief, July 2002). Experience from other countries may provide some pointers. An early review (Wood 1999) observed that INGOs and the support they can give to developing capacity in NGO networks would have a key role to play in ensuring participation of local NGOs in the PRSP consultation exercises (citing the case of Bolivia where INGOs were able to raise the problem of lack of NGO consultation with government.) However, she also recognises the resource and capacity constraints within INGOs. Oxfam (2002:13) suggests that 'the challenge for civil society is to enter the debate not just with criticisms, but with proposals too' and that this will require consultation, probably coupled with research and analysis: 'viable, accessible and robust monitoring systems are essential' (ibid. 22). Probably one of the most important contributions which NGOs could make in the PRSPs - if allowed to contribute fully - is to ensure more inter-sectoral connections so that the cross-sectoral approaches essential to support a sustainable livelihoods approach at national level are not ignored. This is, to an extent, echoed in recent calls for a more joined-up approach to poverty reduction (e.g Booth and Lucas 2002:26)

**NGOs and local government: the pressures of decentralisation**

It is at the district level that we can see, most clearly, the impact of prevailing state-NGO relations (and the dominance of local DA elite patronage) on beneficiaries and
livelihoods in Ghana. However, my discussion is limited here, having discussed this in some detail elsewhere (Mawdsley et al. 2001, chapter 3; Townsend et al 2002).

Government administrative decentralisation has been firmly pursued by the World Bank as a route to good governance for some years: local administrations are supposed to work in partnership with local NGOs and CBOs to build civil society and thus catalyse local development efforts. Although decentralisation is thus presented as a means to popular participation by the poor and powerless, there is increasing evidence to suggest the reality is very different.

Donor interest in decentralisation as a route to consolidated liberal democracy (and the economic liberalism it will promote) in Ghana has already begun to raise concerns (Hearn 1999:18-19). Capacity at district level is usually extremely limited, characterised by inadequate resources and low morale (Clayton 1998). Well-qualified staff in both government and NGOs do all they can to avoid moving their families to the small town district headquarters where accommodation, education and health services are far poorer than in major cities. The gap in the market thus opened up at district level has been rapidly exploited by politicians, civil servants and local businessmen and women who have found front men and women to establish NGOs which arguably reinforce the 'decentralised despotisms in the countryside' (Berman 1998) rather than genuinely focussing on poverty alleviation.

Decentralisation to the 110 administrative districts has created a new tier of local NGOs whose principal aim is job- and wealth-creation for the entrepreneurs who establish them. District funds may thus be appropriated by those organisations least likely to use them well. Some established NGOs which have tried to work with district assemblies are very cynical: We've tried to access it [the district assembly poverty reduction fund] but always failed. (NGO senior staff member, northern Ghana). Belshaw's use of the term 'slush fund' (2002:219) for such local development funds is highly appropriate: in Ghana misappropriations under decentralisation are well documented (Ayee 1994). Kyei (1999) has shown in Upper West Region how (whether misappropriation occurs or not) service delivery and group participation tend to benefit middle socio-economic groups and men in communities and exclude the poorest. There is a growing body of evidence from other countries which suggests similar impacts (e.g. Mercer 1999 for Tanzania).

**Conclusion**

State-local NGO relations, as presently constituted in Ghana, do not encourage positive developmental trajectories and associated livelihood improvements at the grass-roots. Each sector carries a baggage of suspicion and resentment of the other which has often been fuelled by donor interventions. The latest interventions - SWAPs and the IPRSP - may well contribute further obstacles to the very livelihood improvements they are supposed to achieve. While the recent change of government in Ghana is likely to produce some reshaping of local alliances, broad trajectories appear to remain firmly governed by external agendas. Whether a whole new set of GONGOs allied to the current government will emerge is not yet apparent.
It is difficult to see how, given both the externally generated constraints and the complexities of the local context within which Ghanaian NGOs and government are embedded, the two sectors can move towards a more developmentally productive relationship. INGOs, however, could possibly play a more enabling role than has commonly been their contribution to date in Ghana (Mawdsley et al. 2001, chapter 3). In particular, they could do rather more to build and support local NGO capacity and confidence (including the confidence to admit mistakes). (This is discussed in more detail Mawdsley et al. 2001, chapter 8.)

On the government side, pronouncements of a zero-tolerance approach to corruption could be viewed as encouraging (depending on what it implies), but the practicalities of implementation are enormous. A recent corruption survey (cited by Foster and Zormelo 2002:27) suggests that the majority of Ghanaian households pay 10% or more of their income in unofficial payments to public officials, with resulting distortion and increased cost of public services and inevitable impacts on poverty. Low pay in the public sector has encouraged both corruption and the migration of many better qualified staff into the NGO sector.

Although it is possible to identify many of the sites of contestation between local NGOs and the state in Ghana, broader questions with implications for livelihood improvement remain. Of these, one of the most intriguing concerns the varied linkages which extend across the state-NGO divide. In particular, it would be helpful to know much more about the extent, nature, strength and impact of elite and middle-class networks which straddle the sectors at both central and local government levels. To what extent do different kinds of linkage and network encourage rent-seeking behaviour and to what extent can they become enabling factors in developmental initiatives at the grass-roots (as NGO staff occasionally suggested)? And looking in the opposite direction - outwards towards donor interventions - are there ways beneficial linkages across elite networks could be promoted to support state-NGO coalitions which could help push donor interventions towards more locally appropriate and developmentally effective conclusions?

Finally, are there lessons from Ghana's experience with application beyond sub-Saharan Africa? The short answer is yes, despite the very different contexts within which NGOs and NGO-state relationships are embedded elsewhere. This is true not only for transitional states in eastern Europe with even younger NGO sectors than Ghana, for instance, but also closer to home. Although the UK has no specific anti-poverty strategy, there is increasing emphasis on the need to support social inclusion: the absolutes are different, but some of the dimensions - powerlessness, vulnerability - appear identical. A fascinating new initiative by Oxfam's UK programme, which will take a small group of staff from partner organisations working on poverty issues in UK to Uganda, is based on the firm assumption that there are likely to be very solid lessons - around failure as well as success - to learn from NGO work in sub-Saharan Africa. Meanwhile, new work (e.g. Townsend and Townsend in press) is beginning to emphasise the need to explore emerging parallels and overlaps between NGO operations and experience and associated developmental impact, North and South, in the context of the new managerialism and its
approaches to social exclusion through so-called partnerships between state, NGOs and business. A process of learning is already underway.

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**Notes**

1. These interviews were principally focussed on INGO/SNGO relationships, and formed part of a larger project 'Whose Ideas? Development charities talking, from the grassroots to the internet.' (a collaborative study in Ghana, Mexico, India and Europe, led by Janet Townsend and undertaken with Emma Mawdsley and Peter Oakley.) One book has been published, specifically for NGOs (Mawdsley et al. 2002). In the course of the interviews many respondents raised issues pertaining to state-NGO relations.
2. On the positive side, at our Kumasi workshop in 2000 a few local NGO staff spoke of the way their INGO partners in Europe sometimes help them access Ghana government papers which are sent to the World Bank but are not made available locally.
3. Advocacy has been slow to develop as an NGO function in many sub-Saharan countries (see e.g. Mercer 1999:249 re Tanzania).
4. The October 1999 consultative workshop on civil society and public sector performance in Accra provides rare public documentation of NGOs views on the public sector. The workshop, hosted by the Operations Evaluation Department of the World Bank, brought together a diverse (but select) group including World Bank staff, bilateral donors and, on the NGO side, staff from three of the major local service NGOs, some INGOs, and a few local NGOs including the 31 December Women's movement (a GONGO, plus GAPVOD (both discussed below). Its objective was to deliberate on the actual and potential role of Ghanaian civil society in assessing public performance.

Both the Bank's motives in supporting this workshop and its conclusions give food for thought. The World Bank obviously recognises the potential benefits from strengthening NGOs in promoting its neo-liberal agenda, and that potential conflict between government and CSOs (World Bank 2000; Mohan 2002) may be a product of such consultations. The public sector in Ghana would clearly benefit from improved policing and the Bank has consequently placed much emphasis on consultation and partnership with NGOs and other constituent components of civil society in recent years here, as elsewhere in sub-Saharan Africa. However, the Bank workshop presentation of Ghana's Community Water and Sanitation Strategy as a good practice example of civil
society participation, emphasising the role of communities and private companies immediately raises questions.

The published proceedings recognise the competition between government and NGOs for donor resources and draw attention to the 'culture of control of information in public institutions' (p. 17) and the need for a more transparent public information disclosure and access policy. The government is reported to perceive NGOs and CSOs merely as welfare providers with uncertain legitimacy in policy, while CSOs perceive themselves to have inadequate capabilities to fully engage with government. The way forward, however, is presented as the development of mechanisms for cooperation with the state in monitoring and evaluation of performance in service delivery (my italics) across all sectors, 'not just the public sector' (p.20) and an emphasis on coalition building among NGOs. The precise implications of this report for both NGOs and government are unclear: analysis would benefit from further discussion with all parties.

5. For example, see a brief discussion in Stewart 1997:17; also Mohan 2002.

6. There appears to be some discrepancy in reported dates for the first NGO bill. Gary (1996) refers to the draft bill being circulated in early 1995. However, CAF West Africa refers to a first NGO draft policy introduced in 1993 and 'laid to rest by the end of 1994 as a result of sustained and organised opposition by NGOs'. The International Journal of Not-for-Profit Law 2,4 also refers to the 'infamous NGO Bill (1993)'. Atingdui et al. (1998:178) refer to the introduction of a new bill, the Nongovernmental Organizations Act' being introduced in March 1996 to establish a 'National Advisory Council for Non-Governmental Organisations' as part of a regulatory framework to guide registration and operations of NGOs.

7. INGOs worked at this time through their embassies and registered with the Department of Foreign Affairs. Local NGOs tended to register with the Ministry of Social Welfare, which simply provided a certificate of recognition. The ministry would send an investigator to check on basic facilities such as phone and space and charge a fee ‘plus dash’.

8. Under this Companies Code NGOs are expected to file annual activity reports and audited accounts to government offices - Government, however, has argued that many NGOs fail to file reports and when requested to provide information have not done so [IINFLP 2,4].

9. A recent enquiry to GAPVOD elicited the following response (3 Sept 02):

  'we first presented the draft document to government in March 2000. The document when then circulated amongst the relevant govt departments. On March 11th, 2002 members of the National Consultative group heading the draft policy process, including representatives from GAPVOD ...... met with representatives from the government to move forward on the NGO Policy Document. The government presented the changes that it had made to the draft document. The NGO NCG members refrained from comment at this time, as they preferred to conduct a wider consultation before commenting on the amendments. Therefore a further meeting was planned. A meeting was held three weeks ago in Dodowa, where most of the issues were able to be resolved, except the issue of registration and registration of NGOs. A committee was formed, and has since met twice, but has not been able to resolve the issue. We hope that the very near future will see an agreement, allowing us to finalize the document.'
10. As Hill (2002:1730) observes, the rhetoric of partnership between donors and recipient governments has spawned a baggage of terms - empowerment, trust, collaboration, ownership - which de-emphasise the asymmetries of power inherent in such partnerships. These terms are also, of course, common currency elsewhere in the NGO nexus, in INGO-SNGO relations where similar fragilities in the ethos of partnership are evident.

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