

**NGOS, DONORS & HUMAN DEVELOPMENT:  
A CASE STUDY FROM MOZAMBIQUE**

by

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## **Abstract**

During 1990s, the ‘renaissance’ of civil society in the Third World and the birth of thousands of NGOs provoked a debate about their critical role, linked to the end of the Cold War and the ‘triumph’ of the Westernized, capitalist system, which has steadily expanded its model throughout the world, proclaiming the merits of democratization and the free market system. According to Commins (1999) “the major global institutions and most powerful bilateral donors want NGOs to serve as the front line for global welfare”. Donors offered funds, and thousands of NGO were born worldwide. Through their projects and the movement of expatriates to developing countries, many replicated Western culture and acted as welfare providers, losing sight of their independence and critical position unto both market and state.

Development apparatus have been institutionalized globally. A high concentration of development assistance exists in the Third World. “One finds identical development institutions, a common discourse, way of defining problems and pool of ‘experts’...” (Ferguson 1990: 8). At least theoretically, many organizations are moving toward a more participatory development, recognizing indigenous knowledge. Yet, the complexity of the relationships between donors, organizations and partners, and the rigidity of the bureaucratic procedures imposed, oftentimes exclude the voice of the locals (Marsden 2004).

In Mozambique, relationships with international financial institutions emerged in 1987 with the Structural Adjustments Programs (SAP). Subsequently, it experienced a rapid economic growth while inequalities and foreign debt increased. Yet, in contrast to the birth of numerous NGOs, human rights organizations and civil society groups in other African countries during the 1990s, civil society was still non-existent there.

This dissertation explores crucial issues identified in the functioning of development projects in the local context. Once identified, these can be integrated into future projects, strengthening their impact and increasing their efficiency. Some are: participation in the decision-making processes before and during project implementation, program evaluation, relationships between NGOs and the public sector, and the integration of local culture and values in adapting the programs to the regional context.

## Preface

The work described in this dissertation was carried out in partial fulfillment of a Master's degree from the School of Development Studies, University of KwaZulu-Natal, Howard College Campus, Durban, under the supervision of Professor Richard Ballard.

These studies represent original work by the author and have not otherwise been submitted in any form for any degree or diploma to any tertiary institution. Where use has been made of the work of others it is duly acknowledged in the text.

Signed Josep Puig

Date May 2008

## DECLARATION

Submitted in fulfilment / partial fulfilment of the requirements for the degree of MASTER, in the Graduate Programme in DEVELOPMENT STUDIES, University of KwaZulu-Natal, Durban, South Africa.

I declare that this dissertation is my own unaided work. All citations, references and borrowed ideas have been duly acknowledged. It is being submitted for the degree of MASTER IN DEVELOPMENT STUDIES in the Faculty of Humanities, Development and Social Science, University of KwaZulu-Natal, Durban, South Africa. None of the present work has been submitted previously for any degree or examination in any other University.

  
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## Abbreviations and Acronyms

|         |  |
|---------|--|
| ACP     | Africa, Caribbean and the Pacific  |
| AECID   | Spanish Agency for International Cooperation for Development -<br>Agencia Española de Cooperación Internacional para el Desarrollo |
| AIDS    | Acquired Immunodeficiency Syndrome   |
| AMECOM  | Economists Association   |
| AMODEG  | Association for Demobilized Soldiers in Mozambique - Associação<br>Moçambicana dos Desmobilizados da Guerra                        |
| ANC     | African National Congress (South Africa)   |
| BRAC    | Bangladesh Rural Advancement Committee   |
| CBOs    | Community base organizations   |
| CSOs    | Civil Society Organizations  |
| CMEA    | Council for Mutual Economic Assistance   |
| DGs     | Dynamizing Groups  |
| ERP     | Economic Recovery Programme  |
| EU      | European Union   |
| FDI     | Foreign Direct Investment  |
| FLS     | Front Lines States   |
| FRELIMO | Front for the Liberation of Mozambique   |
| FTE     | Full Time Employment   |
| GDP     | Gross Domestic Product   |
| GDP     | Gross Domestic Product   |
| GNP     | Gross National Product   |
| GRO's   | Grassroots Organizations   |

|        |   |
|--------|---|
| HIV    | Human Immunodeficiency Virus  |
| IEPALA | Political Studies Institute for Latin America and Africa - Instituto de Estudios Políticos para América Latina y Africa |
| IERP   | Industrial Enterprise Restructuring Project   |
| IMF    | International Monetary Fund   |
| INE    | National Statistics Institute - Instituto Nacional de Estatística   |
| INGOD  | International Non Governmental Organizations for Development  |
| INGOs  | International nongovernmental organizations   |
| MPLA   | Popular Movement for the liberation of Angola   |
| NGOs   | Nongovernmental Organizations   |
| NHDR   | National Human Development Report   |
| NPO    | Non Profit Organizations  |
| OECD   | Organization for Economic Co-operation and Development  |
| OJM    | Mozambican Youth Movement   |
| OMM    | Mozambican Women's Organization - Organização da Mulher Moçambicana   |
| ORAM   | Rural Mutual Aid Organization - Organização Rural de Ajuda Mutua  |
| OTM    | Workers Movement - Organização dos trabalhadores Moçambicanos   |
| PALOPS | Portuguese-speaking African Countries   |
| PARPA  | Poverty Reduction Action Plan   |
| RENAMO | Mozambique National Resistance  |
| SADCC  | Southern Africa Development Coordination Conference   |
| SAP    | Structural Adjustment Program   |
| SWAPO  | South West Africa People's Organization   |
| UK     | United Kingdom  |

|        |  |
|--------|--|
| UN     | United Nations   |
| UNAC   | National Peasants Union - União Nacional de Camponeses           |
| UNDP   | United Nations Development Program                               |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNITA  | National Union for the Total Independence of Angola              |
| US     | United States  |
| USAID  | United States Agency for International Development               |
| USSR   | Union of Soviet Socialist Republics                              |
| WB     | World Bank   |
| ZANU   | Zimbabwe African National Union                                  |

## Chapter I: Introduction

This research project explores the relationship between donors and both local and international NGOs as a determinant of an effective and sustainable implementation of development projects. It is a widely accepted belief that few development projects achieve sustainable development. I question what type of relationship is necessary for success and sustainability. Two main aspects are fundamental in addressing this issue: 1) the independence of the NGOs to lobby, advocate and maintain a critical spirit, and 2) the impact of development projects, their efficiency and efficacy in improving the rural communities' standard of living, for creating meaningful 'conscientization' and empowerment amongst the projects' local beneficiaries.

An intricate web of relationships is created amongst the players in the development field, including NGOs, governments, donors and beneficiaries. In addition, diverse factors - cultural, ethnic, political, and economic - act through these. Together, the players and context interact against a backdrop of global values and the driving philosophy behind the international relations which set the scene for cross-border relations. Presently, the dominating values are those of a neo-liberal, capitalist agenda.

This research project is born of my personal experience between the years 2005-2007 and is enriched with my background working in capacity-building in Mozambique during 2000-2004, through which I gained an intimate knowledge of both NGOs object of my case study: IEPALA (Political Studies Institute for Latin America and Africa) and UNAC (National Peasants Union). The key issues posed in this study interconnect several dimensions of the development field in this country:

The level of **NGO autonomy** from government, and how it is achieved in the context of dependency on donors for economic support.

The **compatibility** between an NGO's autonomy and the obligation to follow the donors' rules in order to obtain funding.

The **channeling of money** to the community projects versus its absorption within the bureaucratic infrastructure of NGOs.

The perception of **efficacy** of NGO activities as perceived by the donors, in contrast to the perception of benefits as seen by the beneficiaries.

The interpretation of local **culture and ethnicity** on behalf of both NGOs and donors.

The balance between the delivery of **material benefits versus longer term empowerment** and sustainability as understood by NGOs and donors.

The convictions based on broad, **neoliberal values or the advocacy of alternative positions** by NGOs and donors.

## **The Mozambican sociopolitical landscape**

In the Mozambican context, we must look for a type of development which surges from the autochthonous roots of the society, from within its own social structures. The technical assistance imported from other countries with different values and development models was an incorrect response to the economic underdevelopment and sociopolitical climate. An alternative must be sought against the new dependency which impeded personal growth or the possibility for the people to lead its own development.

I consider Mozambique's socio-political landscape from the last years of colonial dominance, initial conditions after independence, temporary adoption of the socialist model through the final change towards the global market-based capitalist model, favoring private enterprise over state-led development. The Cold War propagated different alliances between many countries in Southern Africa, between different political parties and movements dependent on either the communist or capitalist bloc. This affects the country. The decline of the socialist bloc opened the door to other interested donors.

In the 1980s, "privatization" and "structural adjustment" became keywords. The privatization process reopened relations between the State and capital interests. In 1997, the Mozambican gross national product (GNP) per capita was the world's lowest. The country increased its foreign debt, and entered into insolvency and near bankruptcy which forced the government to accord a rescheduling of the debt with the International Monetary Fund (IMF). This implied the deregulation of business, flexibilization of the labor market and the privatization of state-owned enterprises, but also the elimination of subsidies, the promotion of cost-

recovery and user fees, the disconnection of basic state services to those who do not pay and that local development strategies rely upon changes in the international market.

At the end of the 80s, the role of United Nations (UN) agencies and NGOs increased in importance. Mozambique experienced a rapid economic growth while inequalities and foreign debt increased. The situation is further aggravated by the self-enrichment of the country's oligarchy and new bourgeoisie through structural adjustment programs (SAP) and privatizations, a possible 'dissonance' between the purely statistical effects of economic growth (increase in per capita income), and its impact in improving the population's living conditions.

### **Civil Society, NGOs and the Development Industry**

In this paper's second chapter, I illustrate different experiences and situate the magnitude of the NGO movement in a global context. An analysis of civil society will aid our understanding of the relationship between and within NGOs and their position in the development industry. This section will differentiate civil society – the sphere in which a dominant group organizes consent and hegemony – and political society – where rule is through coerced, direct domination. Dominated social groups may organize their opposition, therefore, constructing an alternative hegemony. As a whole, civil society is a broad, heterogeneous group with a variety of approaches and different goals, symbolizing freedom, antistatism, and the defense of democratic values. Northern donors looked to civil society as a key ingredient in promoting good governance as the natural counterpart of privatized markets and liberal democracies. It cannot be interpreted as an undifferentiated mass of people and organizations.

It must be remembered that NGOs in the aid system interact and influence each other, and at the same time interact with donors and with the community base. In the 'development industry' one can find systemic relations including a minimum of four organizations: donors, intermediary international non-governmental organizations for development, intermediary national non-governmental organizations and community based (CBOs) or grassroots organizations. Another important feature to analyze is the management characteristic of these intermediary organizations. No international official definition for NGO exists; the term is

interpreted differently depending on the country, based on an idea of the heterogeneity of NGOs and their non-profit nature.

NGOs conceptualize participation as a way to empower the poor and disadvantaged, yet the contradiction between donor rhetoric and practice makes it difficult, unfortunately, to believe that donors treat participation seriously. Donor approaches to beneficiary participation remain instrumentalist, incompatible with the proclaimed vision of most. Interactions between donors and NGOs are asymmetrical and can mean difficulties and losses of identity and goals for the latter. Thousands of these organizations become welfare providers through their support of the neo-liberal agenda. Clearly, overall, donor influence on NGOs is much greater than vice versa. However, because NGOs act in multiple and relatively separate domains, they also find room for maneuvering through strategically diverse relationships.

The political and cultural origins of the first NGOs, composed of oppressed communities combating injustices, must be rethought. Most of these organizations must reconnect with their origins, and return to their original reason for being, creating real participation processes and helping the poor to eradicate the problematic, structural situations affecting their lives. It would be possible to connect NGOs with analogous identities, values, and political visions in order to empower them to combat the asymmetric relations and become leaders of a real development process with the local communities as protagonists of their own development.

## **A Mozambican Case Study**

The fourth chapter offers an overview on the case study object of this dissertation, presenting data on Mozambican civil society. I will 1) focus on the work of NGOs, and the autonomy from the government and donors which they achieve in reality, 2) question the effectiveness of NGOs in promoting social transformation, and 3) provide an overview of how the development industry is actually organized and what role each of the main actors (institutions, organizations) plays.

Since Mozambique has experienced dramatic transformations in merely one decade, changing from a state led development to a civil society and free market model, this country is a particularly impressive example of African civil society. The rapid retreat of the state in the

lives of ordinary Mozambicans quickly left a space for the emergence of an "independent" civil society, filled by international NGOs and churches. It became host to perhaps the largest concentration of international NGOs and development agencies in any single African nation. The foreign aid funds intersected with quickly changing social classes within the privatizing economy. Differences in salary reflected greater demand for the few highly educated personnel, further reinforcing existing inequalities. The arrival of aid funds through foreign NGOs may have, inadvertently, exacerbated local inequalities.

One of the stated pre-requisites for achieving the government's objectives under its Five-Year Plan 2000-2004 is, however, increased participation by citizens, communities and civil society in the formulation and evaluation of governmental policies and in satisfying their needs. However, activism as separate from the public sector is a very recent experience.

## **Methodology**

The inductive research strategy has been used, as the qualitative approach which I considered most appropriate for the exploration of the questions investigated. Cresswell defines a qualitative study as "an inquiry process of understanding a social or human problem, based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting" (Cresswell, 1994: 1-2). This is the methodology I have selected, using inductive logic to derive at generalizations. The following steps were taken:

1. In-depth semi-structured interviews with eight 'Key Informants',
2. Participant Observation,
3. Review of documents,
4. Data analysis.

The field work took place between September 2005 and September 2006, when practically every three months I spent two weeks in Mozambique carrying out interviews, reviewing and analyzing documents, and doing participant observation. Part of the document research took

place in Durban, where I lived between 2005-2006. In total, I spent two months in Mozambique over four separate visits, sufficient to resolve doubts and clear up uncertainties raised during previous visits. Through the interviews with Informants One through Eight and my own fieldwork, I have explored the multiple, complex relationships across civil society, government, NGOs, donors, bureaucracy, and activism within the Mozambican historical and cultural context, scene to the development projects. As Yin emphasizes, the case study is especially appropriate as a methodology when one wants to review “contextual conditions, because they are pertinent to the phenomenon of study” (Yin 2003: 13).

In qualitative research, “only a sample of a population is selected for any given study and the research objectives and the characteristics of the study population determine which and how many people to select” (Mack et al, 2005: 5). My selection of the key informants was based on criteria of parity, differing levels of responsibility and decision-making capacity within the organizations, and the level of fieldwork. At first, I chose 1 person holding a position of maximum responsibility within the donor agency and within each of the 2 NGOs. Second, I opted for three intermediate-level directors, 2 from the local development NGO and 1 from the Spanish Agency for International Cooperation for Development (AECID) - Spain’s official, governmental body responsible for leading development initiatives - working in Mozambique. Finally, two field workers were included, 1 from IEPALA and 1 from UNAC. The integration of the viewpoints of professionals from diverse levels of responsibility contributed toward a holistic and global vision of the realities of the organizations as experienced and interpreted by the entities with regards to the development processes in which they are immersed. Seven interviews were carried out in Mozambique, and one in Madrid, where I also collected information and reviewed documentation. To protect the identity of the informants, yet differentiate each one, they are referred to as Informant One through Informant Eight.

My intention is to offer a holistic viewpoint, merging the various contributions with my own experience to arrive at conclusions. Throughout the research, my previous knowledge based on my experience in the field, helped me to comprehend, globally, the Mozambican situation and its historical background, mainly because of my work there between May of 2000 and December of 2003. During this time, I was implicated in development processes but, at no moment, tied to the organizations object of this case study. In reality, I hardly knew anything

about them. In 2004 is when I came to know of IEPALA because I met professionals working there. During mid-2004, I was hired by IEPALA as an independent consultant to carry out some monitoring and evaluation work in several countries: Mexico, Colombia, Ecuador, Cape Verde, Guinea-Bissau and Mozambique. During 10 days of field work in Mozambique during September of 2004, I came to experience, first-hand, the work done by IEPALA in this country. In 2005, upon initiating the studies for the Master degree, I began to question what to base my dissertation on. These thoughts brought me to the development processes sustained between IEPALA and UNAC with financing by the AECID, considering it an interesting case as well as representative of the sector. The knowledge about development-related processes gained over 5 years of fieldwork experience allowed for the identification of a sufficiently illustrative case study, as well as of the most pertinent key informants.

As Denscombe states, "to understand one thing it is necessary to understand many others and, crucially, how the various parts are linked. The case study approach works well here because it offers more chance than the survey approach of going into sufficient detail to unravel the complexities of a given situation" (Denscombe 1998: 31). By compiling, comparing and analyzing the contents collected through these interviews and the documentation review, I have been able to explore specific issues in depth, with persons knowledgeable because of their first-hand relation to them and direct implication in the field.

## **Chapter II: Civil Society, NGOs and ‘the development Industry’**

### **Introduction**

During the 1970s, the number of NGOs worldwide increased gradually, linked to specific political identities. In the 1990s, the NGO movement became an associational revolution (Hulme & Edwards, 1997). This phenomenon was promoted from the top of the ‘development industry’, having different consequences and transforming the lives of many NGOs. In the past decade, social scientists and other key players have rethought and reclaimed the real role that NGOs play, through their return as the “genuine voice” of the poor to reclaim social justice. Governments, donors, and multinational enterprises see NGOs as a solution to the world’s problems.

This chapter analyzes the way in which the development industry has been bound up with what has been described as neo liberalism. Its connection with civil society, especially with NGOs, will be analyzed through the negative impact of the depolitization of numerous NGOs worldwide, and their new role in a global context.

This chapter starts with an analysis of various definitions of civil society, contributing to our understanding of different ideologies, their characteristics, transformations over time, and even racist tints the concept has implied in colonial and post-colonial settings. The second section presents the various characteristics of NGOs, whereas no official, global definition exists. The third section, this paper presents an illustration of different experiences, revealing the magnitude of the NGO movement, the weight of its socioeconomic influence, and its dramatic growth in recent decades. Finally, the question of NGO autonomy from donors is addressed.

### **Approaches to Civil Society**

It is important to consider the influence of different ideologies from different time periods so as to include those of colonization, decolonization and neo-colonization processes on civil society. The development discourse offers diverse interpretations of the concept. On one hand, civil society is seen as counterbalancing the state and market, and in fact, stepping in where

each falls short. On the other hand, it presents a leftist critique: civil society as an extension of powerful interests but which can become the environment for developing challenges to those interests through a more radical civil society. It is broad and heterogeneous, not to be interpreted as an undifferentiated mass of people and organizations.

Antonio Gramsci made the useful, analytic distinction between civil and political society. The former is composed of voluntary affiliations like schools, families, and unions, and the latter of public institutions (army, police, and central bureaucracy) whose role in policy is direct domination (Forgacs 1998: 420). His definition of civil society, of importance now and having been a leading one amongst leftist critics, is:

the ensemble of organisms commonly called private, that is to say the sum of social activities and institutions which are not directly part of the government, the judiciary or the repressive bodies (police, armed forces). Gramsci also excluded elements of the economy itself. Trade Unions and other voluntary associations, as well as church organizations and political parties, when the latter do not form part of the government, are all part of civil society. Civil Society is the sphere in which a dominant group organizes consent and hegemony, as opposed to political society where it rules by coercion and direct domination. It is also a sphere where the dominated social groups may organize their opposition and where an alternative hegemony may be constructed. (Forgacs 1998: 420)

The main characteristics of civil society, separate from both government and market, are self-government and the service of public purposes (Gidron, Kramer and Salomon, 1992 cited in Tvedt 1998: 12). “This definition includes ‘universities, symphony orchestras, adoption agencies, day-care centers, and hospitals, but also trade associations, labor unions, political parties, neighborhood organizations, self-help groups, and groups advocating for a wide variety of causes, from environmental protection to the preservation of civil rights’” (Tvedt 1998: 13). Civil society is a broad, heterogeneous group with a variety of approaches and different goals.

Howell and Pearce in *Civil Society and Development* show us that “the concept of civil society is in the process of being reinvented in the contemporary, globalized phase of late capitalist development” (Howell and Pearce 2001: 1). “The current enthusiasm for the concept has to be

understood within its historical and political context. The failure of many so-called Third World states, especially in Sub-Saharan Africa, the growing costs of the welfare states in Western Europe, and the economic stagnation and political oppression characterizing actually existing socialist states in the Soviet Union, Eastern Europe, and Africa all combined to reinforce the rise of neoliberalism in the 1980s” (Howell and Pearce 2001: 3-4).

They argue that civil society is not a neutral concept and has to be treated according to empirical reality. The concept is very complex, and Howell and Pearce make several important points, evidencing how civil society is constructed differently, but is still interpreted as a homogeneous group. This point helps us to understand the kind of language that has been created by the ‘development industry’, when civil society is seen as an undifferentiated mass. “In this context civil society entered the conceptual scene here as the force par excellence symbolizing freedom, antistatism, and the defense of democracy” (Howell and Pearce 2001: 4). Northern donors looked to civil society as a key ingredient in promoting good governance. “Civil society, modernization, development and good governance required vibrant civil societies, the natural counterpart of privatized markets and liberal democracies” (Howell and Pearce 2001: 4).

On the other hand, Kaldor presents Hegel’s definition of civil society as “the realm of difference, intermediate between family and the state. In other words, civil society was equated with bourgeois society and included the market” (Kaldor cited in Foley 2003: 18). Marx understood civil society as an expression of economic interest (within class conflict), articulated by the bourgeoisie. Howell and Pearce demonstrated that civil society today is still dominated by the society’s elite and the voices of the people on the margins are rarely heard. The alternative approach arises from the concerns of these specific groups, but there is still much to be improved to channel their voices (Howell and Pearce 2001: 35). “Gramsci drew an important distinction between coercion and consent, domination and hegemony. Bourgeois society had established a powerful set of norms and institutions to sustain the hegemony of bourgeois rule based on the consent of the working classes... He was to emphasize the need for political activism in the realms of education, media and other institutions of civil society” (Foley 2003: 20-21).

Civil society has also had racist tints over time. Mamdani shows us that in Africa and during the colonial period, “civil society (citizenship, rights, contractual relations) was reserved for whites. In the post-colonial period, the state was deracialized but the differentiation between citizens, new national elites in the towns and ‘subjects’ in the rural areas, remained. The election winner is simultaneously the representative power in civil society and the despotic power over the native authorities” (Foley 2003: 41-42). In the same vein, Partha Chatterjee argues that “in post-colonial societies like India, the domain of civil society – associational life, individual rights, autonomy, deliberation, contract, and so on – is confined to a small post-colonial elite, even though the legal-bureaucratic apparatus extends throughout the population, generally based on force and repression” (Foley 2003: 42).

## **What NGOs mean**

In this section the focus turns to a particular kind of civil society organization, namely NGOs, falling under the broad umbrella of civil society. The term, an acronym for “non-governmental organization”, applies to many kinds of organizations. No international official definitions exist; the term is interpreted differently across countries. For example, in South Africa NGOs are registered as non-profit companies, but in Spain they are registered as associations, along with a variety of other ones under the same law. One characteristic common to all of them, however, is that they are non-profit organizations.

This research project is directly concerned with NGOs working in development programs and projects as intermediaries between donors and communities. Their main explicit interest is aiding the poor. These intermediaries, such as Action Aid and Red Cross, can be local or international. International organizations find local organizations to become their partners through the offer of funding, while these local organizations become intermediaries between donors and local communities. This section focuses on the role of local and international organizations within the ‘development industry’ in the so-called Third World countries.

Academics define NGOs differently, and this diversity of definitions might itself reflect the diversity of NGOs. According to Pearce, “NGOs could be used and often encompass an extremely wide range of organizations from social movements and pressure groups to sports

clubs and other forms of civil association” (Pearce 1997: 259). For other authors, “NGO” is a common denominator for all organizations within the aid chain that are institutionally separated from the public apparatus and are non-profit distributions” (Tvedt 1998: 12). Tvedt circumscribes NGOs strictly as organizations that provide aid. Hilhorst also argues that “NGOs are intermediary organizations that bring about development for poor and marginalized people” (2003: 214). These approaches exclude other kinds of associations, and markedly differentiate their roles.

Definitions of NGOs seldom refer to their relations with the market. Tvedt explains the possibility of analyzing “development NGOs as a group and as part of a new type of international social system, and also to examine how they articulate with donor communities, state administrations and different types of non-profit organization” (1998: 18). This definition presents us with another adjective: ‘development’. One can speak of a similar group, INGOs ‘International Non-governmental Organizations’ (Tvedt 1998: 29). However, although one finds common denominators, not all INGOs are similar, and several subgroups and subdivisions can be created within this group. Hulme and Edwards argued that “NGOs are intermediary organizations engaged in funding or offering other forms of support to communities and other organizations that seek to promote development and grassroots organizations” (1997: 21).

In the ‘development industry’ one can find systemic relations including a minimum of four organizations: donors, intermediary international non-governmental organizations for development, intermediary national non-governmental organizations and community based (CBOs) or grassroots organizations. Evidently, this is a simplistic relation, but these systemic combinations interact in thousands of the development programs inside the ‘development industry’. NGOs in the aid system interact and influence each other, while interacting with donors and the community base.

Finally, other important features to analyze systemically in these intermediary organizations are the characteristics of their management. According to Pearce, “Intermediary development NGOs are typically composed of middle-class, educated and professional people who have opted for political or humanitarian reasons to work with the poor and marginalized” (1997: 259). Perhaps this was the profile decades ago, between the 1960s and 1980s, and was

particularly the case during the decolonization processes, Latin American leftist movements, or anti-apartheid NGOs in South Africa. However, the later boom of NGOs created different consequences, opened a new world of social and international links, and certainly facilitated the birth of thousands of opportunistic NGOs.

### **NGOs: the panorama in a neoliberal context**

Thousands of NGOs have been born around the world since the early 1990s, and given their influence, are subject to analysis by many academics. The growth of NGOs worldwide has been dramatic in recent decades. NGOs registered in the OECD countries numbered 1.600 in the 1980s and 2.970 in 1993, expending \$2.8 billion to US\$5.7 billion. “Today, there are at least 50.000 NGOs in the Third World receiving, in total, more than \$10 billion in funding from international financial institutions like IMF and WB, EU, U.S. and Japanese governmental agencies and local governments” (Petras 2001: 128). There are several kinds of organizations with very diverse identities across this broad spectrum. “Some organizations are, or have become, state-directed, while others are established directly by governments to serve public interests. In some countries, there is growing competition not only amongst the NGOs themselves but also between ‘for-profit’ firms and traditional ‘non-profit’ NGOs, for development or emergency contracts with governments” (Tvedt 1998: 11). Development apparatuses have been institutionalized in a majority of countries worldwide. A high concentration of development assistance can be located throughout the Third World where “one seems to find identical development institutions, and along with them often a common discourse and the same way of defining problems, a common pool of ‘experts’, and a common stock of expertise” (Ferguson 1990: 8).

Commins’ attribution of the role of NGOs is limited to their claim to be welfare providers. Other institutions in the ‘development industry’ promote economic growth (and increase inequalities), “the major global institutions and most powerful bilateral donors at times appear to want NGOs to serve as the front line for global welfare” (Commins 1999: 70). As illustrated in the UNDP *South Africa Human Development Report* (2003), it is impossible to obtain real development using different methods because they are antagonistic. As we can see

in many published papers, these kinds of incoherent approaches intensify inequalities and increase the number of poor worldwide, and particularly in Third World countries.

Some scholars have argued that there has been a trend over time towards the depoliticization of NGOs. NGOs were in tension with donors with regards to the role of participation: the former advocated a more radical use, the latter a more instrumentalist use. Many organizations move toward a more participatory development and growing recognition and protection of indigenous knowledge. Unfortunately, donors have appropriated an alternative discourse.

“Donor approaches to beneficiary participation remain instrumentalist, incompatible with the proclaimed vision of the vast majority of NGOs who conceptualize participation as a means to empower the poor and disadvantaged, not simply to achieve short-term project goals and those of the neo-liberal agenda. However, donors are continually pushing NGOs to integrate all kinds of participatory methods into their projects. Paradoxically, this increases the bureaucracies and promotes short-term projects; NGOs become bureaucratic apparatus and consequently, day by day, are depoliticizing their bodies. Most of them were born with a “strong identity motivated for political or humanitarian reasons to work with the poor and marginalized” (Pearce 1997: 259). Today, internal discussions inside the core of the ‘old’ NGOs are being “cautioned against the depoliticization of civil society, which can arise all too readily through the technicization of the concept in development programs and projects” (Howell and Pearce 2001: 10).

The same debates are not happening inside most of the newly formed NGOs, created to be neutral, depoliticized and with a technocratic approach. Again, those at the top of the ‘development industry’ use an intentional rhetoric that incorporates different sensibilities in the discourse, lacks real intention and creates a new bureaucratic prerequisite to attaining funds. For example, these “theoretical incompatibilities between donor rhetoric and donor practice must point to the improbability of donors treating participation seriously” (Hulme 1997: 8-10). “Key questions remain, however, as to whether World Bank techniques and approaches – cost-benefit analysis, hasty visits by peripatetic task managers, rigid plans and opulent lifestyles – can build long-term relationships with the NGO sector” (Hulme and Edwards 1997: 18). Van Rooy underlines some errors committed by donors in promoting civil society organizations. One of them is the link between civil society, free markets and

democracy (Howell 2001: 5). However, as Ferguson argued, there are no errors committed by the donors, all are premeditated articulations of power through discourse and strategies, as one can observe through a consideration of Foucault (1971-1973):

Discourse is practice, structured, and it has real effects which are much more profound than simply “mystification.” The thoughts and actions of “development” bureaucrats are powerfully shaped by the world of acceptable statements and utterances within which they live; and what they do and do not do is a product not only of the interests of various nations, classes, or international agencies, but also, and at the same time, of working out of this complex structure of knowledge. (Ferguson 1990: 18)

Critiques from diverse academic, social and political fronts questioned the appropriateness of large multilateral and bilateral agencies funding civil society organizations. Thousands of survival organizations and opportunistic NGOs emerged to take advantage of this (Howell and Pearce 2001: 11) and became partially or totally dependent on foreign funds. During the 1990s, the ‘renaissance’ of civil society in the Third World, the birth of thousands of NGOs provoked a large debate about the role of NGOs and their supposed character as critical movements. The explosion of NGOs is linked to the end of the Cold War and the ‘triumph’ of the capitalist system. In the 1990s hundreds of new NGOs emerged, riding on the wave of democratization (Sogge 2002: 134) and creating a big ‘developmental industry’. A recent study of the non-profit sector in South Africa (Swilling & Russell, 2002) set forth South Africa as a good example, “the non-profit sector was a major force in the South African economy with a R9.3 billion in 1998, representing 1.2 per cent of the GDP.”

In a South African labor market, non-profit organizations are the first sector creating employment, more than public civil servants and the mining industry, in a comparison of full-time employment across sectors in South Africa (Swilling and Russell 2002: 16). Even though “South Africa’s non-profit sector workforce is larger than the average among 28 countries, most of them developed countries”, this sector has become increasingly important in many countries. “Most of the NGOs are becoming significantly involved in public-sector contracting” (Hulme and Edwards 1997: 16).

The sector’s size is broader if we include volunteers. As Swilling and Russell pointed out, “volunteers made a substantial contribution; nearly 1.5 million volunteers actively contributed

their time and energy to South African NPOs in 1999. The percentage of volunteers in other countries presents an average of 35% of non-profit workforce in these 28 countries, South Africa is relatively larger with 47%". "NGOs involved in economic and social development have prospered with the global 'associational revolution' in the late twentieth century. Their numbers have grown exponentially; the size of some makes them significant players in social welfare and employment nationally" (Hulme and Edwards 1997: 3).

It seems that the role of NGOs is in the market place and not as part of civil society. "The access of NGOs to decision-makers in both North and South is greater than ever, as their advocacy role continues to expand and they are courted in debates over policy and practice" (Hulme and Edwards 1997: 4). All these trends create doubts about the correct place of the NGO sector, or at least part of it. This question will be explored in the following section.

### **NGOS: their hybrid identity and autonomy**

During and resulting from the decolonization process in Africa, the South African apartheid and Latin American leftist movements, as well as other historical moments, many NGOs were born with a particular identity, and became the voice of millions of oppressed people. Epochs of dangerous political antagonism were creative periods. During this time the political activists' values and interests to promote social change meant that there was a plethora of experimentation in a "variety of techniques of popular education, empowerment and participatory development, most influenced by teachings of the 'liberation's theology', as much as left-wing ideas" (Pearce 1997: 264).

However, these movements and their compromises were elevated in the course of the 1980s-1990s into actors in a new political project and, consequently, were drawn into the global economy and neo-liberal agenda (Pearce 1997: 267). Certainly, the global situation shows that thousands of these organizations are becoming welfare providers in joining the neo-liberal agenda (Pearce 1997: 257). Other NGOs who critique the situation improperly are removed from the official forums, as Sogge illustrates; "CSOs seen as non-legitimate or who mount criticism via non-routine channels of protest are unwelcome and will be ignored or firmly rebuffed" (Sogge 2002: 60).

Step by step, NGOs are all increasingly dependent on government funding, as in the UK, Australia, USA, Canada, and Sweden. In southern countries the dependency on official funds of 80 to 95 percent is common, though often at second or third-hands as funds are channelled via northern NGOs or other institutions (Hulme and Edwards 1997: 7).

In this context of dependence on donors, some authors and consultants watch the situation in order to guarantee the organizations' autonomy. The relations and interactions between NGOs and donors are asymmetrical and can mean difficulties and losses of identity and goals for the former. "Are NGOs losing the 'special relationship' with the poor, with radical ideas, and with alternatives to the orthodoxies of the rich and powerful that they have claimed in the past?" (Hulme and Edwards 1997: 3).

Some defend the work of NGOs within the 'development industry', maintaining that it is possible to preserve autonomy. "Commins argues that World Vision International has been able to interact more closely with donors without being compromised and Mawer identifies positive linkages between Save the Children Fund and the United Nations Educational, Scientific and Cultural Organization (UNESCO). On balance it is clear that donor influence on NGOs is much greater than NGO influence on donors" (Hulme and Edwards 1997: 20). This imbalance makes the ground unsteady, and "serving the state and big external donors can and often does contradict with social transformatory projects involving the empowerment of the poor" (Pearce 1997: 258).

However, in the actual 'convergence', "NGOs are actors with multiple domains that are relatively separated from one another, they also find 'room for manoeuvre' in strategically operating diverse relationships" (Hilhorst 2003: 218). This unclear way for operating inside societies in very different kinds of projects is creating a very diffuse image about NGOs, because "many NGOs are hybrids combining many characteristics. The same organization may combine a strong market orientation with a strong social commitment, and part of its activities may be contract work for a foreign Ministry while other parts may be entirely voluntary and independent" (Tvedd 1998: 17).

It is important to achieve a holistic approach and systemic relation between the broad varieties of NGOs, while simultaneously, individualize each case and each subgroup within NGOs.

The alliances between universities, academics, expert consultants and real participation in the communities can contribute to alleviate the impasse.

## **Conclusion**

NGOs exist in an arena of the predominant ideology, and the complexity within international power relations. The associational revolution has taken place in the past 15 years. The political and cultural origins of the first NGOs, comprised of oppressed communities combating injustices, must be rethought. Most of these organizations have to reconnect with their origins, and return to the truthful *raison d'être*, creating real participation processes and helping poor people to eradicate structural situations which are the problems of their lives.

NGOs are heterogeneous. In such a broad reality it is difficult to speak of a united, unique force to combat social injustice. However, one can argue that it would be possible to connect NGOs with similar identities, values, and political visions, empowering them to combat the actual asymmetric relations - inequality becomes pyramidal while those at the top control and accumulate power and wealth - and lead a genuine development process with the communities of citizens as the real protagonists of their own development. These interventions would make possible sustainable development through empowerment, conscientization, and social change.

To attain social justice, it is important to generate new forms of organizations or change supranational organizations. The role of academics and the compromised bourgeoisies in social justice and real development must be emphasized. These kinds of people are important in creating and dismantling the existing discourse and in reporting the reality about the impoverishment of thousands, the increasing inequalities and the creation of a global duality of rich and poor. Others are important in promoting empowerment at the base of the social structures.

The background is always a multidimensional, multifactoral context within which many realities coincide. The situation of Mozambique is explored in depth in the next chapter.

## Chapter III: The Mozambican background

### Introduction

This chapter outlines the approaches to development in Mozambique from the last years of colonization until its transition to capitalism. It will present the sociopolitical landscape from the last years of colonial dominance, initial conditions after independence, temporary adoption of the socialist model through the final change towards the global market-based capitalist model. It will explain how FRELIMO, the ruling party since its independence through the present, was forced to change its initial attitudes and had little choice but to accept aid on a large scale as a result of economic problems, drought and a foreign-backed destabilizing war. During the 1980s, a brutal war waged by RENAMO<sup>1</sup> against the FRELIMO socialist government intensified. The devastation caused by the war and the following stalemate finally gave rise to a peace settlement in 1992. The transition from a centrally-planned socialist economy in 1977 to a market-led development favored private enterprise rather than state-led development. These last reforms, initiated internally at the beginning 80s, gained momentum with the adoption of the Economic Recovery Programme (ERP) in 1987 under the auspices of the IMF and the World Bank (WB). The chapter is divided into four parts.

The first part presents the legacy of colonialism and its initial conditions, relations between the Portuguese South African dependencies and the British Empire, the difficult economic situation ensuing from various related causes: the mass exodus of the settler community for diverse reasons, including nationalizations, low level of education and training, weak bureaucracy and scarce industrialization. These conditions aggravated the transition outlined above. Between the end of the 70s and beginning of the 80s, strong discussions within FRELIMO produced a transition to a capitalist model.

The second part summarizes southern Africa independencies and their mutual relations. In order to understand the initial conditions of the present-day regional community, the Front

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<sup>1</sup> Mozambique National Resistance, an anti-FRELIMO force of armed bandits created by the Rhodesian security services and later revamped and backed by South Africa and United States.

Line States and the creation of the actual SADCC (Southern Africa Development Coordination Conference) will be the heart of this section.

Thirdly, it is necessary to understand the importance of the context of the Cold War on these changes in Mozambique during that time. This section considers the support of terrorist movements by the United States and the South African 'apartheid' regime, and communist apparatus (represented mainly by the Union of Soviet Socialist Republics (USSR)) which supported other liberation movements in Southern Africa. The Cold War propagated different alliances between many countries there, between different political parties and movements, who were dependent on either the communist or capitalist bloc.

The last part of this chapter presents the economic situation during 80s and the transition to a global market including the Washington Consensus recipes and its structural adjustment programme (SAP).

### **Legacy of colonialism: independence, initial conditions and transitions**

It is crucial to understand the colonial system in Mozambique in order to identify decisive moments and contextualize subsequent situations within ongoing dependencies. After the Berlin Conference, Portugal opened her colonies to the market, and between 1888 and 1910 two-thirds of the total Mozambican territory was ceded to foreign companies (Wuyts 1989: 15). In 1928, after 26 years of Republican government in Portugal, Antonio Salazar violently assumed power: "Fiercely nationalistic, Salazar declared the colonies the preserve of the nascent Portuguese capitalist class whose task was to provide raw materials and markets for the metropolis" (Issacman 1992: 491). From 1930 until 1960, a new colonial policy grew out of the Salazar dictatorial system, eliminating the privilege of foreign companies and controlling the companies and their territories, passing into the direct administration on behalf of the Portuguese state. The main legacy of the colonial state was the exploitation of the peasantry. The situation of the people was aggravated during the final decades of colonialism.

Despite these political measures, Mozambique remained within the ambit of the Southern African economy. For example, the Mozambican budget in the colonial era depended on taxes levied on emigration and recruitment, and the use of all ports and railways by Rhodesia and South Africa: the ports of Porto Amelia (after Pemba) Nacala, Beira, Lourenço Marques (after Maputo) (de Brito 1980 cited in Wuyts, 1989: 17-18). According to Wuyts (1989) and Smith (1990) the colonial power in Mozambique remained tied to the Southern African region as a whole, and the British Empire, which maintained its economic interest and influence, directly or indirectly, did so in mainly two ways: export of labor power through migrant labor and capitalist development in Portugal for the benefit of the Portuguese bourgeoisie and the interests of the settler bourgeoisie in Mozambique.

Furthermore, according to Castel-Branco (2002: 4), in the 1960s South Africa initiated investment in large scale projects in Mozambique. The main “foreign direct investment (FDI)” into Mozambique was “the building of the large, hydroelectric Cahora Bassa dam over the Zambezi River in the province of Tete, in the late 1960s. The South African government is one of the three current shareholders of the dam”. South Africa took advantage of this investment by trying to manipulate some conditions within the Mozambican labor market and the industrial situation. In particular, this meant that South Africa made suggestions to introduce several reforms to eradicate forced labor and create possibilities to expand its industrial production. South Africa had opportunities to expand its market and its industry to new places, and Mozambique offered many possibilities for facilitating this expansion.

Meanwhile, the thirst for the country’s independence grew. Several groups of an anti-colonial and political nature founded FRELIMO in 1962 and in September 1964 confronted Portugal’s colonial rule through an armed campaign. Ten years passed until June 25th, 1975, when Mozambique gained its independence after intermittent fighting and important political changes. Portuguese colonialism finally buckled after the coup in Lisbon in April 1974. In general lines, the political developments of other countries over the last thirty years have reflected those in Mozambique as well.

The country’s independence brought the exodus of the “settler community affecting every sector of the economy: construction and small and medium sized enterprise. Tourism and tourism-related activities stopped altogether. Hundreds of peasants lost their jobs in larger

plantations and bigger enterprises, and as the settlers left, most domestic workers lost their jobs, too. Domestic work had been the largest single employment sector, embracing an estimated 300.000 workers” (Wuyts 1989: 41).

The FRELIMO government drew up several policies to combat sabotage and, during the first years of transition, intended to prevent total chaos. Several measures probably aggravated the Portuguese community in Mozambique, creating more pressure, in the form of political “interventions to stabilize employment, preventing production standstills, and maintaining stable prices” (Wuyts 1989: 49). According to Wuyts, the first strategic policy after independence was dual: economic and social. The social embraced services, like health and education, reflecting the effort to win the control of the popular classes, achieve their immediate socialization, and improve their standards of living. The economic was FRELIMO’s nationalization of the majority of the church’s assets, private houses, productive enterprises and lands.

Only at the Third Congress in 1977 did the Party develop a strategy for socialist development and a deliberate building up of the public sector (Wuyts 1989: 6). Selective nationalizations constitute a prerequisite for a state-based economy. Several political struggles revolved around the change process. “The complexity and richness of these struggles came to the fore most clearly in the transformation of social services, and more specifically in health care” (Wuyts 1989: 6-7). The second stage revolved around public planning and the accumulation of capital. The State became a major economic power and came to assume control of the economy as a whole, as well as of any popular activities.

On the other hand, one of the greatest weaknesses after independence was the quality and quantity of human resources to maintain the level of production that existed before the exodus of the Portuguese. The colonial state differentiated two educational systems: one for the settler class and another for the local people. The State provided education to the first, while its ally, the Roman Catholic Church, gave primary education to the second. But, the State supervised everything having to do with education. Another class emerged, the assimilated African people, with the right to better education and better jobs (Marshall (1985) cited in Wuyts 1989: 20-21). In 1950, only 4.555 Africans within a population of 6 million obtained this status. In

1960 only 1 per cent of the African population was legally assimilated (Mondlane (1969) and Marshall (1985) cited in Wuyts 1989: 21).

In this context, the FRELIMO Third Congress in February 1977 implemented a powerful, centralized State to supervise the economy. This control was only possible through the creation of a large, bureaucratic apparatus that reached the entire country. “The new institutions through which FRELIMO extended its authority after independence, the dynamizing groups and later the party structures, were quickly dominated by state officials from the colonial period and the better-off African producers” (McGregor 1998: 41).

Between 1977 and 1983, the country’s economic model was state-centered accumulation with two goals: expansion of the public sector and agricultural production. The latter was never achieved as the agrarian sector remained in second place while a powerful state assumed leadership. Originally, the cooperative movement and the construction of communal villages had been planned to unlock the rural economy’s potential, but emphasis remained on the public expansion of farm cultivation (FRELIMO 1983 cited in Wuyts 1989: 60). The land abandoned by the settlers was not redistributed to the peasantry, but was quickly consolidated into state farms and cooperatives to maintain production and employment. Each peasant household contributed its labor in these collective fields to produce a social surplus. The creation of villages was a measure to concentrate the population in the same place, to control the peasantry and manpower.

The state-party was converted into an omnipresent power controlling everything. “In an agriculture-based state, the farming sector became dominant in both terms of area and production. In other sectors of the economy, the state sector also became dominant: 65 per cent of total output in industry, 85 per cent in transport and communications, 90 per cent in construction and 40 per cent in commerce” (FRELIMO 1983 cited in Wuyts 1989: 60).

When party and state merged, party cells and dynamizing groups (DG) expanded a centralized control throughout Mozambique. The single-party, all-powerful state, with its common philosophy for all, is illustrated in a discourse given by President Samora Machel in Maputo in 1980: “On September 25, 1964 we declared war on the foreign enemy – Portuguese colonialism. Here today, March 18, 1980, we declare war on the internal enemy... It is a battle in the class struggle... to open and consolidate the wide road to socialism... Our State is a

workers' and peasants' state. It is not a state of the useless, the lazy and the reactionary" (Saul 1985 cited in Wuyts 1989: 52-53).

Citing Hanlon, Wuyts identifies the contradiction that despite the strong position of the new Mozambican state, its international relations and dependencies had difficulties and the economic situation of the socialist bloc was very weak:

“They did not succeed in joining the Council for Mutual Economic Assistance (CMEA) formally, although it received strong backing from both the German Democratic Republic and Bulgaria. The USSR rejected the bid on grounds that it was not prepared to subsidize Mozambique to the extent that it was subsidizing Cuba and Vietnam. This was definitely a heavy blow for the Mozambican leadership, who were looking towards the USSR for assistance to bridge them over the financial crisis provoked by war”. (Wuyts 1989: 83)

For less than 8 years the socialist regime in Mozambique endured the aftermath of the Portuguese exodus, limitations of its human capabilities, civil war, weakness of the final years of the socialist bloc, and strong measures by the South African apartheid regime to provoke its internal destabilization. Finally, during the second half of 1983, Mozambique initiated a process of Westernization. The first step taken was to demand of the international community mediation with South Africa, given the context of the apartheid state's continued aggression. Consequently, the Komati Accords were signed on March 16th, 1984, based on a mutual reduction of aggression. Despite these agreements, the South African apartheid government continued supporting RENAMO until the signing of the Rome Peace Accord on October 4, 1992 (Mandani 2004).

### **Interdependencies in Southern Africa and mutual relations**

It is important to present a regional overview to show that, as previously explained, Mozambique always had important economic relations within South Africa. Here will be presented the network of economic regional dependence after political independence, and the influences this had over changes within its economy. The history of the regional relations

during independencies in Southern Africa, and their affinities in obtaining economic independence from South Africa, are important factors to consider for comprehending subsequent alliances. All of Mozambique's territorial borders were surrounded by former colonies of the British Empire. Mozambique, with 3.000 kilometers of coastline, was of major importance for the British colonies and its Central African Federation, especially South Africa.

Despite the initial pressure from South Africa, Mozambique maintained its political relations in the region established since its foundation. Specifically, FRELIMO was allied with the Front Line States (FLS), which pursued a policy of total independence from colonies and white minorities, and sought to avoid economic dependence on South Africa. For the FLS to obtain this goal, it created the CMEA.

Angola and Mozambique, Southern Africa's two Portuguese colonies, only achieved their independence in 1975. The only countries in Southern Africa dependent on the Portuguese colony, their official language was, and is, Portuguese. "The fact that the Angolan and Mozambican nationalist movements had come to power after long and bitter warfare, gave a boost to the mounting popular resistance within South Africa" (Smith 1990: 8).

After Zimbabwe's independence, these countries created SADCC in 1980. SADCC was crucial to the reduction of economic dependence on South Africa and western countries (Smith 1990: 7). The intensive oppression of South Africa over members of SADCC had a very negative impact on their economies. One example of this was the external debt of some SADCC countries: Zambia, Zimbabwe and Mozambique, with a total debt per capita of \$888, \$279 and \$137 respectively (World Bank, 1999).

## **The Cold War Context and Civil War**

The context of the Cold War is crucial in understanding the policies of the two superpowers and their global consequences. The Cold War generated various conflicts around the world, especially in Third World countries. In the case of Southern Africa and especially Mozambique, its impact was no less felt. The Cold War's final years, 1980s and early 1990s,

were played out in Southern Africa. By the mid 1990s, the “triumph” of the capitalist bloc was heard worldwide.

In Southern Africa, the Cold War was notable for the birth of two major movements within the capitalist bloc: UNITA (National Union for the Total Independence of Angola) and RENAMO (Mozambique National Resistance). Both received financial, logistical, and military backing from the United States (US), South Africa, and Portuguese ultra conservative groups. They were terrorist groups that seeded terror and chaos in rural areas. Over time, they changed their strategy and are now political parties (Mamdani 2004: 89). RENAMO was created as a terrorist outfit by the Rhodesian army in the early 1970s, sustained initially by the white minority government in neighboring Rhodesia. After the transition to a majority rule in Zimbabwe in 1980, the apartheid government in South Africa increasingly supported RENAMO and drew on a strategy based on destabilization, sabotaging infrastructure and attacking schools, health posts, and other development projects (Mamdani 2004: 89-92).

While RENAMO was rooted in the rural areas, FRELIMO dominated many cities. According to McGregor, the call to tradition and ethnicity were key to RENAMO’s ability to gain support in rural areas. “The borders allowed RENAMO to develop crucial international support networks in South Africa and Swaziland: this strategy and the social networks upon which it relied meant that RENAMO’s relationship with civilians and alliances with chiefs were significantly different” (McGregor 1998: 37). RENAMO had much support from traditional, rural authorities who rejected the “new” culture. Many rural dwellers understood that FRELIMO did not want an indigenous culture, instead adopting the European culture and that of Eastern Europe particularly. RENAMO played with this discourse and obtained many indigenous adherents. According to McGregor, FRELIMO provoked “fear and humiliation in sectors of society, was authoritarian from the beginning, the military played a key role in mobilization, and campaigns included humiliating denunciations of counter-revolutionary social groups and practices (...) The modernizing socialist state embodied in the young and educated offended influential sectors of rural society by marginalizing chiefs, condemning tradition and coercing villagizations” (McGregor 1988: 41).

International pressure broke the impasse of the civil war. The rural people’s suffering forced a dialogue, culminating in Rome on October 4th, 1992. On that date, peace agreements were

signed, promoted by the St. Egidios Community. Before a peace agreement could be reached, there were several rounds of negotiations, and RENAMO clearly articulated three main demands: “the dissolution of the Mozambican government, the establishment of a power-sharing arrangement between FRELIMO and RENAMO, and the creation of free-market economy” (Manning 1998: 162).

The first multiparty democratic national elections were held in 1994. It was then that RENAMO, until then considered – from both inside and outside Mozambique – a guerrilla movement without a defined, political program, transformed itself into the main political party of the opposition. It remained so during three general elections since.

### **Transition to a Global Market. About the Washington Consensus and Structural Adjustment Programs (SAP)**

In the 1980s, Mozambique embarked on a transformation towards the global market. As seen from Mozambique’s legacy of colonialism previously outlined, the 1970s expanded nationalization and accumulation of power by the state, while the 1980s spread privatization and structural adjustment. In the early 1980s, FRELIMO started on a new path in its history. The privatization process reopened relations between the state and capital interests. Some authors, like Joseph Hanlon, claim that “Mozambique is on the receiving end of a new colonialism [and] begs the question of difference between Portuguese colonialism in Mozambique and the ‘ultra-imperialism’ of the IMF and World Bank” (Hanlon cited in Sidaway 1998: 246).

The Mozambican government and the FRELIMO apparatus rapidly reduced state intervention and privatized enterprises. “Since 1985 it has sold 340 small, medium and large-sized state companies from all sectors of the economy including trade, industry energy, construction, water, agriculture, and transportation” (Pitcher 1996: 49). This is a scheme along the new path, which has produced, in few years, two antagonistic positions. According to Pitcher, these radical changes have raised several doubts: “Is it designed to enrich the few at the expense of the masses? [Has] the State relinquished its sovereignty to the dictates of foreign NGOs and investors?” (Pitcher 1996: 51)

Once the civil war ended, millions of displaced people attempted to resume normality in their lives, and the government turned to the processes of economic stabilization, recovery, and development. These long, difficult times, however, had serious consequences on the population's standards of living. In 1997, the Mozambican gross national product (GNP) per capita was estimated to be US\$90, the world's lowest. Adjusted for purchasing power parity, Mozambique fared only slightly better, ranking as the 13th poorest country (World Bank, 1999).

Between independence and the early 1980s, Mozambique suffered an increasing foreign debt. Exacerbated by the civil war and the South African destabilization campaign, Mozambique borrowed heavily from the international market. Ultimately, problems with debt repayments emerged. This situation of insolvency and near bankruptcy forced the government to make a difficult decision: to accord with the IMF a rescheduling of the debt in 1987 through the London and Paris Clubs (van Diesen 1999).

It is important to understand the multilateral western agreements which seek to maintain the status quo of sovereignty over the less developed countries. To give a sense of the maneuvers of the main western countries and their ideologies, I have chosen two texts, from Toye and Bond, to exemplify these new policies:

After 1980, the industrial countries increasingly backed away from the economic activities of the UN, while devising new functions for more malleable instruments like the IMF and the World Bank. In the wake of the Latin American debt crisis, the G7 used the Fund and Bank to engineer the "structural adjustment" of economies of developing countries. (Toye 2003: 32)

In macroeconomic terms, the 'Washington Consensus' entails trade and financial liberalization, currency devaluation, lower corporate taxation, export-oriented industrial policy, austere fiscal policy aimed at cutting social spending, and monetarism in central banking with high interest rates. In micro developmental terms, neoliberalism implies three standard microeconomic strategies – deregulation of business, flexibilized labor markets and privatization (or corporatization and commercialization) of state owned enterprises – and also the elimination of subsidies, the promotion of cost-recovery and user fees, the disconnection of

basic state services to those who do not pay, means-testing for social programmes, and reliance upon market signals as the basis for local development strategies (Bond 2005: 129).

Mozambique's situation during the first half of the 1980s worsened, and its debts increased. In 1987, the International Monetary Fund (IMF) introduced a local variety of a structural adjustment "Economic Recovery Program" (ERP) after signing the agreement. According to van Diesen (1999) and Wuyts (1996), Mozambique had no alternative. Yet, the country had already entered the capitalist system before finalizing the accord: both food aid and financial aid doubled in just two years, between 1985 and 1987. The decline of the socialist bloc opened the door to other interested donors. The Netherlands and Nordic countries retained an important role, the IMF, WB, EU, and UK gained control over the direction of its economic policies, and the role of UN agencies and NGOs increased in importance. Directly or indirectly, they controlled Mozambique by the end of 1980s.

The ERP prescribed a set of trade liberalization policies, macroeconomic stabilization and exchange rate devaluation. Initially, Structural Adjustment propelled dramatic changes in prices and provoked sustained currency devaluations. During this program, shares of imports increased as did, though less visibly, exports. In merely six years (1986-1992) both imports and exports raised dramatically, the former from 20 to 75 per cent, and the latter from 5 to 24 per cent. However, the trade deficit amounted to 51 per cent of GDP, against 15 per cent in 1986. In merely one decade (1982-1992), total net aid increased from 21 to 61 per cent per cent of GDP (Wuyts 1996: 20-23).

To close this overview of the consequences of the SAP it is important to underline that Mozambique experienced a rapid economic growth, while inequalities and foreign debt increased. The economic situation was unsustainable when 61 per cent of GDP was net proceed from foreign aid during 1992 (Wuyts 1996: 20-23) or 72.2 per cent of its GNP in 1995 (Christian Aid 2000). The situation is further illustrated by the self-enrichment of the small Mozambican oligarchy and the new bourgeoisie through SAP programs and privatizations (Pitcher 1996), socialism under FRELIMO rule which did not promote equality. In citing Hanlon, Sidaway exemplifies this landscape:

The claim that Mozambique is on the receiving end of a new colonialism begs the question of differences between Portuguese colonialism in Mozambique and the 'ultra

– imperialism’ of the IMF and World Bank. Peace without profit also risks a certain (sometimes justified) rose-tinted view of aspects of Mozambique’s recent past. Those who were on the sharp-end of FRELIMO’s voluntarism and excesses might have a different story to tell – as no doubt would most of the elite who now find opportunities for enrichment. (Sidaway 1998: 245)

Another example of the failure of these programs for the majority of the people was articulated in Zandamela’s doctoral thesis, examining Mozambique’s economic success:

... the possible ‘dissonance’ between the purely statistical effects of economic growth (increase in per capita income), and its impact in improving the living conditions of the population. It is important to mention that triumphalism was, not infrequently, encouraged by the optimism of international financial agencies who insisted on viewing Mozambique as a successful country, which could lend some legitimacy and credibility to the effectiveness of the economic model under implementation. (Zandamela 2000: 278-279)

According to Arturo Escobar, the “repetitive reality of development: governments designing ambitious development plans, institutions carrying out development programmes in cities and countryside alike, experts studying development problems and producing theories ad nauseam, foreign experts everywhere and multinational corporations brought into the country in the name of development. In sum, development colonized reality, it became reality” (Escobar 1992: 214).

## **Conclusion**

The overview of the Mozambican economy over the last 30 years gives the impression it has been continually locked into a pattern of dependence. Both RENAMO and FRELIMO were influenced by western powers and reproduced western schemes. Only the first years of independence allowed some expectation of real independence. Nevertheless, the subsequent socialist influences and dependence on the global capitalist market spurred indebtedness to and dependence on the 'foreign'. Summing up, three key words are pertinent: dependence, inequality and poverty.

The situation of Mozambican debt and dependency on foreign aid is unsustainable. Mozambique cannot depend on foreign aid, increasingly involved in a network of foreign loans, grants and a large legion of consultants. The main consequences are most acute for the peasantry and the working population. This new dependency and its role within shaping development policies are consented to by the government and others within an oligarchy of power.

Mozambique suffered from the policies of South Africa and her allies, the difficult situation after the exodus of the Portuguese, and the lack of preparedness of its human capital, unable to take over enterprises and institutions. This inheritance can be understood, but what is more difficult to accept is the way the oligarchy has been increasingly enriched while the peasantry has remained impoverished and underdeveloped. Mozambican inequality has increased significantly in recent years. It is one of the world's 10 poorest countries. The gap between rich and poor increases considerably and differences between regions grow, as observed above.

The next chapter explores the growth of NGOs in Mozambique, particularly the capacity building work of UNAC and IEPALA, presents views on Mozambican civil society, considers the relations between NGOs and between them and other actors within the development industry, and the promotion of equality and participation in the local communities.

## **Chapter IV: A Mozambican case study**

### **Introduction**

This chapter offers an overview of the Mozambican case study object of this dissertation. The development process in Mozambique does not merely pose a dilemma of opposing dichotomies: public/private, rural/urban, top-down/bottom-up, modern/traditional, first/last, heterogeneity/homogeneity, insider/outside... but rather a multidimensional, multifactoral context within which many realities coincide. If the programs are to be of a participatory nature, these factors must be taken into account in program planning, execution and evaluation. The best way to do so is through a participation of the locals, who best understand the reality.

This chapter explores the growth of NGOs and civil society in Mozambique; views on civil society; the growth of NGOs in relation to participation, donors, and both public and private sectors; competition amongst NGOs for projects and funds, the inherent bureaucracy and its effects, and whether NGOs work for the most needy or for themselves in reality; and finally, their relation to both the communities and the state, through the promotion of equality and participation where they act. To understand the reality through real organizations, UNAC and IEPALA are presented in detail. The objective is to situate all of these issues within a particular development paradigm, within a particular moment of the country's history, presenting concrete examples based on real projects.

Because Mozambican development was dramatically transformed from state-centered to civil society and free markets, it is an especially poignant example of the African civil society experiment. After its independence from Portugal in 1975, the government embraced development from a socialist philosophy, implicating itself in the lives of the community through mass organizations, actions in rural areas, and the establishment of public cooperatives, farms and basic public services for the entire population. In the 80s, the government embarked on a SAP sponsored by the IMF due to its economic collapse attributed to externally funded civil war and foreign debt, reducing public investment in social services, privatizing many public enterprises, promoting free market policies, and reducing funds for community mass organizations. Social class distinctions intensified when the economy grew, and by the late 1990s, civil society changed unexpectedly.

The state withdrew from the lives of ordinary Mozambicans. This space was filled by an "independent" civil society. Many international NGOs (Save the Children, World Vision, CARE, Doctors Without Borders, Concern, Population Services International, amongst others) confronted the humanitarian crisis left by war and drought. At the same time, major bilateral and multilateral donors channeled aid funding through NGOs instead of through the public sector. By 2001, there were 145 foreign and 465 national NGOs operating in Mozambique (Eys 2002: 145). The WB (2002) "Civil society and NGOs" web page explains, "When the state is weak or not interested, civil society and the social capital it engenders can be a crucial provider of informal social insurance and can facilitate economic development."

### **The capacity building work of UNAC and IEPALA**

To understand the situation in Mozambique, I present two organizations of very diverse origin which have greatly impacted there: UNAC and IEPALA. Between May of 2000 and December of 2004, I did capacity building work in Mozambique with both. Because of my direct, hands-on experience with these organizations, I am well placed to explain the historical background, situational context, and their strengths and weaknesses, to integrate the reader into the setting of my research, as explored in the following sections of this chapter.

Informant Two, Ismael Ossemane, provided a wealth of information on UNAC, a Mozambican organization created from the bottom-up perspective, a farmers' activist movement in defense of their own interests in reaction to the socioeconomic reality of the time. Over time, UNAC transformed itself from a local movement to an NGO acting internationally. A self-evaluation process led it to redefine itself in response to the circumstances.

Informant One, Carmelo García, contributed on IEPALA, a Spanish organization created outside of Spain during a time when these types of movements were not allowed, and headquartered in Spain as soon as they were legally permitted, arriving to act in Africa during the anti-apartheid movements through educational projects and with the objective of raising awareness amongst the locals. The organization questioned the development model in vogue then.

Both of the organizations' evolution is presented as an example of their questioning of their methodologies, relations to donors and local communities, realms of action, and the transformations and effect their restructuring had on their work, and consequently, their impact.

## **Presentation of UNAC**

The country's small and medium-scale farmers wanted to establish their own national organization to represent and protect their interests onto the government and to offset the socioeconomic conditions resulting of the IMF's Economic Rehabilitation Program. Though in reality created in 1987, it was not until the General Constitutive Assembly of the Support Nucleus for the Cooperatives of the Country (a body of associations and cooperatives of workers from the agriculture sector) celebrated in April of 1993 when UNAC was officially founded, and was formally registered in 1994.

During its twenty years of activism, UNAC promoted the creation of associations in rural areas, offered specialized training in technical and administrative matters, design and execution of development projects, organization of emergency relief actions, and even played a very important role in the drafting of the current Land Law. The State and other international and local partners praised its transparency and professionalism. UNAC now participates in international projects with PALOPS (Portuguese-speaking African Countries) through Via Campesina.

Though originally founded as a social movement, due to different contextual reasons, UNAC has transformed itself into more of an NGO than a movement, with the mission of defending small farmer's rights and interests. This became more obvious with increasing contact at the grassroots level.

Diverse problems affect the Mozambican associative and cooperative movement with regards to the relations between headquarters and other entities, the country's political strategies, program evaluation, interactions across local, national and international projects, internal organization and future outlook. Some of UNAC's specific concerns include:

- ✓ Concern over the links between UNAC headquarters and grassroots associations;
- ✓ The need to identify national strategies to assist in resolving small farmers' problems, beyond occasional projects limited in their impact;
- ✓ Concern over the impact, pertinence and limits of the projects implemented as a means of effectively resolving the small farmers' problems;
- ✓ Concern over developing stronger links between the farmers at the village level and the international and national level advocacy interventions;
- ✓ Concern over UNAC's sustainability;
- ✓ Concern over UNAC's institutional functioning.

UNAC, as an active and critical grassroots movement, needed to reflect on its initial organizational objectives with the aim of reorienting its mission and interventions in society, generally, and with its target group, particularly. Its goal was for the process to guide the organization in fulfilling its vocation so that it could become even more of a grassroots movement, with self-directed objectives and dynamics. UNAC began a self evaluation process in the year 2000 to adapt the movement to the current Mozambican context. This resulted in a number of activities, including internal reflection, studies, seminars and the development of a proposal for a strategic plan for the period 2003-2008. Through the design of a strategic plan (mission, themes, objectives, strategies, results) and a new organizational structure, it intended to tackle the weaknesses and gaps detected in its work.

Considering the current socioeconomic and political relationships nationally, and the new dynamics of the globalization process worldwide, the situation calls for the presence of a stronger, more determined movement. Grassroots organizations are in a very difficult situation, facing various social, economic and organizational crises. There is a poor understanding of the concept of associations, and a lack of clarity about the reasons for being part of the associative movement. Many, particularly in rural areas, lack proactivity and protagonism. Great dependency exists, to the extreme point where local initiative is practically nonexistent. This phenomenon left the movement without a clear philosophy for intervention, contributing to the organization's weakness and unsustainability at organizational, socioeconomic, and political levels.

Many of the small farmers associations were created in different and specific ways - one reason why the members' motivations are divergent - without mentioning those who do not know why they are affiliated. This reality compromises the associative movement. Therefore, UNAC found it appropriate to reorient its work, philosophy, objectives and mission.

As I will explain in detail in chapter 4, Mozambique is characterized by a predominantly rural, poor, and illiterate population, the majority being subsistence farmers. The colonial period, civil war which lasted sixteen years, natural disasters, and now globalization, have all left small farmers undefended, vulnerable and dependent on aid. Small farmers are becoming increasingly marginalized due to their characteristic limitations, imbalanced distribution of national wealth, generalized corruption, exclusion from participating in the definition of social and economic policies, and lack of initiative for positive local development. This donor dependency, (in) voluntary alienation from the arena of socioeconomic policy, and stifled individual initiative limits progressive and endogenous development processes, reducing the community's concept of self-realization and self esteem.

## **Presentation of IEPALA**

IEPALA is "a nongovernmental association", according to Article One of her founding Statutes, defining herself as "independent of any political implication". IEPALA was created in 1955 in Montevideo (Uruguay) by a group of exiles from Spain. The Franco military dictatorship in Spain, from 1939-1975, did not allow for these types of movements or associations. Merely during its last decade of rule, social and political rights began to be recognized. As soon as a legal framework permitted its legalization, IEPALA was constituted formally as an association in 1964 in Spain, the country of origin of this group of exiles residing in Uruguay, with the objective that the organization be a solid meeting point between Latin America and Africa. Its headquarters are in Madrid.

While Franco ruled Spain, external relations were with Nordic governments, based on searching for funds and establishing contacts in relation to the conditions of the time. Initially NGOs were not linked to political parties or to religious organizations, though they had a

clear implication and political motivation. In that context, IEPALA was representative of civil society. The organization was truly independent, “nongovernmental” as a matter of principle.

IEPALA came to Mozambique in 1958, arriving to the previously Portuguese colonies during the anti-apartheid movement. The beginnings of IEPALA’s penetration in Africa had to do with solidarity with political movements: beginning with the independencies, decolonization, afterwards Eritrea, Ethiopia... The organization’s arrival in Mozambique was effectuated as soon as it became possible. Sometimes it was because the African leaders would request IEPALA’s help, sometimes thanks to recommendation of Portuguese contacts who needed it. In addition, thanks to its good relationships with organizations and people in the resistance movements for independence, the organization was able to establish contacts.

IEPALA begin working in Mozambique in educational projects during the early 60s, with the aid of Netherlands, Switzerland, and Germany. Cooperation on educational projects was often secretly sought from Northern countries. Much could be done through the creation of a school or education outdoors. Other times, relationships were established with missionaries; those from Burgos, and many others who were with the Front for the Liberation of Mozambique (FRELIMO) during decolonization, played a role. Portugal persecuted them severely.

I cannot overlook the important influence of the Bandung Conference in April of 1955. This meeting of Afro-Asian leaders created a great movement of the Third World as an alternative, different place from both the capitalist Occident and the statist and communist philosophy. The Third World upholds the same ideologies as the French Revolution’s third state, when the clergy and nobility were confronted by the people. This was the founding spirit, even though it remained, afterwards, a movement of non-aligned countries. The movement for “autonomy and humanism” born in 1941 is where IEPALA was situated ideologically until 1955. During the Bandung Conference IEPALA questioned its organizational mission, knowing that it had to work from a political perspective, create awareness amongst the people, and base its educational program on the Charter of the United Nations and Human Rights, as was often the case then. Yet, its posture was unclear.

IEPALA’s perspective on development is born from the French resistance, opposing the Marshall Plan’s Organization for Economic Cooperation and Development (OECD), and brings to light a new way of thinking about this development model, perceived as capitalist

and industrial. It was much more than a front against Nazism. The OECD worked with money coming in from other countries, and distributed through the government in a top-down fashion. As one Informant from the organization stated, “No, sirs, we must look for a development which surges from the heart of the society, from the popular, social masses and our own social structures. In other words, we searched for the alternative, really” (Informant One). How is the bottom-up and center-based model born?

When IEPALA arrived in Mozambique, it was a politically charged moment, and it was fundamental that it be liberated from the politics implicated in the decolonization struggles. However, there had never been a decolonization process which had not implied cooperation through armed resistance. There had to be a political implication with the liberation. IEPALA was politically sympathetic and wanted to progress through its development work; however it could not explicitly support armed resistance to colonization. Development projects could not imply the purchase of arms. Rather, they sought to build schools and promote rural development. The implicit political dimension gave cooperation meaning, though not explicitly supporting military struggles. Informant One continues, “when IEPALA began, it was very simple to find people willing to give solidarity under political motives, and there is a moment in which solidarity is the same as humanitarian, and being a volunteer meant ‘I want to do things for others but here, here and with IEPALA’”.

IEPALA’s reason for coming to Africa is the union of the continents, to make Spain the apex between Latin America and Africa, because they were not known to each other. Apparently, engagement with Africa from both Europe and other parts of the world, such as Latin America, was limited. The common belief was that Africa was full of colonies, but there were independent countries already. Nevertheless, people were unaware, for the most part, of claims to African independence.

By the 1980s, IEPALA and other NGOs began to gain favor in Europe. The European NGO sector had grown dramatically, many relationships between NGOs were established, and during 1984-85, the nongovernmental sector was praised by mainstream European political thinking. Europe thought NGOs are going to solve the problem, realizing the development programs in ACP (Africa, Caribbean and the Pacific) and Latin American countries are inefficient. Political parties established NGOs, trade unions and churches transform their

missionary organizations into development NGOs. A tremendous growth is experienced, and they realize they must become more mainstream. A domestication process ensues.

During this boom, IEPALA's relations with its donors evolved. The organization had to differentiate itself, never having been a donor in its own right but rather an intermediary. International development agencies were born during the 60s, first a Canadian one, then a French one, and they are accessed through the presentation of projects. However, IEPALA had undergone many changes. I believe it fell into the trap of searching for money for the sake of it. IEPALA very easily received funding for any project it proposed until the government of the Socialist Party in Spain. The arrival of the Popular Party from 1996 to 2004 makes IEPALA realize it needed to find funds on its own, and I think this was the beginning of its failure: shifting its priority from the creation of effective projects toward the search for funds. As Informant One, Carmelo García (the General Secretary of IEPALA until 2006 and at the moment its President) reveals, "In that moment, blame me for everything because I am guilty. During that time we had a very solid structure, and I gave into stupid paternalistic attitudes, like the belief that one cannot fire employees and that we had to maintain a 40-person infrastructure. Then, we concentrated on finding local projects in different places and fell ill to 'projectitis', not so much to solve problems as to find resources to maintain ourselves". Now the shift is reverting back to the importance of the projects, a fundamental change.

Informant One further remarks on the failure and end of technical assistance: "Our greatest error was our belief that, by principle, it is necessary to send technical assistance over. Because, if not, it would be perceived as the consequence of having been mistaken in Mozambique and Angola for so long, since the premise for sending people over was a fundamental commitment to training. But, when the time arrived for our departure, such a void could not be left. No one fulfilled the commitment, and this was because there were so many necessities and we were so hurried that the most we had were assistants, but were unable to train the locals. And our commitment was to train at least two persons with the same technical capacities as the technicians sent over, but this was not achieved. And since what we were doing was generating a new dependency which impeded personal growth or the possibility for the people to take over their own development, it was decided, after the evaluation carried out between 1981 and 1983, to stop sending over technical assistance".

Presently, IEPALA works in rural and suburban development, concentrated in few countries and has only two expatriates, both female, in Angola and Palestine. It fosters a gendered approach in all of its activities, its main objective being the promotion of civil society. IEPALA believes democracy is impossible without the empowerment of civil society, particularly African women. The entity's headquarters are in Madrid, with about 20 staff, with projects in Palestine, Mozambique, Angola, Democratic Republic of the Congo, El Salvador, Dominican Republic, Cuba, Republic of Cape Verde, Republic of Guinea-Bissau, and the Kingdom of Cambodia. There are local offices in Palestine, Mozambique, and Angola, with local employees, two in Mozambique and two in Angola. With regards to its infrastructure, IEPALA does not have its own financial resources, but depends on public funds from the Spanish regional and local governments and private enterprises. One main problem, from my perspective, is that all of the decisions are made by a reduced number of individuals.

### **The growth of NGOs and civil society in Mozambique**

An "independent" civil society emerged speedily when the State withdrew from the lives of ordinary Mozambicans. The place left empty was replaced by international NGOs and churches. Diverse aspects of the context must be understood to appreciate the relation between civil society and the country's socioeconomic progress, from the idea of civil society through to the action of its members and its objectives. This section explores these issues.

The idea of "civil society" is used by donors in the field of international development to justify the change of aid resources being diverted from public sector services to NGOs during structural adjustment. Because Mozambique has experienced dramatic transformations in merely a decade, changing from a state-led development to a civil society and free market, this country is a particularly impressive example of African civil society.

Firstly, the influence of some movements and religious groups during the colonial era must be underlined. For example, the case of the "Swiss Mission's work, particularly in the field of education, contributed to the reshaping of identity and political consciousness in southern Mozambique, and had a critical influence on youth" (Cruz e Silva 1998: 223). According to this author, many Mozambican leaders were trained in such missions. Amongst others came Eduardo Mondlane, FRELIMO's first president. These kinds of missions (Methodist and

Presbyterian) built on earlier identities and elaborated a broad concept of ethnic identity, contributing indirectly toward the nationalist cause.

Secondly, according to Jessica Schafer, literature on Mozambique and civil society is very diffuse and of different tendencies. On one hand, some writers presumed a “resurgence” of several movements of associations, cooperatives and NGOs. Others approach this theme as “fragile and embryonic, reflecting the absence of a tradition of an independent, social organization and a participation capable of scrutinizing the actions of the state and defending civic interests” (Schafer 1998: 207-208). In the same way, both Alexander and Cravinho are very critical of civil society being able to provide an antidote to corruption or be a guiding light to democratization.

Schafer’s paper about AMODEG (Associação Moçambicana dos Desmobilizados da Guerra) in 1998 is a good example of the conditions existent in several Mozambican associations or NGOs. Created in 1991, the members of AMODEG’s directors board were split between two political parties: FRELIMO and RENAMO. It depended on non-governmental and international funding bodies in addition to relying on governmental resources and institutional support in the form of office space and transportation. The majority of its offices, for example, occupy state-owned buildings.

Thirdly, “mass democratic organizations,” such as the Mozambican Women's Organization (OMM), Mozambican Youth Movement (OJM), and workers movement (OTM) were established, ostensibly to mobilize the population around new public development initiatives and provide a mechanism for participating in governance. Local chapters of these organizations appeared throughout the country and even penetrated deeply into many rural areas. During the beginning of the 90s there was a separation from the FRELIMO party, but a majority of the members were divided between the party and trade unions. As years passed, this spirit of participation faded and the mass organizations became less dynamic, or disappeared completely (Chapman et al 1999).

Another of the multiple groups playing a role from the private sector of civil society were the educated professionals, who established elitist, professional associations. One of these groups is the Economists Association (AMECOM), whose influence over debate on matters relating

to governance materialized in monthly lectures. Presented by its voluntary members, several hundred opinion and decision-makers, even high-level politicians, participate recurrently.

Civil society actors intend to progress on matters affecting vulnerable groups, their relation to land, domestic violence, AIDS, and foster their constituencies' welfare. Many center their actions on information and general well-being, integrating advocacy and opportunities for real participation (depending on the government's permissibility). In Mozambique, civil society is still quite young and needs much maturing before it can achieve the level of democratic reforms defended by well-educated, well-informed social classes. It does not have enough experience to base its effort on, its legal framework cries for modernization, and the government either outright mistrusts or remains indifferent. A great part of the people who participate in civil society cannot read, are uninformed, and too poor. The majority of the so-called "advocacy" organizations focus on delivering tangible services instead of championing philosophical rights, having more impact doing so than if the opposite were true.

### **Views on Mozambican civil society**

One of the themes explored through my interviews with Eight Informants was civil society specifically, to gather various viewpoints about it.

The analysis of Informant Six, for example, is that civil society is nonexistent in Mozambique. The UNAC is probably one of the only few civil society organizations that is truthfully somewhat critical of the government, but its voice is hardly heard.

The problem is that civil society is the weakest link of a three-legged table of cooperation of which it is absolutely indispensable; if one leg is taken off, the table falls apart. One cannot think only about financial aid and large amounts of technical assistance without having an adequate development of a parallel participatory society on which to base its growth. Some cases of success do exist, as Informant Eight comments,

“the support for civil society has been born, the work group focused on poverty is very visible, serves as a consultation space and establishes an annual dialogue, at the highest level, between the government and civil society. I consider it a step forward,

and the constitution of the G-20 has given a better and wider representation to Mozambican civil society, both for the general public and for the government.”

With regards to the depoliticization of NGOs, Informant One explains how anything non-governmental in Mozambique was based on a militant attitude, though it was not sustainable. “One couldn’t speak about the issues because it gave way to people being discovered. The organizations hid their real identities: those related with the church were not to be explicitly religious because we were under a socialist government, so they appeared to be secular, such as the NGOs Setem and Intermon. Only the NGOs which couldn’t hide their religious origin remain, such as Manos Unidas and Caritas, and they do not hide the fact that they are Christian, rather they actually profess it. But, the majority of the rest hide this type of origin.”

The arrival of foreign aid funds intersected with a society in the throes of rapid class formation within the privatizing economy (Fauvet 2000; UNDP 1998; Pfeiffer 2003). During the pre-SAP period, there were few NGOs operating in the country and foreign aid was channeled through the government (Hanlon 1991). By the mid-1990s, however, there were 405 individual projects managed by 100 different agencies working with the Mozambique National Health Service, and many NGOs operated quite independently of public entities (Hanlon 1996).

However, it is widely acknowledged, even by the WB itself, that SAPs have increased inequality and led to greater vulnerability of poor populations, at least for the short term (UNDP 1998; World Bank 1997). As a result of criticism, the Bank and others recognized the need for some kind of "social insurance" to cushion the impact of the poor’s adjustment (World Bank 1997, 2000c). “Civil society” provided a useful rhetorical handle that sounds inclusive, socially sensitive, and participatory.

However, skeptics of the African civil society model suggest that foreign aid resources are still channeled to elites. Chabal and Daloz (1999: 23) state, "the explosion in the number of NGOs is not a reflection of the flowering of civil society in the sense in which it is understood in the West. It is, in reality, evidence of the adaptation by African political actors to the changing complexion of the international aid agenda." Howell (2002: 127), partly referring to Mozambique, concurs, "By supporting organizations of urban elites, donors may

inadvertently reinforce social inequalities, contributing minimally to the strengthening or organization of the poor, and its capacity to articulate its concerns."

### **The growth of NGOs and their participatory nature**

Informant Eight considers the relation between an NGO's growth and its participatory nature: "Today, in this new climate, many NGOs grow as an opportunity to receive funding. But very few do so as a way to increase the participatory element of the social reality, based on values, as entities which support a wider social movement and development cooperation." The union of an ideology with an organizational structure would integrate idealism and change, Informant Four holds: "NGOs exist with a cause, an ideal, and fight for it and within their project management must affront the ideological component with the executive arm."

About the goal of making development part from a participatory process implicating the beneficiaries, there are pessimistic opinions. Informant Five believes it is fallacious, and that practical experience proves it in the field: "Supposedly, it was a vision based on a participative diagnosis, but in the end, it was also directed. That was my first mission, where I was based during six months. It was a mission where one met everyone, where the Embassy was, the Ambassador rambling on and on about things, the inauguration ceremony dinner in the finest hotel of León (Nicaragua) with the presence of the local leaders, completely out of context, and so on...". Furthermore, this Informant believes it is impossible to include participation because the dynamics for its inclusion are impractical: "In the end, are they interested in how the process was identified, or whether it was truly participative or not? The context does not allow for there to be a participative identification. There is not time or resources for that. Who is going to be the one that will put forth the money and time necessary for a real identification? A participative process would take too long." The answer to how to make the process truly participative may lie in NGOs, the real counterpart of civil society by their very nature.

Not all of the people I interviewed had lost all hope for development having any effect. Informant Eight says, "It can be argued that development cooperation is useful in itself if it generates some determined process or other, synergies or biased dynamics, vicious circles or

virtuous cycles. If we analyze other sectors with regards to their sustainability in relation to their impact on employment creation or their contribution to the equal distribution of the country's wealth, the results would be much worse than those of the development cooperation sector." Yet, others question the direction of the industry and urge, "We should reflect on where we are heading", as does Informant One.

### **NGOs, the public sector, and privatization**

Certainly, public-sector programs also face many of the challenges that NGOs confront in sustaining volunteer community participation and in avoiding the tendencies of channeling resources toward local insiders and elites. Public services can be afflicted by corruption, inefficient bureaucracy, and dissociation from local communities. There are a number of important activities for which NGOs and civil society organizations, if carefully developed, may be more appropriate than the public sector.

And this raises the question of public versus private program management. Informant Two reflects, "The reality is, if we think we can transform the processes related to the market's production and competition, I think we are fairly mistaken. However, the social sectors, the public sectors within the less developed countries, have that money as their only alternative for growth, the only one and no other. This is why I have always considered it very important to maintain the strictness with which this money should focus on social and developmental aspects of functions which are, and cannot be otherwise, public: justice, health and education, no matter what is said, cannot be other than public in these countries, for a long time at least, it cannot be another way."

Informant one comments that though the IMF had some well-known failures, "where it has been most disoriented has been in forcing the growth of a public sector at a languid and moderate pace, as some countries have been obliged to do. First of all, it's a lie, because they are imposing the public sector's growth, if we can call it that, in a formal and budgetary sense, because there is a lot of public sector acting through international cooperation or whatever you wish to call it, because it does not show up in the accounting, neither on the government's

nor on the IMF's, it is not quantified, it is just a false, theoretical exercise which does not improve the process. Then, assuming, first of all, that there is a lot of falsehood in this, second, one can say that a much too rapid growth of the public sector is an unsustainable model. We're not talking about silly matters, we are talking about a country in which people die of malaria and don't count with a decently trained nurse nearby to provide a pill. If having more nurses implies a distortion of the macroeconomic model, I question if it is convenient or inconvenient given the circumstances, and not apply macroeconomic, theoretical models as a universally applicable fresh start in realities which are much more complex than in developed societies, 'because this country is very small, there is a lot of money, and so on'... this is much more difficult and complex."

Informant Three explains that the government leans toward privatization. "Everything passes through the private sector. For example, the banking sector in Mozambique: all of the banks nowadays are in the hands of Portuguese. The water supply is controlled by a public-private enterprise, which is becoming privatized. And the private sector continues to have a much heavier influence than the state does, more so over time. The explanation is that we have a very weak private sector. This is why foreign private companies are conquering the greatest space here."

### **The diversity of needs, and the competition for funds and between NGOs to address them**

Informant Six comments on the impossibility of unifying so many diverse needs, the mistaken treatment of peasants as a homogenous group, and the need for program evaluation: "Thousands of associated members, my God, and within those the different types of people there must be, with different concerns... the one who lives next to the lake is interested in fishing, the one that lives next to the road on which pass by those riding bicycles who sell corn in Tanzania, the one that lives next door to me who is worried about selling salt and oil in order to maintain his family... and we speak of the great mass, as if all peasants have the same necessities. And they all need the same kind of training, and all need to be taught about the associative movement, about gender issues, about domestic violence, and about who knows what... and we have participated in all three courses. And when the class ends, its real

impact is not considered– and we know that is a very complicated thing – but even the course itself is not evaluated.”

Though being the first organization to implement a program has its competitive advantage and outcome, Informant Four says, this is no guarantee for achieving real progress in development. “Arriving at an area without rivals has its advantages, especially when the community has benefitted from very few projects and there are few at the moment that one arrives. This creates a totally different scenario than when many NGOs are working in a given area...”. It has an effect: “the impact is greater in areas where there has not been any cooperation before.”

There is a certain competitiveness amongst entities, as Informant Six comments: “Each organization controls its territory and doesn’t want anyone else to touch it, and collaborations are unheard of, especially in Cape Delgado where there is a heavy presence of Spanish cooperation.” Therefore, knowledge does not tend to be shared, and this competition further limits the comprehension of the local situation.

Informant One reflects on the transformation of cooperation, comparing it to the market: “I think that since some time ago there has been a complete perversion in the world of cooperation, it has become a market where competition is very fierce. The objective is the development of Third-World countries. But if it is not achieved, this doesn’t work. The final objective has been forgotten... we play at how the money is distributed, how to compete against each other, how to influence, how well we reproduce models.”

Another matter is the competition for project funds. The reason for presenting projects is not always the need to be addressed, but rather becomes an obligation in competing with other organizations for limited resources. Informant Six remarks on the need for maintaining an infrastructure once a project has been started: “The dynamics of public funding for international cooperation is chaos, a jungle. The NGO has personnel, an infrastructure, the headquarter in the country of origin to maintain, and it must seek grants to cover staff and administrative costs. It is obliged to present projects.”

## **Making business of poverty**

After the civil war ended in Mozambique, there was a beginning of civil society action, yet “it has become accommodated to the development model, because it is within this very model in which we all begin to have the possibility for creating our own projects. One cannot easily find organizations questioning the development model. The government must claim in its reports that it counted with the participation of the civil society to be considered as having good governance,” explains Informant Two. Informant One adds that the bourgeoisie play a role in applying the development model. “The countries of the North have an interest in the Mozambican people representing their ideals. That type of corruption is accepted here, and also by the owners of the wealth. The same as when during times of human slavery, when Europeans would come here to purchase slaves. They had local slave-distributors, also interested in there being slavery. There is a neoliberal model, today’s colonization, called neocolonization. When a country’s national bourgeoisie is loyal to these principles, it is accepted.” And it turns out to be that the middle-class bourgeoisie have intimate ties to political movements.

There is an unofficial discourse counting with official consent, which launders corruption. Informant Two explains it quite simply: “Historically, Mozambique was colonized, the Mozambicans didn’t have any money during colonial times, and after the country was liberated, turned into a Marxist-Leninist socialist state with an inexistent private sector. Nowadays, there are Mozambicans under 15 years of age with fortunes. The discourse goes like this: if we don’t have a business-oriented private sector to dynamize development, then what would this be like? Would everything remain in foreign hands? Sometimes corruption is perceived as a form of consolidation, but the political discourse must speak against corruption.” And the great contradiction is the business made of poverty itself, as commented by Informant Six: “The issue here is that we all live off of the extreme poverty. How are we going to want for it to end? Including, of course, the leaders.”

What is needed to redistribute, more equally, the benefits of Mozambique's recent growth, is the promotion of a civil society that does not continue to compete with the public sector for scarce resources, but rather seeks to improve the public service delivery. There are signs that the future will bring positive change to Mozambique. IMF constraints on public spending in

health and education have eased recently and a number of health indicators have improved (INE, 2001). Hopefully this trend will continue, and contribute towards equality.

Another important variable is the existing gap between rural and urban, modern and traditional, inside and outside the “state system” in Mozambique, read in the interview with Mia Couto in the November 2003 issue of the *Spanish Cooperation Informative Bulletin*. According to Mia Couto, the modern state only effectively reaches the capital, Maputo, and some part of the provincial capital. Over half of the population has no idea of the state as a system, the formal laws governing it or their rights as citizens. It lives in strict adherence to traditional rules and structures established through custom, and not at all based on an educated understanding of the state.

Even though rejecting neoliberal positions, NGOs do not offer alternative viewpoints. Informant Two considers that “NGOs must palliate the effects caused by neoliberals. It is not the moment for rebelling right now. So, which alternatives are available? They are the intrasystemic positions, but in order to have these one must have power, so the process of gaining power could be a route for the long term. NGOs need to be critical of this, but the only claim they establish is the demand for more money, and not for an alternative model.”

## **Relating to Donors**

Because civil society is intimately linked to assistance, its participation can also create a negative effect, generating dependency instead of self-sufficiency. The global civil society has helped the Mozambican one from its conception to its creation, but, simultaneously, has also drowned it with imported models adequate elsewhere, without giving her wings.

Some NGOs are acquiring their own voice and have some prevalence in a public sphere; however, it seems that many others are welfare providers, as commented previously. There are NGOs without any political controls to combat corruption, or to lobby the government or some multinational enterprises. Yet, there are some alternative organizations rooted in Mozambican civil society that receive support from external donors and are integrated amongst the poor. UNAC, ORAM (Rural Mutual Aid Organization) and Campanha de Terra (Land Campaign, network of peasant groups) have an effective record in advocating for their

beneficiaries and deserve a systematic comparison with the national NGOs criticized here. While most active in southern provinces, they have mobilized effectively around the development of the new land tenure law passed in 1997, providing critical protection for small, rural landholders in the postwar period (Eys 2002; Hanlon 1996, 1997).

There are also very critical opinions. Informant Eight is extremely skeptical of the capacity for transformation in the light of the reality of the NGOs and their actions. "They are not all the same. They form a very heterogeneous group, which makes it a barbarity to speak of NGOs as a whole. The Spanish NGOs have held a role in direct, social action, with very little capacity for transforming reality because even in this type of social action, from my perspective, it is formally very expensive. It's not true, the idea the NGOs tend to sell to donors in the sponsorship of development programs in Third World countries: 'with very little money you can help transform the lives of many'... I think it is a great fallacy. And if the capacity for transformation itself is questioned, then the faith in NGOs is destabilized."

Before the extreme dependency on donors, the demand or real needs of underdevelopment generated the search for aid and resources to address it. But, a moment came when the offer of money changes, and donors specify the field of action in which they want their money spent. NGOs specialize in exclusive activities, differentiating themselves across sectors: medicine, education, environment, children and infancy. Consequently, they become fragmented. As Informant One reflects, "Now one cannot speak of a harmonious, integrated development. Each one goes off on its own." Informant Two reflects on the loss of identity: "There are numerous NGOs which, because there is money for the HIV-AIDS (human immunodeficiency virus - acquired immunodeficiency syndrome) cause, have become 'specialized' in HIV. There are many NGOs without their own identity."

But, disheartening and contradictory as it seems, the question of achieving a real development in the field seems to be the least of the matters under scrutiny by project funders. The same Informant continues: "No process has been paralyzed because of this, we keep on presenting programs worth millions of euros, and the donor has a vested interest in this and doesn't even study the proposals too much, nor reads the evaluation reports, so really what is being done in the field is not important to Spanish official cooperation (but rather the need for spending and justifying the expenses is)."

Informant Nine dares to say the objectives set out in the projects are, themselves, false: “We have just been half-forced to complete with a set of indicators which we know we are never going to be able to achieve through a project, but it doesn’t even matter because one writes a report, makes up a couple of things, offers some means for verification which aren’t even asked for... we reach absolutely ridiculous extremes, describe things which sometimes are untrue, directly lying because we know they are impossible, and surely the funders know it is untrue, but they do not care.”

How can we know where the field is headed unless one understands what has been achieved, and not achieved, so far? “A real evaluation is not being done, and this is the great contradiction,” says Informant Two. Informant Eight is outright adamant: “The reports tend to be false, and the evaluations are hardly rigorous at all, with hardly any base. But, self-criticism amongst NGOs is inexistent, of course, especially when an NGO is 100% dependent on external resources and depends on marketing for selling its services in order to maintain the institution itself. One finds some criticism; amongst the personnel one certainly hears it, but normally in the personal realm. It is very infrequent to find it in an official report. Cases such as Doctors Without Borders in relation to the Tsunami, to hear them say that the money granted is not going to help the people who suffered the Tsunami, it is not normal to hear that.”

Another example of a type of spending that is questioned is when donations do not reach the victims directly, oftentimes presented as a bad use of resources. Informant Eight went on to justify the spending of money on community awareness raising as the critical action of an NGO, such as when an organization wants to transform society in its own country (instead of in the Third World) and requests funds to do so. A concrete example clarifies how this is also part of development and civil society: an organization acts in a zone when there is a catastrophe, such as that of the Prestige oil tanker boat spill on the northern coast of Spain at the end of November 2002, and asks for funds to respond to said misfortune. Those funds are used for television campaigns and hiring lawyers. Informant Eight argues that the measures used to feed the information channels and present reality are justified, even if the funds are not distributed to the victims.

Another angle criticized is the use of sensitivity and gender issues to access funds, when in reality, they are not treated adequately in the design of the projects. According to Informant

Four, sensitivity is, sometimes, merely an instrument through which to access funds: “In a recent study, a consulting firm asked about the gender issue within a rural community. One of the responses was: “because the donors here like to deal with the gender issue, with women, and if they don’t see women they do not grant projects, we are here to promote projects for women so that the donors will give us money.”

Informant One goes on to speak of the influence of donors on the targeting of funding, even when it is a public entity: “I have never thought they put conditions on us. Specifically in our case, public funding has not conditioned us. Furthermore, I remember in the beginning of the Popular Party (conservator ruling party in Spain between 1996-2004) I was clumsy. We had a huge project worth 1.500 million Spanish pesetas in Cuba, in the region of Pinar del Rio. It was a four-year project which had been approved under the previous director of the AECID (Spanish Agency for International Cooperation for Development). A new director came in, I have my first conversation with him and I explain the entire project to get him excited, and say: ‘it is the clearest expression of a case where public funding is playing a role, because public money belongs to everyone, is shared on equal terms, returned to the exploited people, and which will generate, later, a higher level of regional development.’ It turns out that this new director was totally anti-Cuba and responded to me at that moment ‘You’re the one that’s living on public money.’ I was speechless at first, but then reacted, ‘You are the one that is living thanks to the state paying everything for you, and much more than you deserve. With what authority do you tell me I live thanks to the state?’ And then it occurred to me to say something which I should not have: ‘I resign because of this shit of yours, it is contaminated.’ I believe that public money cannot be used to do this because that would be prevarication, and this man prevaricated.”

In the end, one relates to the donors in a way through which to receive money. Informant One explains, “We know that the AECID has priority funding for Mozambique, so we present projects for Mozambique. This is where, I believe, there is acceptance of and an adaptation to the criteria imposed by the donor.” Not only for a specific project, but for long term survival, as Informant Two comments, “The survival of an NGO is in and of itself a project, too, and is the case with UNAC as well.” Informant Three reveals the instructions given top-down in the NGO: “We are being offered a project on such-and-such a subject, on education for sanitation, so elaborate a project on this because that is what’s going to be funded.” Informant

Five comments from another angle: “In practice, UNAC is not that good. In addition, it is limited economically because it depends on projects, and its idea on how to go after projects is being ruined. To top it off, UNAC, just in salaries, spends half of the project budget, or maybe not so much, but surely 40-50% is spent on wages.” A change is needed, Informant Three proposes: “We had an internal evaluation a few years ago and we saw that during some moments we acted like the classical NGO, but that is not what we wanted”. An NGO must establish its priorities, believes Informant Four: “We cannot spend our entire life lying to ourselves, confusing what we have to do in order to gain resources. In the name of having to earn money, we begin to believe what we are saying.” The heart of the matter lies in the relation between dependency and money, as Informant Eight says: “NGOs and their capacity for critical thinking are much freer the less dependent they are on public funding; there is no question about that.”

Informant Two relates association-building and donors, and adds: “Who needs the associations? One concludes that the peasants don’t need the associations of peasants, that the projects need the associations. In the majority of the cases, associations result from the programs, and not because the program has worked on the same level as the associations in reinforcing them. The way in which the donors give money does not contribute, really, to community growth or empowerment. In a certain way, it seems that we are against the creation of associations, but the only thing we want is real association-building. Not all of this uncontrolled growth favors in any way that people become aware of their reality, or learn to transform it, and not just organize themselves to be opportunists within some projects.”

One of the ways in which they are opportunistic is that they make use of all the right terminology while not always having full commitment to making them reality. Certain words become fashionable for use in the project proposals, appropriate at times, such as “sustainable development”, “respect for the environment”, “gender approach”, “technological factors”, “community participation”, etc. They are included in the projects even if they make no sense, one speaks about the process, and must use the vocabulary in vogue. Informant Six believes that though the terms change, the process remains, basically, unaltered: “we have to reinvent ourselves over and over again to keep subsisting because there are lots of people living from this. Now the process is ‘participative and from a bottom-up perspective’, but in essence, it’s all the same.” Informant Eight believes that though the setting changes, one cannot lose sight of the strategy: “We are going from the financing of water wells to the financing of schools or

medical centers or management systems, to the funding of training systems, or capacity-building... it is a new phase which, from a development perspective, seems more strategic than social. It remains clear that this methodology can also be a cover-up for nothing being done. When the funds are more abstract it is easier to lose them with less consciousness. Therefore, the process requires vigilance. It must be done.”

Some, as is Informant Six, remain skeptical about achieving a real participation: “The magic word now is ‘institutional strengthening’; it is very easy to talk about.” And others criticize that theory remains only that and does not turn into practice. Informant Two complains, “You wouldn’t even imagine how many workshops there are here in Maputo. Every day, one gets invited to one. If we weren’t careful with all of those people who are working with us, supposedly with capacities because they know English or something else, they would do nothing else but attend these workshops.”

Activism as separate from the government is relatively recent in Mozambique. Nevertheless, the government intends to increase participation by citizens, communities and civil society in drafting and evaluating policies in an effort to realistically address their needs. It has formalized this intent as an objective under its Five-Year Plan 2000-2004. The state’s Poverty Reduction Action Plan (PARPA) (Palha de Sousa 2002) requires action across a breadth of societal sectors (families, companies, associations, clubs, NGOs, etc.) to include both citizens as individuals and institutions as groups. Though a welcome governmental initiative, the perspective still shifts toward a community involvement of a “self-reliant” nature with regards to development efforts, in contrast to a stronger participation in actual policy-making and planning.

### **Bureaucracy and NGOs**

By 2001, UNAC had grown to include 1.010 peasant associations with 60.585 members, and Eys (2002: 152) claims "UNAC can be considered one of the few civil society organizations with a considerable and fortified social base." However, Eys also reports that NGO behaviors begin to appear in these groups, and membership has become restive in some associations. He quotes a UNAC functionary as saying, "Because of pressure from donors and from the peasant associations, UNAC has been acting like an NGO, with the central preoccupation of

obtaining funds for project implementation. The bureaucracy inherent to project management and administration has been disturbing the relationship amongst associated members."

Bureaucracy is constantly mentioned as an impediment to real development, and an obstacle to participation by the people because of the processes it adds to a project. Informant Three comments: "We are exhausted by the bureaucratic requirements imposed on behalf of donors." The issue of bureaucracy evokes strong responses such as that of Informant One who stated: "We don't want neither such horrible bureaucracy, nor such clumsy formalisms as we have now." An alternative must be found, as Informant Two pleads: "We must lessen the bureaucracy. You can't even imagine how many problems people have worrying about all of this. And afterwards, we don't even reflect on real development because we're too concerned with money, spending it, reports, invoices, etc. It causes so many headaches, you can't even imagine." "Because that's how it is: financial reports reports and more reports, invoices and more invoices, money, money, and before a project is completed, one is preparing the next one, and another..." sighs Informant Four.

Bureaucracy itself forces the existence of certain types of NGOs. Informant Two comments, "We have good NGOs with good ideas doing good projects. Oftentimes bureaucracy collapses, limits, and obliges them too much for the sake of implementing it." The procedures imposed on the programs skews the cultural adaptation completely, according to Informant Six: "The Spanish cooperation is pretty miserable, in general. And well, they have a series of established norms which serve the donors' interests in terms of timelines, processes, requirements, and so on, and which disregard the local processes or needs completely, because everything is created over there for the interests over there. And to some degree, it justifies the work of a lot of people here and there." Informant Eight questions it completely: "The central services are drowning under a new bureaucracy. I find it pretty useless, a bureaucracy which doesn't allow for decision-making with a vision nor for effectuating an authentic audit of expenses incurred on behalf of those in the field. The cooperation agencies and financial institutions must change their way of thinking about how funds are justified and how projects are referred to. And, of course, there has not been the sufficient flexibility on behalf of Spanish cooperation for that."

## **NGOs for themselves or for the most needy**

According to Informant Eight, the money implicated in development cooperation is around 70-80 thousands of millions of dollars, globally. That is a small amount of money, not even reaching 10% of the GDP of a country such as Spain, a medium-sized, more so leaning to small-sized, country, with a very high level of human development. But if one asks another person if an amount such as 10% of the Spanish GDP can be used to solve the world's poverty problem, the reaction would be of confusion and uncertainty as to what is being referred to. Perhaps a large part of the general public does not understand monetary quantities in these terms. Furthermore, the little money available gets invested through a thousand, dispersed, uncoordinated institutions with contradicting interests, most being lent in the form of credits, including financial aid and nonrefundable grants. The great majority of the aid is given bilaterally. The multilateral organisms, including the WB, have a very small influence in proportion to the total volume. Informant Two comments, "We are open to helping any country. But no, we don't reach everywhere, evidently no one can, it's backwards: it's all for one."

The differences in NGO salaries between higher and lower level nationals was also significant, reflecting greater demand for the few highly educated personnel, further reinforcing existing inequalities. Not only did NGOs offer better pay; they offered it during the SAP period when public-sector wages declined precipitously, especially those of health workers, teachers, and other professionals. Nurses' monthly salaries dropped from \$110 to less than \$40 and doctors' salaries dropped from about \$350 to \$100 between 1991-1996 (Hanlon 1996). The conditions imposed by the IMF capped public sector salaries so that even plentiful donor funds could not be used for permanent raises. By some estimates, 30 percent of full-time Mozambican civil servants fell below the "abject poverty" line in the early 1990s (Hanlon 1996: 49).

However, the donors' promotion of national NGOs interacted with the new economy unintendedly. The top staff in each of the local NGOs tended to be well-educated urban dwellers drawn either from international NGOs or from the public-sector. Over half the program and administrative staff of an educational NGO was recruited from the capital,

Maputo. A widely held perception in the expatriate community, expressed in monthly meetings of the organizations, was that many local opportunists were using aid funds to establish false NGOs to access foreign aid funds. In an economy with few employment opportunities, foreign aid could be very lucrative for ambitious community members with higher education, language skills, and contacts. Usually, members of the same local group that entered the international NGO field as employees used their insider knowledge, contacts, skills, and resources to start their own local NGOs, and developed ideas for NGOs that were floated to international agencies for potential support. And, as Eys (translated from Portuguese by author) confirms for Mozambique generally:

Practically all Mozambican NGOs were created by people with significant academic or technical-professional training. One can be assured that the founders of these NGOs generally belong to the middle class of society. University students, technicians from various sectors, civil servants from public-sector institutions, are some examples of groups that take the initiative to create an NGO. In fact, cases are very rare in which a national NGO is created by the base [poor or grassroots] for the base. (Eys 2002: 149)

To confound the problem, international NGOs often competed with one another to help their local NGO spin-off hire available, qualified staff. Lack of skills in accounting and management was cited amongst the locals repeatedly as the main barrier to NGO sustainability. The international agencies and their expatriate representatives were almost always needed to help prepare funding proposals, provide key contacts, offer office space, and vouch for the local NGO during the proposal-making process. Informant Four expresses the problem: “Unfortunately, there are so many unidentified organizations working in the same area. This is a serious problem.” Informant Six accuses the NGOs of lacking differentiation: “They do not want to be another NGO, just another one, but I think that to some degree they are.”

Experience and observation suggest that locally established NGOs suffered the same shortcomings as many international ones, regarding their budgets: large portions were consumed by staff salaries and administrative costs, with little left over for the poor, target communities. The distribution of aid funds to these new organizations may have intensified inequalities rather than stimulated civil society locally. As Howell states:

Given the disparities within civil society and the greater capacity of educated elites to organize, a key challenge for donors committed to poverty reduction is identifying ways of supporting organizations of the poor, rather than organizations claiming to act on behalf of the poor, and of creating spaces where the voices of the poor can be heard. (Howell 2002: 127)

An active civil society is clearly a vital factor in the development process, but the Mozambican experience demonstrates the pitfalls that development efforts face when promoting civil society organizations within a context of increasing inequality. Informant Six was absolutely shocked when discovered that the UNAC programs are paying “good, juicy salaries of who knows how many permanent hires. We know there will be other projects after this one, and that they will continue to receive these salaries, so, obviously, we must present another project, not only to be able to pay the wages but also those of the two staff members of IEPALA in Madrid, plus all of the expatriates here, plus who knows what else... each program has its own vehicle, for example.”

At the same time, “when an NGO enters the circle of public funding, it enters certain networks, and it knows quite well what it has gotten itself into”, Informant Six is convinced. UNAC, realistically speaking, is 100% dependent on external funding. The only people within UNAC who don’t depend on anyone else are the farmers, as Informant Six continues to explain, “the famous members, because they still work with their own hands and do not depend on anyone else. They are the only ones. Everyone else depends on the project or the program. Plus, the administrative costs which the NGO absorbs, be it IEPALA or whichever other because they are all the same, are extremely elevated. It is unbelievable, 30 or 40 thousand Euros, it’s shocking, but it must be necessary, isn’t it so?, because there are lots of things going on along the process until one reaches Madrid, to maintain the infrastructure there. Clearly, there are lots of hired personnel, a building, a house, other things, and I don’t know how much more, more than I know, surely, so that is why (the costs are so high).”

Though the peasants are supposedly the uneducated, final beneficiaries of the projects, they understand the economic reality, Informant Seven comments: “We are injecting tons of money by force, because that is another thing... almost 400 thousand euros must be spent before December 31st. The peasants may be illiterate, but they aren’t stupid. They see how these processes work.” And whether it’s a small-scale project by a local NGO, or a huge,

international project funded globally, the essence remains the same, says Informant Ten, based on experience in the field: “I’ve been in Mozambique for three years, I worked with FAO and afterwards in some small consultancies with other NGOs. About the UN, that’s another league. It’s another story, clearly. The shit is multiplied by 100, the salaries multiply by 100, it’s all like that.”

Informant Eight continues, “Sometime, in some forums, the skeptical and disenchanted positions are sought on these issues of giving money in a way which generates dependency and unsustainable processes, etc. I think there is a lot of truth in it, but I also think that one cannot lose one’s sense of direction, or the gains if the objectives are achieved. The main issues at stake in Mozambique are the achievements. Afterwards, we can speak of what is done well, poorly, mediocre, but the achievements are at stake.”

Another question is that of social equality in the distribution of wealth, Informant Two worries. “NEPAD say it is an idea attributable to the Africans, but the ways of doing depend on Northern countries. On the other hand, it isn’t important whether it is the North or someone else because the national bourgeoisie imitates the same model. I’m not interested in whether the person who robs me is black or white. Our elite want to occupy the space left by the exploiters. I’m worried about an improved social equality with a greater degree of distribution.”

### **Relating to communities and the state: promoting equality and participation**

In the majority of rural areas, African families and social groups create their own behavioral rules and networks based on solidarity to provide themselves a minimal amount of self-protection and inclusion. I have witnessed this first-hand through my experience working in capacity building in Mozambique. Rural families remain invisible, completely detached from any concept of formal association, whereas the NGOs visible in civil society usually have a corporate management, personnel structure and market-based salaries, a highly developed organizational structure demanded by the donors’ requirements for planning, reporting, accounting, and program implementation.

The danger with this top-down program implementation is that it results in passivity, as Informant Three explains: “The peasants became accustomed to receiving. NGOs arrive and give them things. When the project ends, the result is the same, except that the NGO’s report claims that objectives were fulfilled and that proof of this was presented.” And, what about the question of who is helping who? “The programs provide our daily bread; these programs are the ones which pay our personnel. I think we lie to ourselves in believing that we strengthen the farmers’ movement”, admits Informant Six.

The top-down perspective (from the government down) and the bottom-up perspective (from the peasant up) are also quite different, almost contradictory, yet logically justified by the circumstances, claims Informant Six: “The Mozambican government has very little interest in the local development process, though official speech favors local development. The peasant doesn’t feel he is represented within local development, either, so he looks for a way to survive, as has always been the case, don’t you think?” If the peasant himself doesn’t feel responded to, and governmental rhetoric is perceived as merely theory, how are both sides to understand each other equally?

Informant Seven comments on the importance of interpersonal relations and the challenge it poses in creating a nexus between development projects and the final beneficiaries: “Each day we learn, especially in the field of development, as the boss at the Spanish Agency for International Cooperation says, that development is very complicated, and even more so when one works with peasants. It is easier to work with business owners. You must know how to connect with the people, try to push them to their limits and some do not accept this.” That is the challenge the organizations working in the field affront daily: contacting, genuinely, with the people whose lives they are supposedly trying to improve and involve them in the program implementation.

The sustaining of volunteer participation within local communities in NGO projects increasingly emerged as a key challenge and was lamented by expatriate program coordinators. While most of the active NGOs touted the importance and merits of “community participation” in their projects, nearly all complained, frequently, about the difficulty of maintaining community interest in projects without paying participants or providing direct material benefits. Lack of volunteer participation amongst the poor was usually interpreted by expatriates as the result of too many foreign aid “handouts”. The sense

of community participation grew thin and leaders themselves often requested cash payment per diem or some form of direct material benefit, such as bicycles or building supplies. Many participants thought they worked for an NGO and deserved payment.

When dealing with volunteer participation, the objective is not to cut costs, but rather to implicate the local communities in addressing their own problems, become part of the solution through their work, and feel a sense of responsibility over the result. For example, when a school is built in a rural community, the intention is that the community be an active part of the project; it is understood that if that project has been approved, it is because the community has decided it through a participative decision making process. The purpose behind the volunteers collaborating together carrying water and sand, men and women equally, and all of the families working in shifts, is so that they feel capable of satisfying their needs, that the school is the result of their shared effort and belongs to them, value and maintain it. Another example is the training seminars with professors and workers in the health field; here the voluntary participation has been lost completely. Either a per diem gratification is paid or no one participates. The locals have become accustomed to the promotion of these actions by NGOs or development agencies which pay. In the example of the school, the situation is the same. It seems the locals do not feel implicated nor that the project is theirs, and do not participate unless they are paid to do so.

Yet, others critique the processes used in motivating the beneficiaries to participate in their own development as not implicating genuine decision-making. An example is given in relation to the speed with which an association is established. Informant Seven describes: “We have problems trying to motivate peers in the agricultural field to learn, seek training, gain abilities, acquire negotiation skills, and be capable of presenting themselves unto the government. For example, there is an organization called PACA which gets the people together and legalizes an association. Afterwards, it gives them monetary credit. This is not a correct process. An association is a very profound thing; it requires time, and must be based on a freely-made decision.”

And then there is the contradictory effect of the development programs, as Informant Eight comments, with regards to Maputo, specifically, as to the increase of extreme poverty. “Perhaps the contributions made through development cooperation have most favored Maputo, benefitting from the process there because of a denser concentration in the capital.

Meanwhile, there is a secondary effect with the opportunities created, making for there to be more population in extreme poverty. The poverty level in Maputo has increased. That the process is unbalanced, there is no doubt about it. But, is there any developmental process that is not? Haven't we had great imbalances in our own countries and even undergo difficulties now?

What happens a lot in development cooperation is that the processes demand levels of purity which are impossible to fulfill in other realities and less so, therefore, in one which suffers such a lack of resources and is so deficient. There has been much theorizing on the many ways in which the utopias unfulfilled in wealthier societies can be transferred to the poorer ones." It does not work to simply transfer over examples of successful projects elsewhere, without adapting them to the local context, and this takes time, first of all, and a genuine knowledge of the situation, from an insider's perspective; the foreign worker here temporarily cannot grasp the complexities of the factors involved.

And I underline the vital importance of having cultural sensitivity and knowledge of local values and customs in order to integrate them into the projects, otherwise the projects will not work because the beneficiaries feel excluded and do not participate. It's a question of genuinely adjusting a project to the local context and integrating the gender perspective. Informant Two tells an anecdote as an example: "In the North of Mozambique, if one sees a woman on her knees giving an old man to drink or something like that, one would lift one's hands to one's head. One has to see what people here do, how they do it and how one can contribute, based on how things are done here, and not show up with a project from somewhere else and say that the way things are done here is not right. There are anthropological studies to learn how things are done here, which is the way to do it, so as to not come with methods imported directly from the North and tell the woman to do things that could cause her problems later and even be prejudicial to herself." Yet, the sensitivity should be an end in itself.

## **Conclusion**

Though the growth of NGOs has negative effects and increases inequality in economic terms, at least for the short-term, what is clear is that the only way for development to have a long-term impact is for there to be a bottom-up participation of the locals in the projects (implicating the communities of beneficiaries), and for NGOs to strengthen and complement public-sector services (collaborating with the public sector) while relating to donors in a way to achieve their own goals and not those imposed on them (integrating the private sector).

Despite the fact that this real participation is not analyzed in depth by donors nor promoted, in practice, by the government, the initiative for change must be born of the locals. Dependency on others – donors, NGOs, government – is unquestionably unsustainable. The local people base their interpersonal relations on supportive networks, and have an intuitive understanding of cultural issues, so the most meaningful, logical and straight-forward way to integrate them into the development projects intended to benefit them is to design the objectives with participatory processes. NGOs must move within an intrasystemic position, so as to encompass a wide variety of factors (economic, cultural, historical) in the most pertinent way.

## Chapter V: Conclusion

To sum up this paper, three words are key: dependence, inequality and poverty. The main consequences are most acute for the peasantry and working population, as can be appreciated through this case study of the Mozambican context. Yet, there is hope, as I have discovered through both my direct experience in the field and interviews with eight informants, in exploring issues related with the role of NGOs, the donor-NGO relationship, project efficiency with regards to sustaining infrastructure as opposed to benefitting the final beneficiaries, and other, diverse issues discovered through the analysis of the functioning of NGOs and which are commented individually below.

The role of NGOs evolves over time. Development apparatus have been institutionalized in a majority of countries. A high concentration of development assistance can be located throughout the Third World. There seem to be identical development institutions, sharing a common discourse and problem definition, pool of experts and stock of expertise. However, many organizations are increasingly integrating a more participatory development and recognition of indigenous knowledge.

The impact of development programs is considerable, given that an "independent" civil society emerged speedily during the withdrawal of the State from the ordinary Mozambicans' lives. The place left empty was replaced by international NGOs and churches. According to one newspaper report, "donors fund around 40 per cent of Mozambique's state budget" (*Business Report*). The weight of NGO action on the national budget is, inescapably, reflected in the country's socioeconomic reality. Opposing opinions as to their role and impact have been presented.

My research has uncovered several crucial issues, identified in the functioning of development projects in the context of the communities of beneficiaries. More important, once identified, these can be integrated into future projects, therefore strengthening their impact and increasing their efficiency. Some of the issues are: participation in the decision-making processes before and during project implementation, program evaluation, the relationship between NGOs and the public sector, and the integration of local culture and values in adapting the programs to the regional context.

Several, distinct issues have been posed in this study, with the objective of interconnecting several dimensions of the development field in Mozambique particularly. Some of the conclusions are summed up as follows.

**The perception of efficacy of NGO activities as perceived by the donors, in contrast to the perception of benefits as seen by the beneficiaries.**

As the new public development programs intended to include all, the participation sought on behalf of the population expanded across the poorest to the most educated. However, Mozambican civil society is indispensable but weak. Opinions about it are both pessimistic and optimistic. The reality is that a participative process always implicates scarce time and resources, whereas donors seek tangible effects 1) as fast as possible, 2) in specific fields according to their own priorities and interests, and 3) not always in harmony with the true necessities of the local context in which the intervention is carried out. Beneficiaries do not feel that their needs are considered, but that donors fulfill project objectives and establish their own criteria for doing so without implicating the locals in a meaningful way.

**The channeling of money to the community projects versus its absorption within the bureaucratic infrastructure of NGOs.**

Though illiterate and poor, the peasants comprehend the dynamics of project funding, overhead expenses, staff salaries, and that only a minimal portion of the aid funds in their totality actually reach the final beneficiaries. Some informants consider the cost of NGO staff and the amount spent on the poor as obviously inadequately distributed. Objectively, the projects simultaneously hone social inequalities: the local elite benefit from the projects, the educated access well-paying jobs with NGOs, the government launders corruption, and the organizations compete with one another in hiring qualified nationals. However, other informants propose that the important thing which outweighs all of this is the real achievement, and the need for focusing on improving social equality beyond the distribution of material wealth. Program evaluation is key for its impact to be measured realistically, to base future projects on sustainability, and not just the search for funds to maintain infrastructure. The crux of the matter is to respond to the needs of the context, integrating its multidimensional complexity.

**The level of NGO autonomy from government, how it is achieved in the context of dependency on donors for economic support, and the compatibility between an NGO's autonomy and the obligation to follow the donors' rules in order to obtain funding.**

The question of the complementarity of public and private management is analyzed, as well as the relationship between NGOs and public-sector services, as the former is not intended to substitute the latter, but rather reinforce it. However, the government tends toward privatization. Both competition for project funds and the safeguarding of information are fierce. SAPs have fostered inequality and provoked vulnerability, and within this background the action of civil society is born, while corruption seems to be inherent to the projects and officially consented to. NGOs must propose an alternative to the neoliberal, macroeconomic model, adjusting their actions to complex and difficult situations, yet playing into the top-down, bureaucratic procedures imposed on by the donors and funders, responding to bottom-up necessities. How are they to do this?

NGOs must seek self-sufficiency, acquire their own voice, and represent the needs of their beneficiaries just as much and more so than the voices of their donors. They must create participatory projects evaluated for their impact, as opposed to giving aid as welfare, passively received. I explore their capacity for transformation within the network of donors, government, and companies. Clearly, there exists an inverse relation between an NGO's ability to think critically and its dependency on public funding.

**The interpretation of local culture and ethnicity by both NGOs and donors.**

As well, the adaptation to local culture, values and knowledge is essential for a project to work and for the beneficiaries to assume an active role. This adaptation should be an end in itself, and not just a strategic instrument for the obtention of funding. In Mozambique, civil society is still quite young and the sociocultural and historical context needs much maturing before it can achieve the level of democratic reform defended by well-educated, well-informed social classes. The country does not have enough experience to base its effort on, its legal framework needs modernization, the government is either outright mistrustful or indifferent, and the majority of the people cannot read, is uninformed and too poor. Many of the "advocacy" organizations focus on delivering tangible services instead of championing philosophical rights.

**The balance between the delivery of material benefits versus longer term empowerment and sustainability as understood by NGOs and donors.**

Because NGOs act within a relatively distinct, plurality of domains, they can find their own position and operate in intentionally diverse relationships so as to not depend completely on donors' criteria, and gain sustainability while empowering their beneficiaries and themselves. Donors influence NGOs to a much greater degree than NGOs influence donors, but a strategy is for NGOs to turn this to their advantage by assuming a holistic approach and building a systemic relation amongst a broad variety of organizations. Each case and subgroup within NGOs can be personalized so that each one is able to retain a strategic advantage amongst the rest, being as there are, so many and dealing with such diverse issues, beneficiaries, specializations, etc.

**The convictions based on broad, neoliberal values or the advocacy of alternative positions by NGOs and donors.**

However, mainstream development projects do not embrace authentic structural problems. Instead, they create a discourse of a traditional, poor and homogenous peasantry which needs to be controlled by the state. Furthermore, neoliberal policies reproduce this perspective. The development industry was part of the ideology of capitalism through the State, while the poorer classes are divided unto the values of a capitalist, individualist and materialist agenda, victimized by policies aimed at them.

Therefore, the key lies in an NGO's self-positioning, in finding an autonomous space between governments and donors, using project funds efficiently with a high-delivery impact in the community, moving about fluently amongst local culture and ethnicity, integrating local values into their programs, and promoting a valid empowerment of the people. This would all help to achieve a truly sustainable development. The challenge is to do so within the neoliberal values of the world's dominant political agenda. An NGO must be systematic and organized enough to offer a solid and proven approach toward goal-setting and project design, yet be sufficiently flexible and knowledgeable to personalize its actions to the region's sociocultural, economic and political climate. This is only possible through a participatory implication of the project beneficiaries in the field, from a "bottom-up" approach, not a "top-down" imposition of program execution.

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## DECLARATION

Submitted in fulfilment / partial fulfilment of the requirements for the degree of MASTER, in the Graduate Programme in DEVELOPMENT STUDIES, University of KwaZulu-Natal, Durban, South Africa.

I declare that this dissertation is my own unaided work. All citations, references and borrowed ideas have been duly acknowledged. It is being submitted for the degree of MASTER IN DEVELOPMENT STUDIES in the Faculty of Humanities, Development and Social Science, University of KwaZulu-Natal, Durban, South Africa. None of the present work has been submitted previously for any degree or examination in any other University.

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