

CAMPAIGN AGAINST CHARITIES AND TRANSNATIONAL PROGRESSIVES

Martin Mowbray

*This is a shortened version of a paper 'War on non profits: "NGOs: What do we do about them?" ' published in **Just Policy** (No.30, July 2003, pp. 3-13), a journal of Australian social policy published by the Victorian Council of Social Service. Martin Mowbray teaches at the Royal Melbourne Institute of Technology (RMIT).*

The *Weekend Australian* (2-3 August 2002) reported that the federal government 'has hired a right wing think tank to study charities, welfare and aid groups receiving millions of dollars in public funds in a bid to introduce new rules on access to government departments based on competence and "acceptability" to the coalition.' The Institute of Public Affairs (IPA) will audit such bodies as Oxfam Community Aid Abroad, ACOSS, Amnesty, the Red Cross, Greenpeace, World Vision and Care. One problem with this plan is that the IPA seems to have already made up its mind about what is wrong with NGOs and what needs to be done about them.

Though free-market advocacy groups often present themselves as objective 'think tanks' this fails to convey the extent to which they are committed political activists. Foremost among their targets are non-government organizations

loosely united by support for notions of environmental, human or social rights and responsibilities. Free-market advocacy groups have been particularly vocal about international aid but have argued more generally that support for non-profit organizations involved in advocacy be withdrawn. Urging government to abolish tax deductible donations to organizations that engage in public advocacy is a very topical case in point.

In this article I examine the IPA's thinking and strategies as evidenced through the public interventions of its staff in the current debate about the role of NGOs. The IPA it might be noted is the longest established free-market advocacy group in Australia. It claims to be 'Australia's premier think tank for over 50 years'.

In 2002 the Institute of Public Affairs published an article by John Fonte of the US Hudson Institute. A tendentious and alarmist paper, it is effectively a caricature on how free-market intellectuals perceive and represent the threat they say NGOs pose.

Fonte argues that Francis Fukuyama's sanguine 'end of history' thesis, that no alternatives to liberal democracy and economic liberalism remain, is wrong. This, he ventures, is because 'the activities of NGOs suggest that there is already an alternative ideology to liberal democracy'. Fonte warns that the next 30 or 40 years may see 'a new transnational hybrid regime that is post-liberal democratic'. Such 'transnational progressivism' will constitute a threat to the 'democratic nation state and the American regime in particular'.

For Fonte, the social base of this threat is 'a rising post-national intelligentsia (international law professors, NGO activists, foundation officers, UN bureaucrats, EU administrators, corporate executives and politicians)'. 'A good part of the energy for this transnational progressivism is provided by human rights activists, who consistently evoke "evolving norms of international law"'. Such transnational progressivism 'threatens to limit both American democracy at home and American power overseas'. Fonte warns that traditional 'American concepts of citizenship, patriotism, assimilation, and the meaning of democracy' are all at grave risk. We have a conflict 'between democrats and post democrats' that will persist beyond the coming defeat of the 'current anti-democratic, non-Western enemy'.

In December 1998 the attempt by the OECD to establish a Multilateral Agreement on Investment (MAI) collapsed. The failure to install a deregulated private foreign direct investment regime owed much to an Internet based international education and information campaign led by NGOs such as Friends of the Earth. The campaign amplified existing reservations and disagreements about the MAI within and between governments. It also capitalized on the OECD's weak strategic promotion of the MAI.

Commentators drew attention to various reasons for the success of the 'stop the MAI' and other NGO campaigns, including the elevated level of public trust in NGOs, the transformative strategic impact of their Internet use, and their high degree of professionalization and organization. There were also criticisms about some NGO propaganda and tactics. Critics also noted an increasing tendency of government and big business to take advice from NGOs.

Though many earlier 'policy successes' had been attributed to NGOs, the demise of the MAI palpably energized the antagonism of free-market advocacy groups. This was exemplified in Australia by a reaction in the *IPA Review*,

where NGOs were portrayed as being engaged in a self interested grab for power over public policy.

The IPA analysis was quite similar to some of that in *The MAI affair* by David Henderson, a free-market intellectual and former chief economist in the OECD (the IPA has published some of his other work). Henderson too was heavily critical of NGOs. He rejected any claim that they had legitimate status to represent or speak in respect of public interests in forums that discuss or negotiate international agreements. This was because NGOs were not accountable to electors at large or to those who are duly elected.

For Henderson, to protect 'new moves toward freer international trade and investment' there must be more proactive defense. 'Hence the ground has to be prepared better, politically as well as technically', than it was in the case of the ill-fated MAI. 'Political leaders have to be well briefed in advance, and persuaded of the case'. Government authorities, Henderson suggests, need to address 'unresolved questions' about 'the status, credentials and rights to representation of particular NGOs'. Presciently, this seems to be the task for which the Federal government has just enlisted the IPA's assistance.

THE STANDING OF NGOS

Critics of the NGOs allege that the strategic choice by some corporations and most governments to engage at some level with NGOs over policy and programs is likely to have lent legitimacy and contributed to a wider degree of public confidence in such organizations. The concern of free-marketeers about this is compounded by their perception of a rising level of public distrust of business and government.

A well publicized survey commissioned by Edelman Public Relations a year after the strife-torn 1999 Seattle WTO meeting indicated that NGOs were seen as more trustworthy than mass media outlets, multinational corporations and governments. Over 1100 well-educated and media attentive people between age 34 to 64 from Australia, France, Germany, the US and the UK were interviewed. Edelman reported that

NGOs are trusted nearly twice as much to "do what is right" compared to government, media or corporations. . . . NGOs such as Amnesty International, Greenpeace, Oxfam, and World Wildlife Fund have greater credibility than such corporations as Esso / Exxon, Ford, Microsoft, Monsanto, and Nike.

On the basis of a 2002 survey of trust in national, international, corporate and religious leaders the World Economic Forum reported that leaders of NGOs were the only ones that enjoyed the trust of a clear majority of citizens across the 15 countries surveyed. Respondents

lying rationale for the Australian aid program centres on humanitarian objectives.

CONCLUSION

The IPA overlooks the fundamental virtues that many see NGOs have in informing, stimulating and otherwise facilitating public debate and pressuring for greater transparency and accountability. Like many other free-market advocacy groups, the IPA does not appear concerned about whether or not NGO programs do any good in their own terms, even at the level of direct relief of poverty. Nor does it seem to be interested in questions about their efficiency.

What matters most are the competing politics and influence of NGOs.

In common with other free-market advocacy groups, the IPA's underlying strategic approach is twofold. On one hand it employs a line of argument that draws on free-market economic and political premises. The paramount duty of government is to ensure that inconsistent interests do not contaminate the policy context for business.

On the other hand, the IPA has chosen to rely tactically on trying to undermine the substantial public credibility of NGOs through a hostile, negative, and often emotional, public campaign. ■

THE WAR ON NGOS

Naomi Klein

Naomi Klein, a Canadian journalist, is the author of "No Logo". The following is an excerpt from the article "Now Bush Wants to Buy the Complicity of Aid Workers", which appeared in The Guardian (London) on 23 June 2003.

The Bush administration has found its next target for pre-emptive war, but it's not Iran, Syria or North Korea. Not yet anyway. Before launching any new foreign adventures, it has some homeland housekeeping to take care of: it is going to sweep up those pesky non-governmental organizations that are helping to turn world opinion against US bombs and brands.

The war on NGOs is being fought on two clear fronts. One buys the silence and complicity of mainstream humanitarian and religious groups by offering lucrative reconstruction contracts. The other marginalises and criminalises more independent-minded NGOs by claiming that their work is a threat to democracy. The US Agency for International Development (USAID) is in charge of handing out the carrots, while the American Enterprise Institute, the most powerful think-tank in Washington, is wielding the sticks. These days, NGOs are supposed to do nothing more than quietly pass out care packages with a big "brought to you by the US" logo attached - in public-private partnerships with Bechtel and Haliburton, of course.

That is the message of "NGO Watch", an initiative of the American Enterprise Institute and the Federalist Society for Law and Public Policy Studies that takes aim at the growing political influence of the non-profit sector. The stated purpose of the website, launched on June 11, is to "bring clarity and accountability to the burgeoning world of NGOs". In fact, it is a McCarthyite blacklist, telling tales on any NGO that dares speak against Bush administration policies or in support of international treaties opposed by the White House.

This bizarre initiative takes as its premise the idea that there is something sinister about "un-

elected" groups of citizens getting together to try to influence their government. "The extraordinary growth of advocacy NGOs in liberal democracies has the potential to undermine the sovereignty of constitutional democracies," the site claims. Coming from the AEI, this is not without irony. As Raj Patel, policy analyst at the California-based NGO Food First, points out: "The American Enterprise Institute is an NGO itself and it is supported by the most powerful corporations on the planet. They are accountable only to their board, which includes Motorola, American Express and Exxon-Mobil."

As for influence, few peddle it quite like the AEI, whose looniest of ideas have a habit of becoming Bush administration policy. And no wonder. Richard Perle, member and former chairman of the Pentagon's Defence Policy Board, is an AEI fellow, along with Lynne Cheney, the wife of the vice-president, and the Bush administration is crowded with former AEI fellows. As President Bush said at an AEI dinner in February: "At the American Enterprise Institute, some of the finest minds in our nation are at work on some of the greatest challenges to our nation. You do such good work that my administration has borrowed 20 such minds."

In other words, the AEI is more than a think-tank - it's Bush's outsourced brain. Taken together with Natsios's statements, this attack on the non-profit sector marks the emergence of a new Bush doctrine: NGOs should be nothing more than the charity wing of the military, silently mopping up after wars and famines. Their job is not to ask how these tragedies could have been averted, or to advocate solutions. And it is certainly not to join anti-war and globalisation movements pushing for real political change. ... ■