

Development or Underdevelopment: The Case of Non-Governmental Organizations in Neoliberal Sub-Saharan Africa

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Abstract: *As a result of persistent development crisis, there is an explosive growth in the presence of multi-lateral Western Non Governmental Organizations (NGOS) and other privately funded charitable organizations in the developing world, particularly in sub-Saharan Africa. Although the objective of the various development agencies is to reduce poverty and foster development for marginal populations, the effectiveness of their mission is ultimately dependent on the underlying framework of neoliberalism. Essentially, the global economic system of neoliberalism is not equipped as an all inclusive system that seeks to bridge social-economic inequality but is instead, a biased system which Porter and Craig (2004) describe as genetically oriented to protecting existing property rights and providing for their expansion. Given the prejudicial nature of the economic system therefore, it is difficult to see the work of NGOs as anything more than temporary and ineffective band-aid solutions to Africa's recurring nightmare of poverty and underdevelopment. In this vain, this paper argues that it is imperative to question whether the recent upsurge of development initiatives is a genuine call for development, or just another tactical maneuver that favors the propertied and the powerful at the expense of the poor. The Poverty Reduction Strategy Papers (PRSPS) and the Millennium Development Goals (MDGS) have hereby been used as the most recent frames of reference for multi-lateral development interventions in Africa. I question whether these development policies, infused with apoliticized language that everyone agrees with, will offer any real hope for a different world free from poverty. Overall, this paper gives a short historical account of neoliberalism in Africa as a universalizing discourse whose fundamentals have historically taken for granted socio-economic and cultural diversities. It also discusses recent neoliberal social engineering as a carefully organized system that is taking place against the backdrop of global political-economic continuity, thereby maintaining neoliberal economic fundamentals and fulfilling the capitalist goal of constant acquisition for newer markets. The paper concludes that development agencies create heavy reliance on external markets, furthering the goal of capitalist expansion and acquisition for newer markets.*

1. Introduction

Neoliberal development understands progress primarily in economic, fiscal terms with the success of the global market as the principal determinant of people's well-being. This social-economic system carries a supreme belief in the universal applicability and rationality of the Western development project (Slater, 1993). Simply put, in an era characterized by globalization, where time and space are overwhelmingly compressed and shrunk (Harvey, 1989; 240), there is a tendency for social-economic policies formulated on interpretations of one dominant regional experience, i.e. the West, to be applied all over the world, regardless of context. Such homogenization processes that dismiss unique socio-historical circumstances as trivial and assume that all markets are similar if not identical, is an unyielding basis for geo-political social inequality and injustice. Thus, the current ferment of neoliberal ideology has actually constructed an economic apartheid, where a small number in the advanced world live the life of surplus consumption enjoying advanced medicine and the benefits of science and technology, while the majority in the global South live in dire need with far too many dying of hunger, malnutrition and preventable diseases.

Thus, the neoliberal economic agenda which was once perceived as naturally self-regulating and thereby expected to raise economic growth and spread wealth in a top-down manner as described in Adam Smith's *The Wealth of Nations* (1776) is now under reconsideration. As a result of the momentous effect on human existence, particularly for the poor, that has been caused by the global economic system; there is a marked change in current development policy. Simply, in light of global social-inequalities that are giving rise to ever-growing insecurities, it is clear that the expectation that wealth automatically trickles down from the haves to the have-nots for a more equitable society is none but idealistic. As such, there is an upsurge of a seemingly more inclusive bottoms-up approach to economic growth and

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human empowerment that is taking over the former, failed top-down development programs.

New development practices now use approaches that are characterized by a reliance on local developmental projects which are sponsored, funded and administered externally by International Financial Institutions (IFIS) and large Western NGOS. Although the efforts are geared at augmenting socio-economies and ensuring overall well-being, Third World's turbulent history with IFIS together with the problematic indebtedness that has since created its debilitating dependency is relevant cause to question the sustainability of "local" development programs that are externally formed and administered. Undoubtedly, developmental projects that are not exclusively set up by heavy-handed external development partners solely motivated by economic interests, but that also, importantly, are prepared in unadulterated consultation with, and participation of civil society members is crucially fundamental for transformative human development and sustained growth in the developing world.

Two most recent frames of reference for development intervention in the Third World include the 1999 Poverty Reduction Strategy Papers (PRSPS) engineered by IFIS, and the Millennium Development Goals (MDGS) agreed upon in 2000. The institutions are committed to complementary narratives of poverty reduction and participation as key factors that are imperative to halving poverty between 1990, the baseline year, and 2015, the target date (Cornwall and Brock, 2005; 1051). Although these multi-lateral programs are established to eradicate human suffering in the most vulnerable parts of the world by accentuating a shift towards participation and local ownership of internationally engineered development programs, this paper critiques neoliberal dogma, generally, as a non-contextual system whose universalizing policies will not only not work because they are set from a distance and are hence locally inapplicable (de la Barra 2006; Soederberg; 2004), but will also not achieve development for all because its liberal rationale is fundamentally incompatible with the concept of inclusivity.

In its entirety, this paper argues that it is imperative to question whether the recent wave of development initiatives supporting, debatably, transformative human development by endorsing the inclusiveness of otherwise excluded populations are different from, or any more effective than former top-down economic structural adjustments approaches to growth. Essentially, is the recent motivation for human development a newer strategy for continued market expansion that is intrinsically driven by old concepts merely camouflaged in new lingo? In other words, do recent development policies such as the PRSPs and the MDGs, infused with apoliticized language that everyone agrees with—such as “participation”, “empowerment” and “poverty reduction” - offer any real hope for a different world free from poverty, or are they simply more of the same ideals that continuously impoverish the marginalized? Is the devotion to “ending poverty now” a genuine expression of benevolence or as Peet (2008) expresses; the opposite, anti-poverty strategies of benevolence instead?

As a young African that is fraught by recalling how the great promises of Third world development remains unfulfilled or how its fulfillment has in fact turned out to have adverse effects, this essay is my attempt to analyze and come to grips with the seemingly chronic letdown of the development impasse (Simon 2003 Cited from Booth, 1985). After more than three decades of neoliberal capitalist development, many areas of the world are worse off than they were thirty years ago (Tucker, 1999; Simon, 1997; 5). In sub-Saharan Africa particularly, the poorest part of the world, poverty reduction goals that are classically entwined with fundamental human rights commitments have not prevented social welfare services from being severely undercut, nor succeeded in curbing the privatization of fundamental basic rights (Hope, 2004; Mbaku, 2004). As a result, the power of rights - people’s topmost basic needs and human rights such as food, health, education and employment which are at the core of human dignity, enshrined in the UN charter of Human Rights - is now turned into the power of the powerful. Currently, many African governments are unable to provide essential welfare services to their citizens; leaving

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basic needs inaccessible for many sub Saharan Africans who must continuously depend on charitable assistance programs run by influential external organizations for their social provisions.

As the late Vincent Tucker (1999) would put it, perhaps we cannot then, persist in talking about [neoliberal] development as the harbinger of human emancipation in the face of such failure. Although this paper is by no means intended to doubt the necessity of development initiatives, the pain and agony of a continent in a crisis of terminal proportions where life and living are nothing but a collage of pain and the liberalization of poverty motivate me to question this type of “development” and to anticipate a more resilient, integrated system that does not foster dependency; but is widely sensitive, equitable and sustainable. For the time being however, the scope of this paper is relatively more modest and will not explore alternative blueprint to contemporary neoliberal development strategies, nor will it provide suggestions for how to tweak and pull together such strategies to render them more effective in improving the lives of my fellow lot of Africans. At the moment, I find it essential to first and foremost take critical issue of the hoodwinking nature of recent neoliberal social engineering in sub-Saharan Africa as a system that is more of the same and is unlikely to bring progress to the poorest of the poor. This is a crucial topic that remains unexplored with sufficient criticism.

My main argument, of the futility of recent neoliberal development policies aiming at inclusive and participatory approaches as exemplified by PRSPS and MDGS, will be primarily established by providing a basic narrative of neoliberalism. The historical account will critically show how the neoliberal agenda and the social vision that accompanies it has been succeeded by an assortment of development policy innovations, which although engaging in what can be seen as altruistic charitable work, ultimately foster capitalist expansion and reliance on external markets; a factor that has important repercussions of how “developmental” the neoliberal agenda might be (Harrison, 2005). Conventional wisdom stipulates that the core and founding principles of

any one ideology can always be used to determine the way forward. As Porter and Craig (2004) point out, “liberalism was genetically oriented to protecting existing property rights and providing for their expansion; its projects have always had a bias to the propertied and potent...” (pg390). It is therefore intricately difficult, even somewhat contradictory, to re-conceptualize neoliberal ideology - a system that was founded as exclusively pro-wealthy and built with a blind eye or a total disregard for issues of societal diversity and status quo – as a *bona fide* reformed inclusive system that is now actively seeking ventures for an improved and developed world for all.

The paper gives a short historical account of neoliberalism in Africa as a universalizing discourse whose fundamentals have historically taken for granted socio-economic, cultural and geographic diversity and by so doing, created cyclical problems of poverty and underdevelopment in the continent. It also discusses recent neoliberal social engineering as a carefully organized system that is taking place against the backdrop of global political-economic continuity, thereby maintaining neoliberal economic fundamentals and fulfilling the capitalist goal of constant acquisition for newer markets. Finally, it provides a recap disqualifying neoliberalism as unfit to deliver sustained equitable universal development.

2. Neoliberalism in Africa; A universalizing discourse

The depth and protracted duration of the socioeconomic crisis in Africa is at best a daunting phenomenon and although its origin traces a long complex history, neoliberal philosophy is, arguably, the heart of much of the continent’s present problems (Lubeck 1992; Harrison, 2005). In essence, classical and neoclassical economics that make up neoliberal development view market processes as optimally efficient means of achieving economic growth; the be all, end all form of development. According to neoliberal thought, the main restriction on the natural tendency for free capitalist economies to grow is market failure resulting from perverse government procedures. Over the past, after the debt led growth of the 1980’s, this model of development

viewed African governments as going too far in interfering with the free play of markets and thereby instituted standard policy ideas that would eliminate hindrances to economic growth. These entailed the introduction of convertible monetary systems, the devaluation of local currencies and the removal of restrictions on trade and capital movements. Local markets were to be de-regulated while price subsidies on food were to be eradicated. Government spending similarly was to be reduced and private consumption restricted by higher prices so that incomes flowed into private investment thereby stimulating growth (Brohman 1996; Peet, 1999).

Harrison (2005) explains that this regime of a free global market political economy is based on the universalizing premise of an imminent market-like essence. In actual fact, neoliberal principles are nothing so much as faith statements and convictions about the market-like sociability of diverse communities which allow profound, often detrimental development interventions to be represented as consensual and harmonious (p. 1303). Needless to say, the structure and history of African societies provide for uniqueness that renders gravely unjust, the universalizing tendencies of neoliberal economic reforms. The presumption of indistinguishable global market processes is not only deficient by virtue of its disregard to the fact that markets are pluralized and diverse, structured, culturally and socially embedded but is also erroneous for undermining the tumultuous history that Africa has suffered. More concisely, assumptions on the uniformity of market systems takes for granted historically hierarchical and stratified social African structures that determine property ownership and accumulation and in so doing, underestimate critical issues of how wealth may be generated and privatized which is, in fact, what redistributive justice and development is all about. This flawed economic ideology fails to pay attention to how different aspects of social life are in fact shaped by the past and also ignores, or sees merely as destruction, issues of class relations in a stratified global market.

Africa's and similarly, Third World problems of poverty and underdevelopment – seen as the result of insufficient

marketization ideals- have therefore been wrongly defined and wrongly solved. They are the amalgamation of past ills and present mistakes, and the results of unchallenged assumptions that are contrived by the world's "social minorities" without consideration of "social majorities", that are generally objects (if not passive ones) of development strategies (Andreasson, 2005; Escobar, 1995). Specifically, neoliberal reform packages administered by IFIS have caused successively violent damages to the developing world. In particular, the conditionalities imposed via the Structural Adjustment Programs (SAPS) in the 1980's and in the early 1990's –that demanded a free labor market, competitive market structures, privatization of basic services and wide-ranging austerity measures that included wage reductions, were especially troublesome and have created lasting detrimental effects for the African continent. In wake of the socially damaging adjustments as more people fell in between the cracks, it became evident that the state's limited role in society was not viable to ensuring the development of "properly" functioning markets. At present, as African states increasingly roll back direct government intervention in service delivery (de la Barra, 2006; Harrison, 2005), the continent continues to grapple with alarming statistical trends such as debilitating illnesses, increased widespread poverty, hunger and massive hemorrhaging of jobs.

Neoliberal social engineering

Administered by bilateral organizations, NGOS, community based organizations and religious groups are now funded as private social welfare organizations that are intended to provide social provisions. What the state should afford but cannot provide – i.e. the basic necessities of everyday life - is instead given by privately funded international organizations. It is, essentially, the ultimate "social engineering to create a market society that involves the state (under the auspices of external agencies) as the principle engineer" (Harrison, 2005; 1310). Although these policies target at social welfare provision and poverty alleviation, they are specifically implemented from an economic standpoint. The funding of investments in social infrastructure, read as neoliberal reaction to market failure, is the recognition that the state

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should ensure the conditions for people to act socially in a market conforming fashion. Namely; an educated population will have the cognitive ability to balance utilities; roads will create mobility and deliver goods and services to remote areas; and healthcare provision will foster a healthier populace that will be adept to hard work and improve country-wide economies.

Ever since investment in human capital became an apparent necessity for increased market growth, development initiatives, seen by “development beneficiaries” as better more efficient sources of social provisions, (at least more trustworthy than bureaucratized local African governments), have inched a notch higher in securing the trust of “development recipients”. The dependence and faith in development programs is achieved by tactical strategies that advance and promote local participation and ownership approaches. Whilst the encouragement for participation and ownership of local development initiatives is laudable practice at empowering communities, economic growth and development remain the embedded fundamental concern in many of the “development missions”. This new socialization of the dependability of the global market and economy – via private developmental institutions- as the best providers of social necessities shows the arm twisting nature of neoliberalism as a system that will not hesitate to use people’s weakest vulnerabilities –hunger and poverty- to further the task of market expansion.

While not to doubt the goodwill of development initiatives however, critical questions regarding their authenticity and overall distinction from the basics of the neoliberal framework are necessary. Essentially, appared as outfits that are exclusively designed to eradicate poverty and achieve human development, what are the underlying principles on which the work of multi-lateral programs is predicated? Put differently, are the PRSPS, the MDGS and other multi-lateral privately funded organizations that are now key providers of social assistance in sub-Saharan African countries entirely driven by a deterministic human development perspective or is an economic angle inherently present and an invariable priority? To answer these

questions, Harrison (2005) explains that privately funded organizations and multi-lateral programs have taken place against the backdrop of political-economic continuity – maintaining neoliberal economic fundamentals, and revealing the unrelenting dominance of IFIS, which he identifies as; “the broadening of neoliberalism as a project of social engineering, bringing the wisdom of the free market into public institutions and societies” (pg 1310).

In other words, neoliberal social engineering has been pushed by IFIS and states into ever-increasing realms of social activity. By taking over the responsibility of the state as the principal source of indispensable daily needs, and promoting an ideological trend that speaks of the efficiency of private hands and the efficacy of multi-lateral organizations vis-à-vis local governments, the neoliberal agenda of depoliticizing poverty is strengthened. As African states give in to the demands of a globalized market and heed to privatization, monetary stringency and austerity measures, encroaching poverty and other ills of underdevelopment that would have been tackled by the local politico are now seen as problems to be managed by international “altruistic” organizations and agendas determined by global market processes and regulated by IFIS.

Currently, the global economic environment not only threatens to reverse any developmental milestones made, but also amplifies the effects of other crises and volatilities causing the task of accomplishing human development all the more overwhelming, particularly for those in economic and geographic peripheries. According to recent UNMDG reports (2008; 2009) for instance, the 2008 high food prices have already reversed a nearly two decade trend in reducing hunger and tens of millions of people have been pushed into joblessness and greater vulnerability. Demonstrably, many of the sub-Saharan African countries are poorer and consequently, hunger, malnutrition and pandemics such as HIV/AIDS trends are moving up- not down. Child mortality is said to be highest in this region and due to lack of ample pre-natal care, maternal mortality has shot up. Widespread poverty hampers primary and secondary school enrollments

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as gender imbalances remain pronounced and exclude girls and women from opportunities and employment benefits. What is more, due to growing rural-urban populations, many of the urban poor now live in slum conditions and lack clean water. For many sub-Saharan Africans, real incomes are lower than they were two decades ago, health prospects are poorer, malnourishment is widespread and both infrastructure and social institutions are breaking down (Lubeck; 1992- 521, Mbaku; 2004- 388).

All these have been made possible through the aggressive enforcement of an ideologically driven economic paradigm that minimizes the role of government, institutes asymmetrical global governance and critically weakens the role of state financial institutions favoring the free fall market instead. It has made acceptable gross social inequality globally and locally, by allowing obscene remuneration packages to a handful top executives that are driven by greed, while consigning whole sectors of society to an existence barely worth the name (Udombana, 2005; 754).

Conclusion

As capitalism endeavors to find new markets, there is a growing, calm but nonetheless noticeable consortium of a range of multi-lateral infrastructure that is infiltrating the remotest, previously non-permeated regions of the developing world. PRSPS and MDGS for instance, have gained a large and devoted following all through the African continent. In spite of this different and new approach in neoliberal development, sub-Saharan Africa has not made much progress in way of poverty reduction or development. Although the rise in multi-lateral interventions and NGO assistance is timely, especially at an economic crunch time when African governments are increasingly being coerced by global external pressures to adopt neoliberal economic policies that are not always, if ever, pro-poor oriented, it is clear that the initial economics of IFIS lending succeeded by development policy innovations with a new focus for human development (Harrison, 2005) is unlikely to yield any lasting changes for historically disadvantaged people.

When looked at critically, this process of depoliticizing poverty by stripping the state of its role as the administrator of essential social provisions is in actual fact a political maneuver towards worldwide capitalist governance, where the global economy or market forces are put as being in charge of people's lives. Granted, neoliberal economic policies, like many often good intentions that result in unintended consequences that are never any less agonizing (just because they were unintentional!), have at best been detrimental to sub-Saharan Africa and at worst, will continue to ravage the poor and gravely compromise human development. All that one can do in the conclusion is place neoliberal economic ideals at the centre of Africa's underdevelopment nightmare and argue that we cannot continue to tackle old problems in the same old ways that brought us to those problems in the first place. As Harrison (2005) well said, the dominant economic paradigm is no longer fit for purpose and cannot be trusted to bring and sustain prosperity for all.

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