

Stanley Foundation UN on the Ground Project

**Capacity Building in Non-State Actors:
The Potential for Positive Influence**

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This paper follows the discussion founded on Ken Menkhaus’s two papers, *Relief and Protection: The Role of Non-State Actors* and *Assessing Non-State Actors*, which John Fawcett brought to an operational level with his recommendations in *Practical Suggestions for Dealing with Non-State Actors: Bottom-Up Perspective*. There was a review of and action proposals for international aid agencies working around so-called *negative* non-state actors (NSAs). In contrast, this and the succeeding paper address NSAs that hold the potential for *positive* outcomes. As a basis for discussion, the first will propose a conceptual framework that provides a taxonomy of positive non-state actors and the nature and value of capacity building; the second offers specific suggestions for international aid agencies toward improving the capacity of these NSAs. (NSAs in this and the following paper will refer to those “positive” entities whose capacities we would like to strengthen.)

I. Introduction

Over the past decade, the international community has increasingly involved non-state actors in the aid process. The growing recognition of the real and potential contribution of NSAs to exceed national development goals has spurred virtually the full spectrum of international organizations to engage with NSAs—civil society in particular—at a variety of levels, including inviting them to participate in roundtables and consultative groups. In the humanitarian community, “partnership” and “capacity building” have become common nomenclature in organizational literature. While the trend has been set, the promised potential for engaging local populations in their own assistance is far from realized. Struggles with whom to engage, methodologies of engagement, and how to engage in on-going emergencies permeate the community.

Good NSAs—Who Are They?

Let's start with a few definitions. It is common to assume NSAs in this context are NGOs or perhaps civil society members and even businesses. In fact, during the early 90s the term civil society became synonymous with NGO. Operationally, we typically engage with local NGOs, sometimes community committees, local entrepreneurs, or local leaders of various sorts. In general we tend to work most with the middle tier and less with the grassroots and highest levels. The opportunity for engagement, however, are much larger.

There are many ways to categorize NSAs, but for the purpose of this discussion let's make several divisions. First, let's separate business, individuals, and civil society—also called the non-profit sector. Then let's subdivide civil society into operational NGOs, advocacy groups, and others. In reality, the lines are not quite this distinct as many organizations fit into more than one category (e.g. increasingly many NSAs are conducting advocacy). There are also a host of gray actors that blur the distinction between actual non-governmental organizations and those that are quasi, government-supported, or “government-organized non governmental organizations” or GONGOs. The classifications are muddled further when we include quasi-humanitarian organizations such as the relief arms of militias. Despite the inherent ambiguities, the attached taxonomy is intended to lay the foundation for the later discussion of where relief and protection agencies can best support positive NSAs.

Current State of Affairs of NSAs

The influence of non-state actors has risen significantly in recent years. Official development assistance used to form the bulk of foreign income. Today the vast majority comes from the private sector or business, the non-profit sector, and remittances. The private sector, both international and national, has seen a marked increase in its ranks, mirroring changes in demographics and the global economy. Similarly, the number of NGOs worldwide has risen dramatically—nearly tripling between 1995 and 2000. Southern NGOs have risen at an even greater rate than northern: over 50,000 national NGOs are currently eligible to receive UN funding. These higher numbers correspond with a general increase in sophistication, awareness,

and diversity of NGOs, especially in countries that used to be largely relief-focused and are moving towards development, e.g. Ethiopia and Bosnia.

At the same time, the level of discourse has diversified among many NSAs and within civil society, in particular. While they tended to be almost exclusively focused on their clientele and possibly their donors, they now have more numerous and more complex relationships with government and each other. Among NGOs, the interaction includes discussion of funding sources, programs, capacity, priorities, advocacy, and partnership. Southern NGOs, for example, are engaging more fully in national dialogues and have developed their own code of conduct.

The increase in non-state actors and their influence coincides with a general decrease in state power. Service NGOs are picking up government responsibilities in social services, businesses and foundations are being asked to support local initiatives, the command of religious organizations in many areas is growing in the absence of government moral authority, and without official governance, individual leaders are having greater control and persuasion. In conflict environments, the visibility of positive (as well as negative, of course) non-state actors is even greater: the largest influence in many conflict zones are NGOs, in part because they are one of the few remaining semi-organized benign elements. Collectively, this growth in NSA influence can be quite powerful, though they are generally not aware of or prepared to use their group influence for the larger benefit of society. In that sense, their capacities require significant development for them to recognize and be able to address the larger political, social, and economic issues surrounding them.

Each type of NSA with whom the relief and protection community may work has its advantages and disadvantages. Briefly, some of the common strengths of civil society members include their links to the grassroots, adaptability to circumstances, field-based expertise, general process-oriented approach and participatory methodologies, long term commitment, and their cost-effectiveness. Common weaknesses of civil society include low levels of financial and management capacity, limited institutional capacity and self-sustainability, the small scale nature of their activities, inadequate inter-organizational communication and coordination, and lack of understanding of the broader social, political, and economic context. Prevalent strengths of the

business sector include their links to informal markets, their knowledge of alternative sources of commodities and trade, their access to the public, awareness of the larger economic context, and their permanence in the local community. Weaknesses in the for-profit sector often include the small scale nature of the average business, limited capacity for product development, lack of collaboration and institutional development within the business sector, and the limited range of products and enterprises. Strengths within the individual sector include access to a broad array of citizens, moral authority and public influence, ability to affect government action, participation as a premise for interaction, and possible access to resources. Weaknesses in the individual sector may include lack of organizational capacity among individuals, limited relationships between lower, mid, and upper levels of individuals within society, and the risk of being ostracized physically, socially, or politically from society for certain actions.

II. What is Capacity Building

For this discussion, ‘capacity building’ refers to strengthening the ability of individuals, civil society, and businesses to influence their society positively. It is based on a conscious intervention both to build new capacities and to develop existing ones. The primary view of the interrelationship between individuals, civil society, businesses, and government is a consensual one, where civil society in particular serves as an alternative to the inadequacies of the state and business supports the economic needs of the people. However, it may also be seen as a conflictual relationship where civil society, through participatory formats, counter-balance the excesses of the state and the for-profit sector. In emergencies, local capacity building by international agencies has a specific application. It refers to the assessment and use of existing local capacities in response to the emergency, to the development of capacity within the context of the emergency, and to the capacity of local NSAs to continue in full function or at a higher level when international agencies leave—whether in an evacuation or an end of operations. A danger of capacity building is its potential to undermine long-term sustainability of local NSAs, should they become dependent on the international community for their development. This threatens the very objective of capacity building: to improve the independent ability of local actors.

Current Status of Capacity Building

The notion of capacity building in humanitarian emergencies stems from the development community who began looking at it in the 1990s. The ability to translate a concept that presumes long-standing relationships with local actors to a fast-paced, often short-term environment is a challenge. Two common sentiments continue to thwart its wide-spread acceptance: 1) in the heart of an emergency, capacity building is a low priority, 2) it is an activity better conducted in development programs where long-term programming supports the long-term relationships conducive to capacity building. Despite its obstacles, capacity building in relief and protection circles has grown in importance in recent years and has quickly taken the position of a new requisite activity. Methodologies and approaches, however, remain quite limited.

The common understanding of capacity building to date is a means of providing local organizations with the *capacity required to meet the program goals of the international organization*. Thus, it entails developing capacity included training in reporting requirements, accounting, and other technical functions, assisting with administration, and providing the physical infrastructure such as computers or vehicles to do the job. The emergency nature of humanitarian programs further stymies this limited view of capacity building as being a function of meeting programmatic goals. The short-term funding and presumed duration of relief programs is often a reason to not engage in capacity building, despite the fact that many humanitarian situations endure for years. Moreover, emergency programs often endure a high staff turnover and burnout, which are not conducive to capacity building. Nevertheless, some in the humanitarian community have grasped the potential for improving the strength of good NSAs in emergency situations and have voiced the need to develop the limited understanding and methodologies of capacity building in relief and protection.

Various Approaches

There are several dominant approaches to capacity building. One is the development of the individual and his/her ability to act competently and ethically in difficult and changing

circumstances. This might, for example, entail leadership development for community leaders, for the heads of various partner organizations, or for promising business leaders. Individual capacity development is not as much a skills building approach as one of mentoring and engaging individuals within the context of their working environment where the learning is contextualized and operationalized. A second approach is organizational capacity building. This includes addressing organizational structure, staffing, strategy, conflicts, systems, and procedures to create healthy institutional environments conducive to independence, growth, and effectiveness. Organizational capacity building might entail skills and technique training, the evaluation adjustment or creation of systems and practices, and coaching—which might be with any organizational NSAs, but can be particularly suited to businesses with evident growth potential.

Related to organizational development, partnership capacity building is a third approach and the most common among humanitarian organizations. However, rather than limit it to the development of a partner's ability to fulfill the programmatic goals, taken further, this can effectively increase local capacity through careful maturing of a single partner's abilities. It requires organizational analysis, individual attention, targeted and specialized training and skills development, and release of operational responsibilities to the partner.

A fourth means to capacity building is through individual sectors, such as health care, psychosocial assistance, or food distribution. This entails many similar elements to organizational development but emphasizes sectoral needs analysis, identification of entry points, and specific sectoral expertise. It likewise includes training, systems development, and coaching. Finally, a crosscutting approach can also be a way to develop local capacity. This requires a broad context analysis to determine where specific capacity building might best benefit both the immediate situation and the long-term prospects for involvement. For example, an emergency entailing significant shelter needs might benefit from improving the organizational capacity of local cottage industries building doors and windows, as well as service NGOs conducting shelter programs. It might also engage credit groups in the areas where shelter is most needed to provide loans for housing, and it might help improve the community based

organizations to organize around local shelter needs. This requires careful scrutiny of both need and existing capacity as well as specific targeting of resources.

Content and Methodologies of Capacity Building

The actual content of capacity building depends in part on the local context, the NSA, and the approach. However, for our discussion, content can be broken down into four elements: conceptual and analytical capacity, knowledge and skills, technical capacity, and organizational aptitude. Conceptual and analytical capacity connote the ability to assess the larger political, social, and economic context and its link to the NSA and its activities, as well as the ability to visualize potential relationships and linkages. Knowledge and skills are the general awareness of the capacity building process and the NSA within the process as well as the ability to execute necessary steps toward self-improvement. Technical capacity is the competence to carry out specific activities within the NSA's purpose. And organizational aptitude is the structural health of the NSA, including administration, finances, staffing/membership, facilitation, planning, etc. The humanitarian and protection community tend to focus more on technical capacity and organizational aptitude, and again, with a generally limited vision of accomplishing the tasks before them. The highest priority need of civil society organizations is typically funding. Because they rely heavily on outside financing, they often subjugate their own interests for that of their donors, threatening their independence. Planning and strategic development is often not as important to civil society organizations as program and project design and improving their networks with other organizations. Lower on the scale are things like monitoring and evaluation, leadership development, and board development.

Capacity building in our community is often equated to methodologies, and methodologies are often reduced to two: partnering and training. I propose two additional useful methodologies for our field: mentoring and human resource development. Training, formal teaching on specific subject matter, is the usual catchall for any needed improvements. However, it is very circumscribed in its usefulness. Training has been found to be an effective tool for improvement only when it is used immediately and repeatedly after the training. It is also limited to the development of knowledge and skills. Partnering, the other familiar application of capacity

building, is generally considered the close relationship developed between the international agency and its operational NGO partner (though other types of NSAs are occasionally considered within this description). This is a loose term with a common underlying assumption that through working with a local partner, capacity building inherently occurs. However, partnering may also entail hands on development of the partner including close attention to developing its operational capacity and, in particular, the ability of the partner to assume the operation independently (after program phase-out, evacuation, or exit of the international agency).

Mentoring falls closely on the heels of partnering, but implies individual coaching and instructional guidance. It generally goes beyond the operational realm and into leadership development and even organizational development working very specifically within the local context and learning from the experience. Finally, human resource development entails paying explicit attention to enhancing the human element of NSA capacity—such as board selection and operation, membership expansion, staff selection and training, management, discipline, consensus building and decision making, facilitation, advocacy, and, of course, leadership.

III. Why is Capacity Building important

While perhaps seemingly only a new fad in a string of many in the humanitarian community, the necessity of developing strong local competence is becoming more evident not only to attaining long-term objectives of peace, justice, and sustainable development, but to meeting more immediate humanitarian needs. I will suggest two primary reasons.

Current Conditions Require Capacity Building

Various changes in the global environment have made capacity building a requirement. The increase in numbers and influence of the so-called negative non-state actors as discussed in earlier sessions, requires contravention with an opposing increase in the NSAs that can provide positive influence. Moreover, the growth in good NSAs around the world provides tremendous

potential to harness that power through positive influence, organization, increased sophistication, linkages with the international sphere, education, and professionalization. As states become less inclined or able to fulfill their responsibilities, there are particular calls for NGOs to provide social services, for the business sector to provide financing, and for religious and other moral institutions to provide ethical guidance.

Internationally, the humanitarian community is spreading itself thinner and thinner as the global operational arena grows and foreign expenditures decline counter-proportionally. Consequently, it is quintessential that local elements are increasingly able to provide services, finance internal needs, counteract negative forces, and reduce their vulnerability to new emergencies with less international intervention. Building the capacity of the southern NSAs helps a thinly stretched humanitarian community over the long run. The corollary to that is that working closely with competent local actors can significantly improve the effectiveness of humanitarian operations. Not only their operational contributions, but also their local knowledge, capacity to mobilize communities, and ability to devise solutions to complex problems can be of tremendous advantage to fast-paced relief efforts in new or chaotic environments.

Potential for Genuine Change

In the larger picture, the argument for local capacity building as the essential element necessary for real change has several premises. First, as the philosophy goes, increasing the capacity of citizens to demand access, to assert influence, and to advocate for their own needs and desires puts increased pressure on government to be accountable. Supporting the rise of analytical, freethinking leadership within transitional countries encourages the interaction between the various NSAs and with government, including new public-private partnerships.

Second, participation is often regarded as the basis for democracy. If this is true, building NSA capacity across all sectors can increase participation, which arguably leads to stronger democratic governance, improved services, greater equity, and less oppression. Third, both the upside and the downside potential are even higher in conflict environments. The opportunity to disrupt old, negative or unjust patterns and systems is higher than under sustainable development

conditions. The break in order can provide the occasion to re-examine and rebuild under new parameters. However, this requires close scrutiny of conditions and the ability to cease opportunities when they arise. For international agencies, this means maintaining vigilance on the larger political picture and being prepared to respond quickly. The tendency among the relief and protection community to put product and speed above process has undermined its potential influence to leverage the opportunity for change.

Fourth, in the above interest of effecting the greatest positive change, capacity building of local NSAs offers humanitarian agencies legitimate partnership in the process. And finally, capacity building increases the potential for sustainability. In the end, those who will carry forth after the emergency are those whose homes are there, many of whom are local non-state actors. Giving them the ability to affect their lives positively is the long-term impact that can remain after humanitarian assistance has ended. Essentially, building local capacity is the right thing to do to build the best prospects for a positive recovery.

Capacity Building Needs on the Table

Humanitarian agencies are spread across a spectrum of understanding and sophistication in engaging in capacity building. However, a couple gaps are evident essentially across the board. First, there is a divide between organizational capacity building rhetoric and the operational reality. While the lingo is relatively common place even in the field, the actual commitment is less evident on the ground. Second, capacity building seems to be relatively dependent upon circumstances and opportunities, rather than a consistent priority within organizations. This is particularly true at the macro or sectoral level, where only a few organizations routinely attempt to develop an entire sector within a country.

The potential impact of capacity building of positive NSAs is too important to be left to development organizations alone. The opportunity and indeed potentiality of humanitarian organizations engaging early and well can lay the ground for long term change within a country—where relief agencies create new organizations out of a need for operational partners, as an example. However, in the era of “Do No Harm,” we should note the potential dangers of

humanitarian agency engagement. Brief attempts at capacity building can have a destabilizing effect on the NSAs—stirring change without follow-through. Even before that, however, international agencies may degrade the existing capacity of local organizations if they override it with their own relief operations. With this in mind, capacity building methodologies need to be catered to emergency situations and the relief and protection agencies that use them; they can not be borrowed in their totality from the development field.

Thus, the requirements on the table are several fold. First, there needs to be a commitment from the relief and protection community to develop capacity building for reasons beyond agency program success. Second, there is a need for greater scrutiny and innovation for capacity building approaches in general. Third, in addition, there is a critical need to develop methodologies applicable specifically to humanitarian conditions. Finally, the variety, number, and nature of the relationship between NSAs and humanitarian agencies need to expand. We will talk more about this in the next paper as well as where government capacities fit into the mix.

IV. Conclusion

Non-state actors are becoming more of an influence throughout the world and have the potential to change the state of affairs in a conflict or transitional context significantly. However, for that potential to be realized, they must increase their ability to engage each other and their government, to organize internally, to develop and access resources, and to design and meet programmatic goals. Humanitarian agencies working in these environments need to engage more deeply and broadly with positive non-state actors in the interest of developing their capacities for greater immediate impact as well as long-term gain. The next paper will offer specific suggestions on how international agencies might increase their capacity building among NSAs and how such efforts might interface with the government's responsibilities.