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DAHNESH RUSTEM MEDORA

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George H. Axinn
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BEYOND ISLANDS OF ACTIVITY:
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Dahnesh Rustem Medora

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ABSTRACT

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Some non-governmental organizations (NGOs) based in northern countries like the United States are reconsidering their role in international development to better address macro-level issues and build partnerships with Southern counterparts. To make this transformation, many NGOs have decided to move beyond isolated activity and engage in a process of widening impact. Among the different approaches to this process, widening impact within the United States appears to provide the opportunity for increasing awareness and action around issues related to international development. In turn, relationships with constituents, or supporters, of an NGO become particularly important in this process. This thesis examines the relationships between constituents and the process of widening impact. While both financial and non-financial constituents are examined, non-financial constituents are examined more specifically. Following a review of the relevant literature, three case studies are examined the analysis of which suggests a correlation between the amount of emphasis directed at constituents and the process of widening impact.

DEDICATION

Writing this thesis did not take much time. Thinking about writing this thesis took lots of time. During the "thinking phase", and particularly the final six months, many people were subjected to my to ranting and raving, hand wrenching and perhaps even momentary lapses into my own little world. I have since surfaced but not without the help and patience of my family and friends.

More than others my advisor George Axinn has provided me with the greatest assistance. Unlike so many, Dr. Axinn would not direct, opting instead to guide. In our many conversations over two years he would first listen and then work with me to temper my thoughts and ideas. Like myself, countless students have benefitted from Dr. Axinn's time and energy. Along the way we discovered that in international development there is rarely one answer to any question and rarely one winner in any given situation. This thesis has been an attempt to continue the process of discovery and is therefore dedicated to George Axinn, for whom I wish to do my best.

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Chapter One

INTRODUCTION

Among the many actors involved in international development, non-governmental organizations (NGOs) have been considered distinct because of their ability to work close to the grassroots. In contrast to larger organizations akin to bilateral and multilateral government agencies, smallness is often seen as a virtue in NGO circles. At the same time, small can also indicate insignificance and isolation, or as Clark (1990) explains, "...islands of relative prosperity in increasingly hostile seas..."(p.xi). A central challenge to NGOs, therefore, is to maximize impact without sacrificing those qualities that contribute to their comparative advantages. This thesis seeks to consider a slice of this challenge by looking specifically at a subset of NGOs based in the United States, known as popular development agencies (PDAs).

Over a period of time, NGOs and PDAs alike were recognized for their ability to work close to the grassroots level. Today, due in part to success at the grassroots, PDAs have been increasingly called upon to make a difference at larger, more macro levels. To address this challenge, PDAs have adopted many different approaches including project replication and involvement in political advocacy. One of these approaches, discussed here, concerns the variety of external relations or linkages PDAs cultivate with different organizations. While there are many such relations, this thesis specifically considers the relations PDAs form with constituents to see if such efforts assist in the process of maximizing or widening impact.

Hypothesis.

In examining this subject, the general hypothesis being tested states:

> **PDAs that emphasize their relations with a variety of constituents are better able to widen impact.**

PDAs refer to a distinct subset of NGOs (detailed in Chapters Two and Three). Based in the United States, PDAs are secular, primarily development and not relief oriented, not funded by government, do not work directly at the grassroots level (though they may work in coordination with grassroots organizations based in Southern countries[1]), and in place of field projects place heavy emphasis on education and advocacy. Emphasis on relations (detailed in Chapter Three) is determined as the proportion of PDA expenditures directed at constituents or supporters, distinguished as either financial or non-financial. Finally, widening impact (detailed in Chapter Three) is viewed as a process through which a PDA is able to link existing work with issues of greater scope and/or scale. This process takes place within the United States and

[1]The term Southern refers to those countries that are not highly industrialized in contrast to those which are Northern or more industrialized. Other terms which mean essentially the same thing as "South" include developing countries, Third World and Less Developed Countries. While acknowledging the nuances that exist, all of these terms are used interchangeably.

involves efforts at increasing awareness and action around particular issues or events related to international development. Widening impact can be measured in both financial and non-financial terms. It seems clear that increased emphasis on financial constituents would likely bring widening impact of a financial sort. A correlation between emphasis on non-financial constituents and widened impact of the non-financial sort, however, is not as clear and is of greater concern to this thesis.

Some NGOs based in northern countries like the United States are reconsidering their role in international development to better address macro-level issues and build partnerships with Southern counterparts. To make this transformation, many NGOs have decided to move beyond isolated projects and engage in a process of widening impact. Among different approaches to this process, widening impact within the United States appears to provide the opportunity for increasing awareness and action around issues related to international development. In turn, relationships with constituents, or supporters, of an NGO become particularly important in this process. This thesis examines the relationships between constituents and the process of widening impact. While both financial and non-financial constituents are examined, non-financial constituents are explored more specifically as proponents of widening impact. Following a review of the relevant literature, three case studies are examined the analysis of which suggests that there is a correlation between the amount of emphasis directed at constituents and the process of widening impact. The three PDAs examined as case studies include Global Exchange, International Development Exchange and Oxfam America.

Significance of Research.

There are many timely and truly important issues to consider in the study of international development. By specifically examining organizations, this thesis applies to a number of broad, cross-cutting concerns.

Despite tremendous growth in the number of Northern international development organizations in the last fifty years, basic survival at even subsistence levels is increasingly difficult particularly for people in developing countries. The absolute rather than relative difference in average per capita income between the world's richest 20 percent and the poorest 20 percent increased from $1864 to $15,149 between 1960 and 1989. Similarly, in 1990 mortality rates for children under the age of five years in the least developed countries was over 180 per 1000 live births against 18 deaths per 1000 births in industrial countries (United Nations Development Programme Human Development Report, 1992, pp. 35, 149). These disparities in wealth and health between the North and South represent only two illustrations of the enormity of need. As such, this thesis indirectly attempts to address the notion of need, by examining a sampling of organizations that work directly on such issues.

A second point of significance relates to the fact that NGOs are playing an increasingly influential role among international development actors in general. In 1987 the total number of NGOs based in Northern countries and working in Southern countries was approximately 2500. Of this total, over half were based in Western Europe and approximately 700 in the United States. Growth in numbers of Northern NGOs is reflected in their presence in developing countries. In Kenya, for example, Northern NGOs increased by 260 percent between 1977 and 1988 (Fowler, p. 17). Due largely to increased support from governments in their home countries, NGO resources have also grown considerably. In 1970, NGOs handled approximately $9 million which more than doubled by 1988. While one advantage NGOs have over governments is the flexibility that comes with small size, some NGOs manage funds in excess of government development programs. In 1985 Catholic Relief Service and CARE, representing two large U.S.-based NGOs managed $437 and $274 million respectively. During this same time Belgium's aid program was $426 million, while Austria's was $274 million (Clark, pp. 41-43). NGOs have also demonstrated their significance through contributions at the 1992 United Nations Conference on Environment and Development and counter Global Forum conference held simultaneously in Rio de Janeiro, Brazil (Brundtland Bulletin, March 1992, p. 32).

U.S. NGOs were also active in advising the Clinton Presidential Transition team charged with setting priorities for the United States Agency for International Development (Monday Developments, December 21, 1992, p. 2). These shifts towards greater numbers and responsibility signify growing NGO clout in the international development field making this an important set of actors for study.

As much as NGOs are involved in international development, there is relatively little written about them. For many NGOs, taking time to assess their own state of affairs is almost a luxury that does not take place very often. Careful and systematic evaluations are often passed over in place of daily needs and actions of the organization. By not reflecting on their successes and failures, many NGOs are actually shortchanging their ability to learn and be more effective (Berg, p. 34). By considering a few concerns of NGOs, this thesis attempts to engage in an area otherwise neglected in academia and by NGOs themselves.

By looking at the relationship between NGO constituents and widening impact, this thesis draws attention to aspects of the domestic side of international development organizing. There is some indication that the American public is increasingly reluctant to be concerned with issues overseas. Although Americans perceive the United States to have some humanitarian, economic and politically strategic interests in developing countries, they give these issues low importance among American interests. Sixty-four percent of the general public identified domestic "bread and butter" type issues to be most pressing over concerns about developing countries (Contee, p. 6). In fact, fully sixty percent agreed with the statement that "...the U.S. government has no special responsibility to spend money helping the poor in other countries." (Ibid, pp. 13-15)[2]. As well, some among the general public feel that efforts to assist abroad are ineffective as well as a "...sense of redundancy." among the different actors involved in international development (Storck January 19, 1993). This attitude evidenced itself in the 1992 presidential campaign in which the articulation of priorities were overwhelmingly domestic. For NGOs primarily concerned with overseas activity, this attitude may indicate the need to "...put a face on development..." in a way that people better understand and support organizations that combat these issues (Green, January 26, 1993).

Finally another area in which this research is significant concerns the nature of involvement by Northern countries in Southern or developing countries. The most appropriate and sustainable forms of development are those initiated by the people of southern countries themselves. If Southern NGOs are increasingly capable of addressing their own country's needs, more intervening approaches by Northern NGOs may need to be reevaluated. New and more constructive roles

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[2]See Appendix A.

for Northern NGOs include a widening of impact within their own countries. This study addresses the theme of widening impact as a means to discovering roles for northern NGOs that respect the capacity and desirability of efforts by southern countries.

This thesis is organized into five chapters starting with a survey of significant prior research that will further frame this particular discussion. The third chapter describes methodology and presents the basic data used for alalysis in chapter four. Chapter five summarizes key points and as well provides suggestions for further research.

Chapter Two

CONCEPTUAL FRAMEWORK/LITERATURE REVIEW

In this chapter select contextual information helping to frame the main points of this thesis is presented. Accordingly, those concepts that are most applicable to the main discussion are identified. Divided into four sections, this chapter begins with a brief history of NGOs, a discussion of different types of NGOs, a section on NGO linkages, and a section on widening impact.

History.

The history of American involvement in international development has been viewed within three broad time periods including early missionary efforts (up until 1900), efforts reflecting the emerging role of the United States as a world power (1900-1945), and finally a time during which public-efforts became better defined primarily as a counter-balance to a perceived communist threat (1945-late 1980s) (Sommer, p. 17).

Despite its own needs as a new country, the United States Government was involved in a variety of ad hoc responses to particular events involving international assistance like the Venezuelan earthquake in 1812 and the Great Irish Famine in 1847. Not long after the Civil War, religious missionaries increased their philanthropic activities and groups like the American Red Cross were formed. Throughout this time, a majority of these limited efforts came from the private sector reflecting the belief that the U.S. Government should not give public funds for foreign relief (Sommer, pp. 19-20).

With the turn of the century, the United States gradually became more involved overseas. The U.S. Government participated in humanitarian relief efforts following World War I in indirect ways relying on the work of private organizations. One key figure involved in the development of a more formal private sector response to such needs was Herbert Hoover.

Both during and after World War I, Hoover served as administrator of European food relief. Having seen the trauma of social upheaval he wrote "*American Individualism*" in which he explained that new kinds of institutional relationships develop through the professionalization of management and training. Key among these relationships were cooperative institutions (Hall, p. 13). Such organizations, Hoover explained, would form a type of private or shadow government which would meet the needs for reform without the evils of politics. These ideas crystallized some of the basics about the role of private sector organizations and were to manifest in organizations with a variety of interests. Despite Hoover's denouncement, many of his ideas were used in Franklin Roosevelt's New Deal. The centerpiece of Roosevelt's first term program was the National Recovery Administration (NRA) which attempted to formalize the private-sector alternative Hoover described (Ibid, pp. 13-14).

This shift towards greater inclusion and development of the private sector applied to the efforts of groups concerned with international development. During this same time missionary groups emerged including such notables as the American Friends Service Committee, and the American Jewish Joint Distribution Committee. With the establishment of these new organizations came new forms of institutionalization much like Hoover had articulated.

Motivations for official U.S. overseas assistance became increasingly complex during the Cold War era in which the greatest influence on overseas policy came as a result of tensions with what was then the Soviet Union. In his 1949 inaugural address, President Harry Truman spoke of a world in which all countries would move in the same direction towards industrial development. Those countries, unlike the United States, that did not have industrially based economies were deemed "underdeveloped". Through this pronouncement, the countries of the world fell into neat categories under Truman's all-encompassing definition in which the U.S. was preeminent. Other more indigenous or localized systems of development were not viewed as significant and the U.S. promised to reward only those that mimicked its own (Sachs, pp. 90-92).

The Marshall Plan to rebuild Europe, coming as it did at the end of World War II, was sold to an initially wary Congress as a national security and anti-communism effort. Often credited with creating modern U.S. overseas assistance, the Marshall Plan set the stage for policy primarily concerned with material and capital assistance. As Europe gradually became stronger and the Cold War became the main concern, U.S. attention began to shift to other parts of the world including Africa, Asia and Latin America. U.S. efforts aimed not only at improving the quality of life, but also at thwarting the perceived dangers of communism. For the first time, efforts were clearly identified on bilateral levels, in which one country assists another, and multilateral levels in which many countries are involved. On the bilateral side, the 1961 Foreign Assistance Act helped formalize government efforts in development by creating the Agency for International Development (USAID) (Development in the National Interest, p. 2). Multilaterally, organizations such as the United Nations and the World Bank were created.

The human tragedies of World War II ushered in a response from a number of organizations that came to serve as models for many subsequent NGOs. One of these was CARE, originally known as the Committee for American Remittances to Europe. While CARE was established to consolidate different Catholic and Protestant church relief organizations, other religious organizations connected with different faiths, such as the

Mennonites and Jews, formalized previously fragmented efforts into formal organizations (Sommer, p. 113). In contrast to church affiliated NGOs, an organization known as Oxfam (reviewed in greater detail in Chapter 4 and 5) was formed during World War II. Private groups such as Oxfam signaled a new emergence of organizations that did not have a formal, built-in constituency like religious organizations (Brazier, p. 5).

By the late 1950s, it became increasingly clear that to bring about lasting change, long-term strategies were necessary in place of emergency relief. Seeds and tools replaced food and blankets and NGOs began to focus more specifically on development projects. With added exposure to life overseas came an increase in the relative knowledge base of the root causes of hunger and poverty. This increased understanding and new perspective included an idealism in the West encapsulated in John Kennedy's initiative to launch the Peace Corps in 1962 (Rice, p. 3). Compounded with the birth of many new countries once controlled by colonial powers, the idea of volunteering yourself to help other people became a secular as well as religious vocation (Brazier, p. 5).

In tracing the origins of NGOs, there appear to similarities with the formation of the more general and broader rubric of nonprofit organizations. Some of these similarities include: a) societal conflict and tension; b) response to a crisis situation or new demands when traditional structures are unresponsive or useless; c) ideological and value differences with the powers-that-be; d) the realization that neither government or the private sector has the will or capacity to address certain problems; or e) the determination to help people at the grassroots level (Cernea, p. 13).

Types.

With time, a number of NGOs began to get involved in many different facets of international development. While some were very specifically focused on one country or issue, others pursued broader objectives. As such, NGOs do not comprise a tight or homogenous community and instead vary across many lines of purpose and perspective. Accordingly, the range of NGOs are described differently.

Despite their heterogeneity, NGOs are almost always nonprofit organizations (NPOs). NPOs based in the United States include many domestically focused organizations in areas such as health care and social services. Accordingly, the universe of NPOs is far greater than NGOs which represent one particular area of focus. Representing an even smaller grouping of organizations among NGOs are PDAs such as the three organizations being examined in this thesis. To understand PDAs, it is helpful to start with the broadest range of organizations, namely nonprofit organizations, to gain perspective. Hansmann (1987) suggests viewing NPOs through two variables including source of income and method of governance. Those nonprofit organizations receiving most of their income from donations are labeled donative, while those earning income through sales are considered commercial. The second variable, concerned with governance, explains that those nonprofits controlled predominantly by members are known as mutual, while entrepreneurial nonprofits are controlled by a given organization's own governing body. From this broad classification of nonprofit organizations, NGOs in particular are likely to be similar to donative and entrepreneurial and least likely commercial and mutual (p. 28)[3].

A second method of classification of nonprofit organizations can be seen in Weisbrod's (1987) Collectiveness Index. Using this index, the highest measures of collectiveness occur when an organization provides collective goods or services to people who do not pay for them. Collectiveness is measured as a percentage of an organization's revenue in the form of contributions, gifts, and grants. In this measurement only the type and not the source or origin of income is included (pp. 75-76). Among nonprofit organizations in general, NGOs are generally established to benefit the poor, do not charge for services and, using this particular measurement, would have a very high level of collectiveness.

Looking more specifically at the rubric of NGOs, Korten (1990) describes four different types including voluntary

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[3]See Appendix B.

organizations (VOs), peoples organizations (POs), public service contractors (PSCs), and governmental non-governmental organizations (GONGOs). VOs depend on the appeal of common or shared values to mobilize human and financial resources. People contribute because they believe in the VO's abilities. Their small size, independence, and commitments to particular values make them relatively immune to the political agendas of government or economic agendas of business (pp. 97-98). POs legitimacy is based on the ability to serve the interests of their membership. POs typically have democratic structures and are not dependent on outside funding or initiative. Being by nature built around value consensus, constituencies of VOs are smaller than government. VOs achieve scale and leverage by joining in coalitions, constantly redefining, and advocating political action. Examples of such POs would include labor unions, credit clubs and self reliant cooperatives (pp. 100-102).

PSCs, though nongovernmental and nonprofit, are driven by market considerations more than values. Where a donor wants a specific job done, a PSC is more apt to respond accordingly than a VO. PSCs will also be less likely than a VO to engage in political advocacy, particularly if the issue is controversial and has the potential to upset existing and potential donors. Many VOs feel pressure to become PSCs due to the availability and security of government funding. Blurring the line between VOs, POs and PSCs, GONGOs represent government created NGOs[4]. Attempting to reclaim assistance from bilateral and multilateral sources that might go to a PSC or similar NGO, governments attempt to channel such funds to GONGOs. The existence of a GONGO depends on state sponsorship and is subject to government appointment and approval (Korten, pp. 114-115).

These four categories distinguish between NGO characteristics at a very general level. While the PSC and GONGO distinction is helpful in explaining the range of government funded NGOs, a number of other issues, such as the source of funding for POs and VOs, is undiscussed. Korten suggests another conceptualization of types of NGOs by describing four generations of organizations[5]. The first generation of NGOs focus primarily on relief and welfare and react to visible and immediate needs. In doing so, these NGOs generally intervene and act independently on a given community. Second generation NGOs focus more on community development by concentrating on projects and attempting to build the capacities of people to better meet their own needs. Unlike relief efforts, activities emphasize self-help at the village level with the hope that the community will sustain efforts after the NGO has gone. In this sense, second generation NGOs are viewed as mobilizers rather than as

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[4]Essentially meaning the same thing as GONGOs, Fowler (1992) and others refer to quasi-nongovernmental organizations or QUANGOs (Fowler, p. 18).

[5]See Appendix C.

initiators. Though theoretically focused on development, second generation NGOs often assume that local organizations of the poor can, through their own initiative, mobilize political and economic resources to overcome existing power structures (pp. 119-120).

Third generation NGOs look beyond individual communities and seek changes in specific policies and institutions at local, national and international levels. Third generation strategies are often the result of frustration with the limitations of second generation approaches unable to address structures that centralize control of resources, keep services from reaching the poor and maintain existing systems of exploitation. Rather than working as a service provider, third generation NGOs act as a catalyst building capacity among people to make demands on the system (Korten, p. 121). The critical flaw of third generation strategies, in Korten's view, parallels at the macro-level the flaw of the second generation strategies displayed at the micro-level. Addressing this specifically, the central concern of forth generation NGOs is to promote among the whole international NGO community a new and alternative development paradigm. In contrast to being a catalyst, fourth generation NGOs are more involved in facilitating movements, collaborating with affinity organizations, and working through networks and coalitions (p. 124).

One of the key ideas that comes out of Korten's discussion of NGO generations is the clear interrelations between the macro and micro level. Organizations adopting first and second generation strategies are limited in their ability to do more than make temporary or isolated change. Third and forth generation organizations by contrast, place greater priority on long-term, broad based approaches. While first and second generation NGOs can serve an important purpose, third and fourth generation NGOs represent those that endeavor to challenge existing systems and build coalitions to combat the issues of international development. This commitment to working on more macro level issues is a type of widening impact activity. In order to create networks and challenge existing systems of control, third and forth generation NGOs must have strong constituent backing in the form of finances, and more importantly in the form of non-financial support such as awareness and political involvement. Third and forth generation NGOs and the subsequent type of widening impact is of direct concern to this thesis.

Among the generalizations used to characterize NGOs is the notion that they are able to work at the grassroots level. While many NGOs do in fact work with those at the grassroots, very few do so directly. Addressing this, Carroll (1992) differentiates between grassroots support organizations (GSOs) and membership support organizations (MSOs). GSOs are managed by professionals or facilitators that are typically not of the same social class as the intended beneficiaries. In this way, beneficiaries are not members of a GSO. MSOs, however, are managed by people who belong to the same social classes as beneficiaries. In MSOs, all people are members of the organization thereby eliminating the distinction between beneficiaries and constituents. People running GSOs might be considered "outsiders" and relatively removed from the grassroots in contrast to MSOs staffed by "insiders" and more likely to be closer to the grassroots. Carroll goes on to point out that there are separate "primary" GSOs and MSOs which represent those organizations closest to the grassroots (pp. 12-14). Significant among his contributions to understanding the diversity of NGOs is that very few actually work directly at the grassroots level. While many work close or are well connected to the grassroots, U.S.-based NGOs, such as the PDAs examined here, are generally not exclusively accountable to beneficiaries unlike MSOs. This being so, PDAs and NGOs alike generally work close to, but not at the grassroots level[6].

Both Korten and Carroll's ideas are captured in Clark's classification of NGOs. Imperfect like any set of definitions, Clark is still able to address many key characteristics which include:

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[6]Cernea (1988) states that "The immense majority of NGOs...are grassroots organizations that grow out of local communities and are committed to having an impact on their constituents lives."(p. 9). Unlike Carroll, however, Cernea does not make clear what is meant by grassroots organizations which might suggest that the term "grassroots" is still a bit ambiguous.

1. Relief and welfare agencies: Often various missionary societies that respond to crisis.

2. Technical innovation organizations: NGOs that operate their own projects to pioneer new or improved approaches to problems, and which tend to remain specialized in their chosen field.

3. Public service contractors: NGOs mostly funded by Northern governments and that work closely with Southern governments and official aid agencies. These NGOs are contracted to implement components of official programs because it is felt that their size and flexibility would help them perform the tasks more effectively than government agencies.

4. Popular development agencies: Northern NGOs and their Southern intermediary counterparts that concentrate on self-help, social development and grassroots democracy[7].

5. Grassroots development organizations: Locally based Southern NGOs whose members are the poor and oppressed themselves, and which attempt to shape a popular development process. They often receive support from PDAs, though many receive no external funding at all. 6. Advocacy groups and networks: Organizations that have no field projects but that exist primarily for education and lobbying.

Through these classifications, Clark points out yet another dimension by distinguishing between progressive and non-progressive NGOs. Similar to Korten's third and forth

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[7]Detailed on page 21.

generation NGOs, progressive NGOs deliberately seek to change the status quo through a more equitable distribution of power and authority. Progressive NGOs feel that development is fundamentally about taking sides and that any action that does not seek such change supports existing systems. Non-progressives are viewed as a threat to this process by competing for funds and distorting development work when claiming neutrality. Progressive NGOs try to change the images of developing countries by promoting dignity, self-help, and active struggle over despair, beggaring, and hopelessness (Clark, p. 37-38). Though all six of Clark's classifications could potentially be radical or non-radical, popular development agencies and grassroots development organizations are most likely to be progressive and even radical and are therefore most threatening to existing elites.

Finally another distinction that helps characterize NGO types concerns whether or not an organization is religiously rooted or secular. In many ways religious organizations were the original NGOs and have a somewhat unique place in the history of international development efforts. As mentioned earlier, even before World War II, many religious organizations had been active and helped influence the nature of subsequent NGO activity. Of an estimated $12 billion of private funds spend on international development activities in 1987, fully half was channeled through religious NGOs. Secular

NGOs accounted for $4 billion and the remaining $2 billion included efforts of foundations and universities (Development in the National Interest, p. 61). Besides this enormous involvement, religious NGOs are distinct because of what might be considered a built-in constituency. Unlike secular NGOs which must often solicit support from a variety of new and different sources, religious NGOs have networks of almost implicit sources which can be relied on from year to year.

One example of networks of support can be seen with an NGO known as the Unitarian Universalist Service Committee (UUSC) and its Social Action Units. Units consist of approximately three or more Unitarian Universalist congregations who share an interest in national and international issues of concern to the UUSC. Units mobilize their community through projects of education and advocacy. UUSC distributes "Action Alerts" to the Units to update members and interested parties about current legislation and events of concern. In 1992, for example, UUSC mobilized supporters to urge Congress to cut military aid to El Salvador (UUSC Report to the Membership, 1992).

It is clear that NGOs are a very diverse group. The acronyms alone (eg. VO, PO, PSC, GONGO, GSO, MSO, etc.) help illustrate that these actors involved in international development are motivated by different purposes and are accountable to different constituents. Taken together, it is still possible to highlight a few key characteristics that help frame the range of NGOs. These include:

1. Government-vs-non-government funded;
2. Grassroots-vs-non-grassroots focused;
3. Field project-vs-non-field project oriented;
4. Relief-vs-development focused;
5. Progressive-vs-non-progressive;
6. Religious-vs-secular.

The three PDAs examined as case studies in this thesis (Global Exchange, International Development Exchange, and Oxfam America) are reasonably similar to Clark's definition of popular development agencies (PDAs). Like Clark's definition, these PDAs are all Northern, based in the U.S., and embrace basic ideas of self-help, social development, and grassroots democracy. For the most part, these PDAs at least attempt to work with Southern counterpart organizations that work at the grassroots. They are secular, not funded by government, are primarily development and not relief oriented and have a progressive orientation. In place of field projects, these organizations place heavy emphasis on education and to some extent advocacy. Finally, while they embrace many of the third and forth generation NGO strategies Korten describes, they are also involved to some degree in community development akin to second generation approaches. Though referred to as PDAs, the case studies examined in this thesis are similar but do not fit precisely with Clark's definition.

So far this chapter has been concerned with providing a brief history of NGOs as well as explaining the range of organizations they represent. Beyond this background information, a focus on linkages and widening impact provides perspective on two central ideas of this thesis encapsulated by the hypothesis which states that **PDAs that emphasize relations with constituents are better able to widen impact**.

NGO Linkages.

PDAs and NGOs alike have found that they need to form linkages if they wish to move beyond isolated projects or islands of insignificant activity. Recalling Korten's criticism of second generation strategies, a focus on linkages furthers the discussion of how NGOs can move away from battling symptoms and move towards addressing basic causes.

PDAs form linkages or relations with a number of formal and informal organizations. The range of organizations with which NGOs form linkages can vary but includes academia, beneficiaries, corporations, individuals or the general public, foundations, government, the media, and peer or ideologically similar organizations. This thesis is most concerned with relations between PDAs and constituents who, as supporters, are in contrast to beneficiaries who are receivers. In a sense constituents might be considered a type of receiver. By being a member of a PDA, for example, a constituent might receive information about particular issues or simply gain a feeling of satisfaction from providing funds. While the line between constituents and beneficiaries is not always exact, in this thesis constituents are understood to be people within the United States in contrast to those in Southern countries. Constituents can be further delineated by those that are primarily financial and those that are non-financial. Financial constituents might include corporations, individuals or the general public, foundations and government. Non-financial constituents would be likely to include academia, the media, and peer or ideologically similar organizations. Put another way, constituents can be distinguished as those of "...cash or conscience..." (Gambino, January 19, 1993).

PDAs form linkages or relationships with other organizations for a variety of reasons. Helping to explain the purpose of different linkages was Milton Esman's "*The Institution Building Process: An Interim Appraisal*" (1966). Setting many standards for subsequent research in this area Esman details the range of linkages as well the reasons why linkages are of importance.

Esman begins by assuming that the introduction of change takes place primarily in and through formal organizations. When these organizations become change inducing and somewhat formalized, they are considered to be institutions. In the process of becoming institutionalized (ie. meaningful and valued in the societies in which they function), a complex set of interactions or linkages between the institution and the environment emerge (Blase, pp. 68-69). All institutions are dependent on other organizations for authority and resources. This dependence makes it imperative that organizations understand their linkage or relationship with other organizations. Linkages are defined as:

> **"Patterned relationships between the institution and other organizations and groups in the environment. These relationships comprise the exchange of resources, services, and support and may involve various degrees of cooperation or competition."** (Blase, p. 341).

Esman goes on to divide linkages into four subcategories including enabling, functional, normative and diffused. Enabling linkages are often of importance at the initial stages of an institution's life when it is trying to develop relationships with other entities that control and allocate authority and resources. Functional linkages connect the institution to organizations which are complementary, providing inputs and using outputs and as well with those that constitute real or potential competition. Within these linkages, an institution attempts to spread its innovations. Normative linkages have implications for institutions via sociocultural norms and operating rules. Through these linkages, society places certain constraints and guidelines that may either serve as obstacles or facilitate the process of institution building. Finally diffused linkages refer to the relationship between the institution and public opinion and the public in general. Relationships are established through the media and other channels through which the expression of opinion is possible (Blase, pp. 71, 340). For

PDAs, organizations that would loosely correspond to Esman's linkage types would include: 1) Enabling- all organizations, 2) Functional- beneficiaries, corporations, individuals, foundations, and government, 3) Normative- academia, beneficiaries, media and peer organizations, 4) Diffused- academia and the media.

Esman also described are institutional variables representing elements necessary and sufficient to explain the systemic behavior in an institution. These variables include leadership, doctrine, program, resources and internal structure. Of particular concern to this thesis is the notion of resources which are loosely defined as inputs of an institution. Resources are significant in explaining organizational behavior both in terms of amount or availability and the source itself. Sources and the ability to obtain resources through them impact decisions of program, doctrine and leadership (Blase, p. 70)[8].

While Esman's work applies to organizations in general, it is still very useful in understanding the differences among and importance of linkages. PDAs cultivate linkages with other organizations for reasons as basic as survival. Put

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[8]In an attempt to utilize Esman's framework, one study done by Derge (1968) used a 20-cell matrix comprising on one axis the institutional variables, totaling five, and the linkage variables, totaling four. Derge then built a set of hypotheses concerning the interrelationships between the two sets of variables (institutional and linkage). In the case of the institutional variable concerned with resources, Derge was able to explain why and what institutions cultivated linkages or relations (Blase, p. 112).

another way, these organizations "...can not operate in isolation simply because they do not have the combination of competence." (Fox, January 23, 1993). Linkages allow PDAs and NGOs alike to avoid this isolation and get beyond islands of activity. 28-29

Looking at NGO and PDA linkages specifically has not been discussed in the literature in great detail. What has been described includes the subject of NGO linkages with government and with countries of the South. In recent years, Northern government support for NGOs has increased considerably. Since the mid-1970s, bilateral and multilateral government contributions to NGOs have increased tenfold. By 1984, it was estimated that such contributions amounted to one-third of Northern NGO budgets (Hellinger, p. 136). 29

Though not inclusive of all NGOs in the United States, 347 were registered with USAID by September, 1992. The combined revenue of these NGOs was approximately $2.4 billion with USAID contributions amounting to half, or $1.2 billion, of all revenue. A cursory examination of these organizations revealed that 197 NGOs received more than five percent of their revenue from USAID including 25 organizations that received more than 50 percent. Since 1986, legislation has required that at least 20 percent of an NGO's revenue come from private sources to qualify for USAID grants. An exception to this rule, however, applies to cooperative development organizations (CDOs) which are considered agency intermediaries supporting U.S. Government initiated activities. In 1992, AID listed support to 25 such organizations, still considered NGOs (Voluntary Foreign Aid Programs 1993).

At such levels concern about NGO cooptation has also grown. While increased cooperation reflects an acknowledgement of the comparative advantages NGOs have in working at the grassroots, it also suggests that they have difficulties in mobilizing financial resources from their constituencies (Heijden, p. 108). Esman (1991) writes "Contact with the government is inherently corrupting; it conduces inevitably to dependence and domination, which are likely to prove fatal to authentic people's organizations." NGOs can protect their ability to govern themselves and avert domination by engaging in linkages with other organizations. Accordingly, needed information, resources, and other forms of support are made possible through such exchanges. The burden of responsibility rests with managers of NGOs who, against temptation to dominate programmatic functions, must assure constituents and beneficiaries alike that the organization is not in danger of being preempted or reduced to an instrument of government patronage (pp. 104-105)

Besides cooptation, another concern is that government might retreat too far from areas where it should be involved (Ostrander, p. 28). Many agree that there are tasks ill-suited for NGOs which are more appropriate for the state. Berg writes "While non-governmental development agencies might well have important perspectives...it would be unfortunate if they were pushed into roles far more appropriate for the World Bank or the International Monetary Fund." (p. 29). Making a point about the importance of advocacy efforts of NGOs, Hellinger writes that "While NGOs are still in fashion with the aid establishment, they need to move emphatically into those arenas in which the principal programs and policies that determine the direction of Third World development is being shaped." (p. 141).

Corresponding to the increase in northern NGOs has been an increase in NGOs based in developing or southern countries. Addressing the issue of relationships between these two groupings, Fowler (1992) writes that southern NGOs need to know more about potential northern counterparts. Fowler explains that while a partnership is a relationship, not all relationships are partnerships. To ensure balance, both parties entering into a relationship should make sure the appropriate conditions for a partnership are nurtured. Two such conditions include: 1) a mutual understanding about the problems and solutions as well as what the end-product should resemble; and 2.) an attitude of trust and transparency so both parties can recognize strengths and weaknesses in each other (pp. 20-21)[9].

[9]One example of what appears to be partnership that embodies these conditions exists between the School for International Training based in the United States and the Organization of Rural

An element that makes linkages between northern and southern NGOs somewhat unique is legitimacy. In the process of developing trust and transparency, Fowler identifies certain features of both Northern and Southern NGOs that need to be understood. Among these are constituencies and the lines or of accountability they create. Put another way, it is important to consider what constituency or groups of constituencies NGOs are accountable to, and derive legitimacy from. Fowler explains, that "The problem of how northern NGOs derive legitimacy for their existence from the poor in the Third World...is thorny but increasingly relevant." (p. 19). Along these lines, the more defined the constituency an NGO has, both in financial and non-financial terms, the higher the potential for legitimacy. Legitimacy is seen as a result of clear connections between an NGO's mandate and support from and accountability to the public at large. The availability of skills and resources to transfer to the South does not ensure that a northern NGO is automatically legitimate. In the process of establishing a genuine partnership, southern NGOs have the special weight of providing legitimacy to the arrangement. While this is not to suggest that the simple involvement by a southern NGO will bring legitimacy, their unique contribution to a partnership arrangement commonly

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Associates for Progress based in Zimbabwe. Through education programs designed to build understandings about international development, students from both Africa and the United States learn about North-South development cooperation (Unsicker, January 25, 1993).

includes the provision of legitimacy (Fowler, p. 21).

Much like linkages are concerned with the world around a PDA, so to is widening impact. As laudable as small, grassroots efforts of PDAs may be, it is not unreasonable to consider their ability to widen impact given the magnitude of need.

Widening Impact.

Due, in part, to a record of progress at the micro level, greater attention has been shifted to what PDAs and NGOs can do at the macro level. In this thesis, **widening impact refers to a process through which an organization is able to link existing work with issues of greater scope and/or scale.**

There are a variety of widening impact activities which can be further delineated by those which are primarily at the field project level and those that are non-field project level. Field projects usually involve either an expansion or replication of existing projects or programming. This thesis is concerned with those widening impact activities that are not at the field-project level and therefore take place within the United States. These activities involve increasing awareness and action around particular themes or events related to international development. Widening impact within the United States (or at the non-field project level) applies directly to existing and potential constituents of both the financial and non-financial sort making it a central concern of this thesis.

In the literature, the basic ideas of widening impact are often referred to as "scaling up". Berg suggests three types of scaling up. Corresponding most clearly with the notion of widening impact used in this thesis, the first type is considered organizational. Through organizational scaling up, an NGO attempts to enlarge its base of support or broaden constituencies. Those that attempt this by focusing on education and advocacy have had greater success than those that do not and are able to do more than simply increase the size of their mailing list. Echoing Korten, Berg explains that organizational scaling up requires that U.S. NGOs discover how to run a mass voluntary movement. Connecting with and learning from the Womens, Environmental and Civil Rights movements, for example, is essential. Many religious activists and in turn their organizations were profoundly influenced by the ideas of liberation theology and accompanying movement towards social change that began in Latin America. Some U.S. based NGOs, particularly those established as advocacy or network organizations, have moved in this direction of mass mobilization with some success. Bread for the World, an advocacy group attempting this approach, has mobilized more than 40,000 Americans to lobby for development. To scale up organizationally, or broaden constituencies, NGOs "...must redefine themselves as agents of mass movement if they are to have considerably more influence." (p.33).

A second and related type of scaling up involves management or promoting the professionalization of management. Evidence of the need for this is clear in the evaluation functions of an NGO. Managers are either not prone to, or are otherwise distracted from asking hard questions about effectiveness and impact. To do this, NGOs need to do more comparative work across organizations. Though NGOs have the skills at carrying out regular programming or operations, they do not prioritize evaluation and dissemination. Berg suggests that this may be an area where NGOs could benefit from the comparative advantages of academia to provide insights into evaluation.

Finally, a third type of scaling up concerns finances. NGOs must locate larger and more creative financial resources. Berg suggests that one way in which this might be possible would be for a greater emphasis on systematizing fundraising for all NGOs through umbrella groups and bilateral or multilateral foundations (pp. 34-35).

Using it as one criteria for evaluating 30 Latin American NGOs, Carroll refers directly to "widening impact" instead of "scaling up". In his definition, widening impact has two essential components including innovation and policy. Widening impact includes innovation in the ability to transfer ideas, methods and techniques with others. Similar to the idea of replication, such innovation considers whether or not the systems and process of an NGO have been shared and diffused. The second component also concerns ability, but to influence the policy process. This ability implies that NGOs are either able or have the potential to move from "...the strictly microeffects of distinct projects to the macropolicy area..."(p. 34). Such widening of impact can take place anywhere between the local and international realm but is initially most useful at the provincial or sectoral level (p. 121).

In adopting a philosophy about scaling up, Clark writes "Only a complacent organization would be content to continue with the same job in perpetuity when it is self-evident that its contribution is not more than a drop in the ocean, however excellent a drop it may be." (p. 71). Within the process of scaling up Clark identifies four general considerations that should be integrated in any scaling up activity. These include the idea that widening impact, in its purest form, must concern how to directly and effectively combat the problems of poverty, mobilize resources and ensure participation and accountability to the people. A second consideration relates to popular concerns or what the poor perceive as their problems. A third refers to the local policy environment and how programs, policies and laws pursued or not pursued by local and national government impact the poor. Finally, a fourth consideration that might be involved in the process of scaling up relates to the international policy environment. At issue is how external factors, particularly those of Northern governments and institutions, impact the problems of poverty and what windows of opportunity exist for generating improvements (pp. 73-74).

While these four considerations are ideas that should be included in the scaling up process, Clark distinguishes between three specific types of scaling up activity with similarities to the ideas of Korten and Berg. These activities include: 1) project replication; 2) building grassroots movements; and 3) influencing policy reform. Project replication entails both increasing the outreach of the NGO's own program and helping others establish similar programs. Building grassroots movements increases support for those grassroots organizations campaigning for social change with the hope of eventually fostering networks of many organizations. Influencing policy reform involves change in the policies and practices of government in an effort to create a more favorable climate for the poor and grassroots development in general (p. 75).

Besides considerations and types, Clark also presents a list of common conditions that aid in scaling up strategies. Known as the "5Ls", these conditions include: 1) listening to allies and critics to understand their (NGOs) position within the greater environment; 2) learning by improving research and evaluation both of programs and in a macro context; 3) linking, building networks and broad coalitions for effecting change; 4) leadership, in particular fostering it among the poor; and 5) lobbying, to influence those with access to greater clout and resources (p. 76).

Despite the needs, NGOs rarely give top priority to developing the skills for scaling up. The preoccupation with "doing" leaves insufficient space for "influencing". While individual projects may be scrutinized, the context often is not. Such tendencies toward isolation may be reinforced by NGO management or even funding sources which encourage idiosyncratic and decentralized approaches. Bringing into question the decentralization in many NGOs can be viewed as sacrilegious. (Clark, pp. 80-81).

The notion of NGOs widening impact within the United States has occasionally been discussed in context with other equally weighted issues but not by itself. By singling it out, this thesis departs from previous work. Looking at widened impact within the United States appears relevant to the need to reconceptualize Northern NGOs as articulated by Korten's third and fourth generation strategies. By being involved in efforts to increase awareness and action within the United States, NGOs move closer to creating a climate responsive to the priorities of international development. As well, they become better able to build effective constituencies in support of and in coordination with southern partners. Having benefitted from articulations of widening impact, this thesis attempts to take things a few steps further by examining more specifically the actualization of this process by particular U.S. based PDAs that seek to move beyond micro-level change.

Chapter Three

METHODOLOGY AND DATA PRESENTATION

This chapter details the methodology used to collect data as well as the actual data presentation. The discussion of methodology is divided into a section on data sets, data collection and data use. The data presentation, or information about the three PDAs that serve as case studies for this thesis, has been organized into sections that begin with a brief mention of the PDA context, general profile of each organization and a listing of data which is further detailed by subsections on constituents and widening impact.

METHODOLOGY.

The basic question raised in this thesis concerns whether or not there is a correlation between the extent to which constituent relations are prioritized and the process of widening impact. To do this a sample of three PDAs, namely Global Exchange, International Development Exchange and Oxfam America, were examined. These particular organizations were selected in part due to the variation they represent within the general PDA typology. As mentioned earlier these PDAs refer to a subset of United States based NGOs distinguished by:

1. Secular orientation
2. Exclusively private funding
3. Work not directly at the grassroots
4. Primarily development and not relief focused
5. Emphasis on education and advocacy

Data Sets.

Collecting data began with a review of general information about the PDAs' history and general purpose. Next, financial documents, and in particular Internal Revenue Service 990 tax forms, were used[10]. Finally, interviews were conducted with key personnel involved in administration, financial and non-financial functions. In these interviews a large portion of time was devoted to understanding non-financial constituents and the respective allocations. .

The availability of data on these issues does not exist in great quantities. In many cases information was not maintained by the organization. While basic data were available on fundraising, it was more difficult to obtain a delineation of those funds which represented nonfinancial constituents. Global Exchange, International Development Exchange and Oxfam America all have slightly different ways of maintaining records making direct comparisons less than absolute.

[10]See Appendix D.

Data Collection.

Data collection revolved around three broad issues. The first concerned the extent to which PDA resources are directed at financial constituents or fundraising. Such constituents can include, among others, corporations, foundations, government and individuals. The second issue concerned the extent to which PDA resources are directed at non-financial constituents. Such constituents can include academia, the media and peer or ideologically similar organizations. Though it might be argued that all constituents have some financial connotation, efforts were made to make clear differentiations. While tax information made it easier to identify financial rather than non-financial expenditures, it was still possible to use information from IRS 990 forms to collect information on both types of constituents.

Finally the third issue concerns the extent to which a PDA is able to widen impact over time. As mentioned earlier, widening of impact is concerned with impact within the United States. Being able to find good measurements of widening impact was a challenge. Three general measurements were considered including growth in revenue, growth in membership, and level of core programming or output. As each PDA is unique, core programming does vary. What was measured was not so much the effect of programming but rather changes in levels of activity over a period of time. Besides these criteria, other considerations that were less measurable were noted.

Data Use.

Determining the degree to which a PDA emphasizes relations with different constituents is at the core of this research. This process begins by identifying how organizational resources are apportioned. Proportions in turn give an indication of the relative priority of emphasis on particular constituents in contrast to other areas that require organizational resources. Having established the relative constituent priority, it is then possible to compare this level of priority with measurements of widening impact.

DATA PRESENTATION.

Context.

In an effort to better place Global Exchange, International Development Exchange and Oxfam America within the PDA context, it is useful to gain some understanding of what proportion of all NGOs in the United States they represent. While obtaining such general information is difficult, a few indicators are still relevant. Two major listings of NGOs in the United States include those registered with the United States Agency for International Development (USAID) and a listing of NGOs compiled by the Organization for Economic Cooperation and Development (OECD).

USAID lists information on the 347 NGOs that have registered with the agency. While theoretically representing organizations dedicated to international development, some of these organizations have a decidedly non-international and non-development orientation. Acknowledging this limitation, approximately 155 NGOs receive no more than five percent of their revenue from the government. Of this total, 50 list allocations directed at domestic programs. While such programs could represent a variety of things such as actual development projects within the United States, an examination of these organizations' profiles indicated that most have domestically focused education and outreach programs that similar to PDAs examined in this thesis. Of these 50 organizations, a total of ten have clearly identifiable religious associations. This leaves a total of 40 United States based NGOs that most clearly resemble the PDAs examined in this thesis (Voluntary Foreign Aid Programs 1993).

Another listing, done by the OECD lists a total of 227 NGOs that do not necessarily register with USAID. Approximately 78 NGOs receive no more than three percent support from the government and have some portion of their programming dedicated to education and outreach like PDAs. Of these 78 organizations, 19 have clear religious associations leaving a total of 59 NGOs that most clearly resemble the PDAs examined in this thesis.

While International Development Exchange and Oxfam America were listed with the OECD, Global Exchange did not appear on either list. This suggests that other organizations may not have been included on either list and that these numbers represent at best reasonable approximations. With this in mind, it is possible to suggest that the total number of PDAs similar to those examined in this thesis number between 50 and 60.

Profiles.

GLOBAL EXCHANGE

Global Exchange (GX) is a nongovernmental organization that attempts to forge closer ties between U.S. and Third World citizens through education, research, and action. Towards this end, GX works at building cohesion within what is referred to as the "internationalist movement" in the U.S. The internationalist movement has four general goals seeking to: 1) break down contentious barriers and expand the cultural and educational horizons in the U.S., building sensitivity and understanding about Third World people; 2) create new models for providing material assistance that combine environmentally and socially sound development with education and advocacy in the U.S.; 3) shift the direction of U.S. foreign policy by cutting ties with repressive regimes and ending the tradition of intervening against popular movements for change; and 4) fostering broader democratic participation in the U.S. by fortifying the bedrock of democracy--an alert, educated and participating citizenry. As well, the internationalist movement attempts to show that the "...interests of the Third World poor coincide with the interests of the majority of

North Americans." (Benjamin and Freedman, pp. 3-4).

Founded in 1988, GX divides its programs into four areas including Reality Tours, Fair Trade, Public Education and Partnerships. Reality Tours are designed to provide groups of North Americans with the opportunity to learn first-hand about issues in the Third World. While tours have gone to over ten countries over the past five years, GX is by far most active in travel to Cuba organizing over 20 trips every year. Through two stores in the San Francisco, California area, GX promotes alternative trade designed to directly benefit Third World producers by attempting to build economic opportunity from the bottom up. Purchases of arts and crafts generate income for artisans and cooperatives in over 30 countries while also serving as a mechanism to educate North Americans about the Third World. GX's efforts through the Public Education Program include producing a quarterly newsletter, books and other educational materials. Through a speakers bureau, Third World representatives come to the U.S. to address a range of topics such as grassroots development and Third World activism. Finally, through its Partnership Program, GX attempts to work with peoples organizations in the Third World on specific projects. Though still being established as a regular function of the organization, some projects to date have included the provision of material and emergency aid in places like Honduras and South Africa. (Program Summaries 1991-1992, pp.1-4).

In relation to the PDA typology used in this thesis, GX is clearly nongovernmental, secular, progressive, does not work at the grassroots or field project level, attempts to work with southern intermediary counterparts, and embraces strategies similar to Korten's third and fourth generation NGOs.

INTERNATIONAL DEVELOPMENT EXCHANGE

The International Development Exchange (IDEX) was founded in 1985 to support community based development in the Third World and to offer U.S. citizens an avenue for international understanding and action. IDEX attempts to serve as a bridge, linking communities undertaking local development projects in Africa, Asia and Latin America with sponsors (referred to as "partners") in the United States. IDEX works in collaboration with Southern, grassroots level NGOs to support development projects in 15 countries. Projects are small in size and address basic needs such as food, clean and safe water, education and reliable sources of income. IDEX supported organizations must share a commitment to empowerment of the poor, and to widespread participation in efforts at local development and social change.

IDEX links sponsors (which are primarily groups) from the United States with the community project they want to support and are assured that 100 percent of the contribution is sent directly to the project of their choice. Throughout the partnership, the community receives grant resources necessary for the project, while U.S. sponsors take part in educational programs. IDEX also runs a School Partnership Program, that engages school-age children, primarily from low-income, minority backgrounds, in the issues confronting poor communities in other countries (IDEX Biennial Report, p.1).

Grants are allocated in response to the needs of communities that are organized to initiate local projects but lack material resources. Averaging $5,000 or less, IDEX tries to reach groups that have traditionally been excluded from development assistance. General criteria for communities seeking grants include: participation by local people who are striving to improve the general welfare of the community; projects that have little or no access to other outside funding sources; requests for material goods instead of labor; projects completed within one year when possible, a commitment by the community to sustain the project without continued dependence on outside funding; a willingness to exchange information about the community and project with other communities and U.S. sponsors; and full accountability for the use of funds (IDEX Biennial Report, p.4).

IDEX is structured as a community based organization involving over 100 volunteers in the design and development of programs. In a variety of capacities, these volunteers play an active role in guiding the direction of the organization. IDEX fits the general PDA typology used in this thesis.

Accordingly, it is nongovernmental, secular, progressive, does not work at the grassroots or field project level (though it directly supports Southern based grassroots organizations), and embraces strategies similar to Korten's third and fourth generation NGOs.

OXFAM AMERICA

Oxfam America was founded in 1970 due, in part, to critical needs of the then fledgling Bangladesh. Its roots, however, go back further to another period of critical need when the original Oxfam was organized in the United Kingdom in response to famine in Greece during World War II. Oxfam's name applied to this original purpose as the Oxford Committee for Relief in Europe. Over the years Oxfam moved beyond relief to include a focus on development as well. Oxfam grew to add six additional, autonomous organizations including America, Australia, Belgium, Canada, Hong Kong, and Quebec. While linked philosophically, the seven Oxfams are distinct. Other than Oxfam America, all Oxfams receive some portion of their funds from the government. Oxfam Canada receives the largest share, amounting to over 60 percent of its revenue (Brazier, p. 18).

Oxfam America (OA) has established itself as a staunchly nongovernmental, nonsectarian organization that funds self-help development and disaster relief projects. Working throughout Africa, Asia and Latin America, OA also produces and distributes educational materials for people in the United States. OA attempts to work with local organizations in the South, referred to as project partners, to identify needs and assess grant requests. Grants, which average $24,000, must meet certain criteria which include: meeting an important need of the local community with clear goals from the start; working with low income groups both in rural and urban areas with special emphasis on women; building self-reliance; increasing economic and social equity; encouraging local participation; supporting environmental preservation; and promoting institution building. An example of the desire to create real partnerships took place in 1992 when OA sponsored a Partnership and Advocacy Conference at their Boston headquarters. Project partners, or those involved in OA's funding schemes, came from different Southern countries for the purpose of making suggestions to OA on how it could best serve as an advocate on their behalf (Oxfam America News, Fall, 1992, p.7).

Education and outreach programs within the United States include nationwide campaigns such as the annual Fast for a World Harvest, producing books and other materials on development, producing special curricula for classroom use, and advocacy efforts aimed at bilateral and multilateral institutions (What is Oxfam America, 1992). Aspects of OA's education and outreach commitment help to clarify its progressive perspective. By challenging existing systems of power and authority through its Public Advocacy Program, OA attempts to convey the concerns of its Project Partners to policymakers in the U.S. The program educates policymakers and urges them to "...change those U.S. policies that promote obstacles to international development and hurt the poor." (Partners for Peace, p. 5).

In relation to the PDA typology of this thesis, OA is clearly nongovernmental, secular, progressive, does not work at the grassroots or field project level (though it directly supports Southern based grassroots organizations), and embraces strategies similar to Korten's third and fourth generation NGOs.

Data.

In testing the hypothesis that emphasis on constituent relations helps in the process of widening impact, three broad measurements formed the basis of data collection. The first two measurements are similarly concerned with the amount of PDA resources used for cultivating relations with particular constituents, while the third concerns the extent to which a PDA has been able to widen impact.

PDA resources are defined as pertinent staffing and related operational expenditures. Related operational expenditures include funds used by or in support of the staffing being measured. Such funds might surface in the form of a department budget. Constituents, or supporters of the

PDA, are delineated as financial (corporations, foundations, and individual donors) and non-financial (academia, peer or ideologically similar organizations, and the media). The line between financial and non-financial constituents is not always clear. Resources allocated for cultivating relations with the media, for example, might very well serve the dual purpose of promoting the mission of the PDA while also helping to solicit financial support. The point to stress is that in the cultivation of relations with constituents, financial support is not the exclusive and in many cases not even the primary motivation. This thesis attempts to draw particular attention to this idea and explain that in the process of widening impact, particularly as characterized by the third and fourth generation NGO strategies Korten described, non-financial constituents are significant.

To collect data on resources directed at constituents, IRS 990 forms were utilized. Part I of the 990 form requires a listing of four types of expenses including program services, management and general, fundraising, and payments to affiliates. Fundraising expenses listed in this section give a good indication of the amount, or proportion, of PDA resources directed at financial constituents. Gaining an indication of non-financial constituents, however, involves a few more steps. PDAs must detail <u>program service expenses</u> in Part III of the 990 form which provides a more complete indication of where funds are directed. Measuring non-financial constituents, therefore, is understood as allocations which are not used for beneficiaries or for the exclusive purposes of raising funds.

Widening impact is measured in terms of growth in revenue and membership. As well, core program services or operations are calculated. This measurement is less than perfect, but reflects the data that are accessible. Besides these indicators, others that are unique to the PDA are described separately.

Calculating non-financial indicators of widened impact is somewhat more difficult than financial indicators. Added expenditures in fundraising would be expected to result in widened impact as indicated by added revenue. What remains elusive, however, is whether or not expenditures of the non-financial type result in non-financial returns such as awareness and influence. With this in mind, both financial and non-financial expenditures as well as financial and non-financial examples of widening impact were noted.

GLOBAL EXCHANGE

Financial Constituents.

Looking first at financial constituents, it is helpful to understand what was included in GX's $70,510 directed at fundraising in 1992. The tasks of fundraising were divided according to foundations, major individual donors ($100 or more), and small individual donors. With two full-time employees working directly on fundraising, one person was responsible for small donors, while the other spent approximately 60 percent of the time cultivating relations with foundations and the remainder on major donors (Montenero, May 11, 1993). These figures, while providing a reasonably accurate indication, do not take into account the time used by other staff members, and particularly the executive director. While acknowledging that a large portion of overall staff time is used for fundraising, accurate measurements were not available and therefore not included. Finally, independent of fundraising, GX raised approximately $297,438 of its revenue from independent or autonomous funds in 1992[11] Generated by special events, such as a large annual concert, and sales from GX stores and books, this figure represents finances not tied to any constituent. This helps explain the extent to which a PDA does not cultivate a relationships with financial constituents.

Non-financial Constituents.

Non-financial constituents, or adjusted program services, include those expenditures that do not directly relate to fundraising or go to beneficiaries. These expenditures included Reality Tours, Public Education and fiscally sponsored projects. The total non-financial constituent

[11]Lowry (1992) defines autonomous income as revenue generated by investments, rentals, sales of merchandise and assets. Other than assets, I use this same definition.

allocation was $141,996 in 1992. Tasks for Reality Tours were divided among two people who shared a budget of $56,324. In attempting to organize overseas travel experiences, efforts were made at cultivating relations with a broad range of constituents including individuals, academic, church, and community based organizations. While GX earns money in the process, the primary function of these tours is to raise awareness and action around a set of issues. With one employee and a budget of $47,750, the primary function of Public Education relates to the publication of Global Exchange's quarterly newsletter. Using approximately 60 percent of the employee's time, the newsletter is sent to both existing and potential contributors and serves as a regular link between GX and different constituents. The remainder of time used in Public Education was devoted to a variety of smaller tasks such as writing editorials and opinion articles, public speaking, and broadcasting a regular monthly radio program within the San Francisco area (Danaher, May 12, 1993).

Finally, fiscally sponsored projects, amounting to $37,922 in 1992, represent efforts by GX to assist in both the creation and operation of ideologically similar organizations that are generally smaller and less formally established than GX. Through this arrangement, the sponsored organizations are able to operate using GX's tax exempt status and GX is able to work in areas it supports but might not otherwise initiate.

One example of a fiscally sponsored project is the Communal Women's Movement of Morazan, El Salvador. Through community organizing within political, social, and economic realms, this organization attempts to promote the general well-being of women in this region hard hit by the recent civil war. Included are efforts at child care, education and micro-enterprise (Global Exchanges-Summer 1992, p. 7).

Widening Impact.

In addition to revenue and membership, Reality Tours represent GX's core-programming. Additionally, there are a few other considerations to include in this measurement. Since it began five years ago, Global Exchange has been involved in approximately 15 major campaigns. Though not ongoing, these efforts represent large scale and diverse efforts such as the promoting of human rights in Haiti, and halting U.S. military action in the 1991 Gulf War. A recently launched campaign of particular interest seeks to end the U.S. travel ban to Cuba as one step towards normalizing relations between the two countries. Viewed as being "In the spirit of our commitment to citizen diplomacy..." GX hopes to take action in the form of press conferences, newspaper advertisement, and special endorsements. These efforts will culminate in a publicized challenge to the ban when a group of U.S. citizens, organized in part by GX, will attempt travel to Cuba (Global Exchanges, Summer, 1993, pp. 1,7). Another method by which Global

Exchange has been able to widen impact can be seen in joining with other organizations on projects. The Bay Area/Border Exchange is one example in which GX joined with other organizations to promote awareness and advocacy about working conditions in U.S./Mexico maquiladora border factories. Through this consortium of five organizations, GX was involved in an area that it might not otherwise engage in and was able to extend its reach or impact (Moeller, May 12, 1993).

Table 1.--Global Exchange Data.

	1988	1992
Revenue	$81,472	$635,256
Expenses	$17,016	$615,225
Program Service Expenses	$11,991	$465,549
Adjusted Program Service Expenses	$2034	$141,996
Fundraising Expenses	$3083	$70,510
Autonomous Income	$5054	$297,438[1]
Sponsored Projects	$4092	$37,922
Reality Tour Participants*	50	550
Membership**	1147	1168

(*) Total number of people participating in tours in 1989 and 1992.
(**) Total number of individual contributors in 1990 and 1992.

[1]This figure includes profits from two "Third World Craft Stores" GX operates in the San Francisco area. If the stores were excluded, autonomous income would amount to $134,974.

INTERNATIONAL DEVELOPMENT EXCHANGE

Financial Constituents.

In 1992 , one person worked directly on fundraising, or relations with financial constituents, at IDEX. Fundraising itself was organized by grants from community and church groups, corporations, foundations, individuals, schools, universities. Once again, the $42,390 spent on fundraising does not account for time spent by other staff and particularly the executive director (Hafner, May 12, 1993). Finally independent or autonomous income amounted to $5090 in 1992. These funds were largely generated by special events and merchandise sales.

Non-financial Constituents.

Expenditures on non-financial constituents, or adjusted program services, included IDEX's Education Program, Volunteer Program and special events. Total allocations to non-financial constituents in 1992 amounted to $80,493. The Eduction Program, with 1.5 full time employees, attempted to draw on the experiences formed between communities in the United States and those overseas that are involved in sponsorship arrangements. Through exchanges of letters and reports, U.S. citizens are exposed to the perspectives of those people they help support. Between 1990 and 1991, the largest number of sponsors were individuals and families (38%), schools and universities (36%), church and community groups (17%), and finally foundations and corporations accounting for nine percent. One of the fastest growing areas of sponsorship support was among school and universities. In facilitating these arrangements, a special School Partnership Program was developed in which K-12 schools engaged in learning about developing countries through photo exchanges, supplementary reading and videos. IDEX's policy of devoting 100 percent of all sponsorship funds to projects overseas precludes the Education Program and subsequent School Partnership Program from being a fundraising activity. While funds raised by U.S. sponsors (including schools) are directed to beneficiaries, the Education Program is not. In other words, by not focusing on fundraising and not being directed at beneficiaries, the Education Program represents a unique effort aimed at cultivating non-financial constituents (Tucker, May 12, 1993).

Widening impact.

Besides revenue, and membership, Overseas Programs represent IDEX' s core-programming. Other measurements of widening impact include special events. Such events, while not forming a regular part of operations, can still be significant in widening impact. One such example was Grassroots Development Day. This one-day education and action program was designed to reach students and members of the community to learn more about life in developing countries. Using workshops, presentations and cultural performances, IDEX joined with the National Student Campaign Against Hunger and the Overseas Development Network for this event. By working in coordination with other organizations, IDEX attempted to extend its reach beyond what it might have otherwise done alone.

Finally, volunteers also play a particularly noteworthy role in the widening impact process at IDEX. In its attempts to be a community-based organization, IDEX actively involves its volunteers in day-to-day operations and in decision making. Reflecting their significance in the organization, two IDEX Board of Directors positions are reserved specifically for elected volunteers. To serve its volunteers, IDEX organizes quarterly training sessions and an annual retreat dedicated to a specific issue of concern to the organization. Financial allocations for volunteer support amounted to $1,508 as part of the Education Program. In 1990 and 1991 over 100 volunteers were involved with IDEX. Representing a group of highly dedicated supporters, volunteers represent a significant constituency, distinct from those individuals who simply donate money (IDEX Biennial Report, p. 13).

Table 2.--International Development Exchange Data[2].

	1988	1992
Revenue	$194,223	$405,744
Expenses	$168,029	$433,965
Program Service Expenses	$142,109	$358,397
Adjusted Program Service Expenses	$18,366	$80,493
Fundraising Expenses	$9090	$42,390
Autonomous Income	$4417	$5090
Membership Income	$36,441	$120,093
Overseas Program	$102,243	$184,235
School Partnership Program*	14/1860	22/2039

(*) Number of schools/students involved in 1990 and 1992.

[2]Fiscal year 1991 for both IDEX and OA begins in October, 1991 and ends in November, 1992. In contrast, Global Exchange's fiscal year corresponds to the regular calendar year. For the purposes of comparison, I am considering IDEX and OA in sync with GX.

OXFAM AMERICA

Financial Constituents.

In 1992, financial constituents, or fundraising costs totaling $2,567,788 included approximately 18-21 full time employees who divide duties into five units. These units include direct mail, pledge programs, golden years program (ie. planned-giving, bequests, etc.), major donors, and foundations and corporations. Reflecting the emphasis placed within these five areas, nearly 90 percent of all revenue comes from individuals while the rest is made up by foundations and other smaller sources. Though OA does not currently receive any notable corporate contributions, some interest has been expressed in cultivating this relationship. Efforts have been made to work with companies like Stoney Field Farm Yogurt, though nothing has been formalized to date (Hammock, January 26, 1993). Besides this, independent or autonomous funds totaled $592,667 in 1992. Like the GX and IDEX, these funds were largely generated by special events and merchandise sales.

Non-financial Constituents.

Non-financial constituents include the operations of OA's Education and Outreach Department which in 1992 amounted to $1,138,826. With approximately 20 full time employees, the Education and Outreach Department is divided into seven units which include: advocacy, media, national projects, Fast for a

World Harvest, publications, video production, and community development. Among the different efforts of this department, the Fast for a World Harvest is representative of OA's interest in increasing awareness about key issues related to international development. The Fast includes a number of activities which take place throughout the country. One such activity is the Hunger Banquets in which participants learn about global food distribution and hunger. During last year's banquets, a number of Hollywood celebrities took part helping to boost publicity (Oxfam America News, Fall 1992, p. 5).

Widening Impact.

In calculating widened impact beyond revenue, information on membership and details of core programming were not available. Other issues to consider, however, include OA's exposure through the media. As calculated by a clipping service which OA uses, over 3700 articles mentioned OA in 1992. This number does not include TV, radio and smaller weekly newspapers and serves only as an indication that the work of OA does make some impact. On average, OA receives 15 calls every week from the press. In December, 1992, at the height of the famine in Somalia, OA received more than 1400 calls a week.

Finally OA's involvement in advocacy is another measure of widening impact. In addition to working with the NGO network organization, InterAction, OA has done its own lobbying. One example of OA's and other NGO lobbying efforts came about with the creation of the United Nations Department of Humanitarian Affairs (Hammock, January 26, 1993).

Table 3.--Oxfam America Data.

	1990	1992
Revenue	$11,949,113	$14,149,090
Expenses	$1,972,392	$2,567,788
Program Service Expenses	$8,160,059	$10,447,678
Adjusted Program Service Expenses	$1,138,826	$1,934,914
Fundraising Expenses	$1,972,392	$2,567,788
Autonomous Income	$409,268	$592,667
Advocacy Expenses	$147,260	$192,207
Overseas Program	$8,262,830	$8,512,764

Chapter Four
DATA ANALYSIS

The extent to which Global Exchange, International Development Exchange and Oxfam America emphasize constituent relations can be calculated as a proportion of total expenditures. Measurements of widened impact are more of an approximation varying somewhat with each organization. It is still possible, however, to suggest a relationship between constituents and widening impact. Accordingly, this chapter is organized by each PDA with subsections that detail constituents and widening impact.

GLOBAL EXCHANGE

Financial Constituents.

Fundraising, or financial constituents, represented 11.46 percent of Global Exchange's total expenditures in 1992 and 18.11 in 1988 (table 4.). Included among the financial constituents were foundations, major individual donors and small individual donors. Due largely to two stores it operates, GX earned a relatively large amount of autonomous income indicating less reliance on regular fundraising activities and constituents.

Non-financial Constituents.

Adjusted program services, or non-financial constituents, represented 23.08 percent of the total expenditures in 1992 contrasting $2034 or 11.9 percent of total expenditures in 1988 (Table 5.). Included in this category were Reality Tours, Public Education and fiscally sponsored projects. Reality Tours, targeted at the public, were often identified through academic, community and church organizations. Public education as well was not targeted at any one group[12].

Widened Impact.

Calculating widened impact requires comparison over a period of time. While efforts were made to be consistent in these time comparisons, some information had not been maintained by the organization. Between 1988 and 1992 growth in revenue increased approximately 680 percent (table 6.). Membership, representing the number of individuals who contributed to GX, increased approximately 43 percent between 1990 and 1992 (table 7.). Reality Tours, representing the core programming of the organization, give another indication of growth and increased by 1000 percent between 1989 and 1992 (table 7.). Of the 550 people that participated on tours, approximately 400 went to Cuba. Combined with GX's history of Cuba focused

[12]Recently GX created a new position responsible for publicity and promotion. While this position clearly represents a greater prioritization of relations with media, information on actual allocations was not available and subsequently not included.

campaigns, building interest and action around Cuba is one clear indication of widening of impact. Other areas in which GX has been able to widen impact are more difficult to measure. A monthly radio show, for example, reaches a large and regular audience. While the extent to which this has widened impact is a matter of speculation, it would be reasonable to suggest that it has had some positive impact.

Finally another consideration in widening of impact relates to the returns or response to efforts at raising funds. By comparing costs of fundraising as a percentage of total expenditures and returns as a percentage of total income, it is clear that GX has increasingly been able to elicit response and indirectly widen impact (table 6.).

Table 4.--GX Proportion of Resources Directed at Fundraising Expenses (Financial Constituents)

	Financial Expenses/ Total Expenditures	Proportion of Resources
1988	$3083/17,016	18.11
1992	$70,510/615,225	11.46

Table 5.--GX Proportion of Resources Directed at Adjusted Program Services (APS) (Non-financial Constituents)

	APS/Total Expenditures	Proportion of Resources
1988	$2034/17,016	11.9
1992	$141,996/615,225	23.08

Table 6.--GX Financial Indicators of Widened Impact

	1988	1992	Percentage Change
Revenue	$81,472	$635,256	680
Fundraising Costs/Returns	$3083/76,41 8	$70,510/ 337,818	-2000
Autonomous Returns/Percentage of Total Revenue	$5054/6	$297,438/47	41

Table 7.--GX Non-financial Indicators of Widened Impact

	1988	1992	Percentage Change
Reality Tours*	50	550	1000
Membership*	1147	1648	43

(*) Total number of people.

As mentioned earlier, the correlation between financial constituents and financial indicators of widened impact are rather clear as table 6. demonstrates. While some PDAs have been more successful than others in obtaining financial returns, increased emphasis on fundraising will widen impact in the sense of more revenue.

The correlation between non-financial constituents and widened impact is not as clear but potentially more important than financial constituent emphasis. Recalling the basic definition of widening impact which includes greater public awareness and action, non-financial constituents are essential.

Global Exchange increased its emphasis on non-financial constituents by 100 percent between 1988 and 1992. During this same time there were also increases in non-financial indicators of widened impact in the form of participation on reality tours which increased by 1000 percent and membership which increased by 43 percent.

INTERNATIONAL DEVELOPMENT EXCHANGE

Financial Constituents.

Fundraising, or financial constituents, represented 9.76 percent of IDEX's total expenditures in 1991 and 5.4 percent in 1988 (table 9.). Included among the financial constituents were corporations, foundations, schools and universities, community groups and individuals. Autonomous funding accounted for very little of IDEX's total revenue indicating a relatively heavy reliance on financial constituents (table 9.).

Non-financial Constituents.

Adjusted program services, or non-financial constituents, represented 18.54 percent of total expenditures in 1992 and $18,366 or 10.93 percent in 1988 (table 10.). Included in this category is the Educational Program which can be further delineated by the School Sponsorship and Volunteer Programs. Different constituents integrated into these programs included schools, universities, foundations, corporations as well as those individuals that served as volunteers.

Widening Impact.

Growth in revenue, approximately 109 percent between 1988 and 1991 represents one calculation of widened impact (table 11.). Membership growth, as a proportion of contributions, increased approximately 229 percent during this same time (table 12.). Representing the key core program, Overseas Programs grew 80 percent in allocations between 1988 and 1991 (table 12.). Related to the Overseas Program was student participation in the School Sponsorship Program which grew by nine percent between 1990 and 1991 (table 12.). Besides special events and other efforts that are relatively minor in overall operations, the Volunteer Program represents another indicator of widened impact. By sustaining approximately 70 volunteers for the past three years, IDEX demonstrated an ability to impact and engage a highly supportive group of individuals. Compounded with IDEX's commitment to shared decision making and broad involvement, volunteers represent particularly motivated constituents.

Another consideration in widening of impact relates to the returns of fundraising. Comparing costs of fundraising as a percentage of total expenditures and returns as a percentage of total income, IDEX has been able to gain recognition for its work and widen impact based on financial response (table 11.).

Table 8.--IDEX Proportion of Resources Directed at Fundraising Expenses (Financial Constituents)

	Financial Expenses/ Total Expenditures	Proportion of Resources
1988	$9,090/168,029	5.4
1992	$42,390/433,965	9.76

Table 9.--IDEX Proportion of Resources Directed at Adjusted Program Services (APS) (Non-financial Constituents)

	APS/Total Expenditures	Proportion of Resources
1988	$18,366/168,029	10.93
1992	$80,493/433,965	18.54

Table 10.--IDEX Financial Indicators of Widened Impact

	1988	1992	Percentage Change
Revenue	$194,223	$405,744	109
Fundraising Costs/Returns	$9090/ 194,223	$42,390/ 405,744	-1179
Autonomous Returns/Percentage of Total Revenue	$4417/2.2	$5090/1.25	-0.95

Table 11.--IDEX Non-financial Indicators of Widened Impact.

	1988	1992	Percentage Change
Membership	$36,441	$120,093	229
Overseas Programs	$102,243	$184,235	80
Education Program*	1860	2039	9

(*) Numbers indicate the total number of participants in the School Sponsorship Program in 1992 and 1992.

As in the case of Global Exchange, it is difficult to ascertain widening impact indicators that is not primarily financial. Though it is directed at beneficiaries, the Overseas Program can be used as an indicator given that IDEX receives no revenue and that sponsors from the United States, must be involved. The two main indicators used here, therefore, are membership and the Overseas Program. The School Sponsorship Program is also included but is less useful due to the fact that it reflects only a two year comparison.

IDEX increased its emphasis on non-financial constituents by 90 percent between 1988 and 1992. During this same time there were also increased in non-financial indicators of widened impact through membership, increasing by 229 percent and the Overseas Program which grew by 80 percent. The Education Program, as represented by the School Sponsorship Program increased by nine percent between 1991 and 1992.

OXFAM AMERICA.

Financial Constituents.

Fundraising, or the proportion of resources directed at financial constituents, represented 18.78 percent, or $2,567,788 of all expenditures at OA in 1992. This contrasts 18.34 percent, or $1,972,392 in 1990. Included were efforts aimed at major donors, older donors (bequests, etc.), individuals, foundations and corporations. Autonomous funding made up a small portion of revenue indicating a relatively strong reliance on financial constituents.

Non-financial Constituents.

Adjusted program services, or non-financial constituent expenditures amounted to $1,138,826 or 10.59 percent in 1990 and $1,934,914 or 14.15 percent of total expenditures. These expenditures included funding of the Education and Outreach Department. This department in turn includes programs focused on advocacy, media, national campaigns, and the annual Fast for a World Harvest campaign.

Widening Impact.

Between 1990 and 1992, revenue grew by 27 percent. Core Programming at OA is represented by its Overseas Program which, in 1990, amounted to $8,262,830 in contrast to 1992 when operations had grown three percent to $8,512,764. Representing both non-financial constituents and a measurement of widened impact, advocacy activities grew by 30 percent during this same time.

OA's ability to elicit response through successful fundraising is another widening impact measurement. Once again comparing costs as a percentage of total expenditures and returns as a percentage of total revenue, OA was able to widen impact based on financial response.

Table 12.--OA Proportion of Resources Directed at Fundraising Expenses (Financial Constituents)

	Financial Expenses/ Total Expenditures	Proportion of Resources
1990	$1,972,392/10,753,187	18.34
1992	$2,567,788/13,669,372	18.78

Table 13.--OA Proportion of Resources Directed at Adjusted Program Services (APS)(Non-financial Constituents)

	APS/Total Expenditures	Proportion of Resources
1990	$1,138,826/10,753,187	10.59
1992	$1,934,914/13,669,372	14.15

Table 14.--OA Financial Indicators of Widened Impact

	1990	1992	Percentage Change
Revenue	$11,949,113	$14,149,090	27
Fundraising Costs/Returns	$1,972,372/ 11,539,845	$2,567,788/ 13,556,423	-58
Autonomous Returns/ Percentage of Total Revenue	$409,268/ 3.4	$592,667/ 4.2	0.8

Table 15.--OA Non-financial Indicators of Widened Impact

	1990	1992	Percentage Change
Advocacy Related Expenses	$147,260	$192,207	30

In the absence of data even as complete as that which was available for the previous two PDAs, it is difficult to complete an accurate indicator of non-financial widening of impact. Unlike IDEX, OA's Overseas Programs do not include U.S. counterparts, thereby disqualifying it as an indicator on the basis of its exclusive orientation to beneficiaries. While OA is very active with its Education and Outreach Department, without data, it is not possible to suggest whether or not it been successful in the process of widening impact. As such, only figures on advocacy can be used as a non-financial widening impact indicator.

Oxfam America increased emphasis on non-financial constituents by 33 percent between 1990 and 1992. During this same time there was an increase in the non-financial indicator of widened impact in the form of expenditures on advocacy related activities amounting to 30 percent.

The only uniform indicators of widened impact among the three PDAs concerns financial constituents. As mentioned earlier, the correlation between financial constituents and widened impact is rather clear and not of use. While this research lacks the uniform comparisons of non-financial indicators of widened impact, it is still possible to compare the three PDAs appreciating the limitations of the results (table 17).

Table 16.--PDA Correlation Between Emphasis on Constituents and Widened Impact

	Percentage Change in Emphasis on Non-Financial Constituents	Percentage Change in Highest Non-Financial Widened Impact Indicator
Global Exchange	100	1000
International Development Exchange	90	229
Oxfam America	33	30

Chapter Five

CONCLUSION

Korten, Clark and others have suggested that traditional, interventionist approaches of Northern NGOs need to be reconsidered. Intervention must give way to facilitation and relationships must move towards partnerships. In establishing a new niche for involvement, Northern NGOs must be willing to challenge existing systems of power and authority and to help ensure accountability to the poor. As well, northern NGOs must work at building a movement which, through diverse networks and coalitions, would serve to create a climate more conducive to addressing the priorities of international development. These ideas were the point of departure from which this thesis explored more specific notions of what role U.S. based NGOs might play in the years to come. Some of these ideas are summarized here.

Evidence.

Due to limitations of data, it is possible to only suggest that there is a correlation between the extent to which a PDAs emphasize financial constituent relations and the process of widening impact. Without uniform indicators of non-financial widened impact, it is not possible to demonstrate a clear correlation with emphasis directed at non-financial constituents. With the exception of Oxfam America, however, both Global Exchange and to a lesser extent International Development Exchange did demonstrate reasonably accurate measurements of non-financial widening of impact.

Widening Impact.

One of the first notions addressed here is that in order to move beyond isolated and insignificant activity, NGOs might need to focus on more macro-level issues and the process of widening impact. While widening impact is often considered an activity for overseas or the field project level, it is important to think about efforts that take place domestically. Looking at this process within the United States adds an overlooked dimension that can provide an NGO with a critical base of support, challenge existing systems of power, and create a climate conducive to addressing the priorities of international development consistent with Korten's views on third and fourth generation strategies. Widening impact within the United States involves creativity and may not be as readily identified as more traditional NGO activities such as providing emergency relief. The PDAs examined here all demonstrated a level of creativity that included such projects as "reality tours" in which Americans travel to developing countries, sponsorship arrangements linking U.S. groups with communities overseas, and experiential activities such as hunger banquets.

Popular Development Agencies.

PDAs described in this thesis represent a unique combination of characteristics that place them in position to move in the direction of what Korten described as third and fourth generation NGOs. This type of NGO, being secular and not funded by the government, does not have access to regular and reliable support and must therefore establish solid constituencies to survive. By working through Southern counterpart organizations, these NGOs are in a good position to support rather than control development at the grassroots. By emphasizing education and advocacy, PDAs give credence to the idea that it is possible to affect issues related to international development from within the United States. While they share some characteristics with advocacy and network organizations, PDAs still maintain the capacity to use the NGO comparative advantage of smallness and flexibility. This balance of characteristics is important to understand when considering what organizational configurations are appropriate and effective for Northern NGOs.

Non-financial Constituents.

Financial constituents can take many forms but ultimately provide monetary support to an NGO. Less succinct is the notion of non-financial constituents which can also take a variety of forms and in turn provide different forms of support. The three PDAs examined here all cultivated relations with some non-financial constituents. In the case of Global Exchange these constituents primarily included participants on Reality Tours. For International Development Exchange, school children that took part in the School Sponsorship Program also represented non-financial constituents. In the case of Oxfam, contact with the media and peer organizations represented supporters that contributed without donating finances. While non-financial constituents was defined simply as those who do not primarily provide financial support, the definition of expenditures of non-financial constituents specifically excluded projects aimed at beneficiaries and activities geared primarily for the purposes of raising funds. Most importantly, non-financial constituents represent those individuals and organizations that are likely to be dedicated to the process of widening impact within the United States. As constituents of "conscience" rather than "cash", non-financial constituents are those that would join in campaigns and coalitions preferring involvement to making a financial donation. This being the case, non-financial constituents represent particularly important, though rather nebulous support for an NGO.

Limitations of Research.

The inclusion of additional case studies and better data would have strengthened this research. Without non-financial details in particular, it is not clear if a correlation exists between emphasis on constituent relations and widening impact.

Areas for Further Research.

While the PDAs in this study did not keep particularly detailed records, data collected was still useful but would have benefitted from a greater attention to non-financial constituents and non-financial examples of widened impact. Calculations of financial constituents and widened impact were relatively straight-forward but do not offer particularly new and original insights. Put another way, it seems somewhat obvious that added emphasis on fundraising, or financial constituents, will result in widened impact as represented by more revenue. The same can not be as easily surmised about non-financial constituents. Having had the benefit of this project, subsequent efforts should be attentive to designing measurements that help reduce the ambiguity of non-financial indicators.

There are a number of issues related to the subject of this thesis that present intriguing opportunities for additional research. One of these concerns the link between NGOs and academia. While NGOs might be considered to have the comparative advantage of contacts with the grassroots and engagement in the issues, academia has the advantage of time and expertise to evaluate. To be sure, there are examples of collaboration between NGOs and academia at a variety of levels[13]. Still connections between academia and U.S. based NGOs, as described in this thesis, seem to be informal and ad hoc at best. As Berg points out, in the process of widening impact, evaluations and assessments are essential. To begin this process, NGO staff, and managers in particular, must first be aware of existing operations. Research jointly designed by academia and NGOs has the benefit of being responsive to needs and increasing knowledge.

Another suggestion for further research concerns NGO linkages with recognized social movements. Though briefly mentioned in this thesis, connections between NGOs and the Environmental, Womens and Civil Rights movements have not been a subject of detailed research. Some scholars have examined the difference between NGOs with a decidedly development focus in contrast to those that are primarily interested in environmental issues. In thinking about the process of widening impact, it seems quite natural that international development NGOs would want to better understand how other successful efforts to mobilize and engage large constituencies has occurred.

Related to this, another area for exploration concerns the idea that NGOs can be thought of as one manifestation of

[13]One notable example is the Center for PVO/University Collaboration in Development located in Cullowhee, North Carolina. Though the Center, a total of 15 NGOs and 17 research universities collaborate on a variety of technically oriented projects.

a larger body of organizations. The study of nonprofit organizations (NPOs) seems to offer different insights into whether or not a particular characteristic is unique to NGOs. Like many NPOs, NGOs need to be concerned with building constituencies and widening impact. An examination of where PDAs fit within the greater rubric of NPOs would be useful. Besides providing context, being a relatively new type of organization, NGOs themselves might benefit from an understanding of those NPOs that are well established.

Finally, the subject of accountability has been mentioned in passing throughout this thesis suggesting an area for further exploration. While constituents have been viewed as supporters and beneficiaries as receivers, it remains to be discussed how an NGO conceptualizes accountability. While the PDAs examined here are genuinely interested in working in coordination with southern counterparts, those who are on the most receiving end are not generally included in basic decision making. At the same time, the PDAs examined here, and NGOs in general, derive a great deal of legitimacy from their beneficiaries. While this is not to suggest that the PDAs purposely seek to exclude beneficiaries, lines of accountability to constituents are much stronger. These issues are further complicated in situations such as Oxfam America's recent decision to do development projects within the United States. In the case of what Carroll referred to as Membership Support Organizations (MSOs), the distinction between constituents and beneficiaries does not really exist. These issues suggest that additional attention to NGO channels of accountability would be interesting and potentially quite telling.

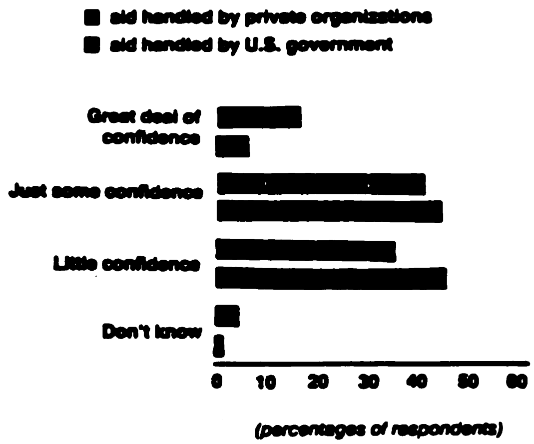
In its most basic form, this thesis has attempted to grapple with the dilemma of how non-governmental organizations can do more to combat issues such as global hunger and poverty. Part of this interest stems from a frustration with existing strategies and seemingly endless complexities. Yet another interest comes out of a sense that the right combination of factors can lead to improvements. This thesis has attempted to show that with an appreciation for what has happened in the past, it is possible and indeed imperative to transform our compounded knowledge into creative and constructive solutions.

APPENDICES

APPENDIX A.
Low Aid Confidence in Aid Agencies.
(Contee, p. 27)

12. Low Public Confidence in Aid Agencies

Questions (28A and 29A) posed to U.S. public:
"Would you say you have a great deal, just some, or little confidence that most of the money people give to *private organizations* (like CARE and Save the Children) reaches the needy people in other countries? How about the money for assistance that the *United States government* sends overseas?"



APPENDIX B.
Hansmann's Nonprofit Organization Typology Diagram
(Hansmann, p. 28).

(Hansman, p. 28)

	Mutual	Entrepreneurial
Donative	Common Cause National Audubon Society Political Clubs	CARE March of Dimes Art Museums
Commercial	American Automobile Association Consumers Union[a] Country clubs	National Geographic Society[b] Educational Testing Service Hospitals Nursing homes

Source: Adapted from Hansmann 1980.

APPENDIX C.
Strategies of Development-Oriented NGOs: Four Generations (Korten, p. 117).

Table 10-1: Strategies of Development-Oriented NGOs: Four Generations

	GENERATION			
	FIRST *Relief and Welfare*	**SECOND** *Community Development*	**THIRD** *Sustainable Systems Development*	**FOURTH** *People's Movements*
Problem Definition	Shortage	Local Inertia	Institutional and Policy Constraints	Inadequate Mobilizing Vision
Time Frame	Immediate	Project Life	Ten to Twenty Years	Indefinite Future
Scope	Individual or Family	Neighborhood or Village	Region or Nation	National or Global
Chief Actors	NGO	NGO plus Community	All Relevant Public and Private Institutions	Loosely Defined Networks of People & Organizations
NGO Role	Doer	Mobilizer	Catalyst	Activist/Educator
Management Orientation	Logistics Management	Project Management	Strategic Management	Coalescing and Energizing Self-Managing Networks
Development Education	Starving Children	Community Self-Help	Constraining Policies and Institutions	Spaceship Earth

APPENDIX D.
Sample IRS 990 Form.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) charitable trust

Note: You may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

1991

This Form is Open to Public Inspection

A For the calendar year 1991, or fiscal year beginning 01/01, 1991, and ending 12/31, 19 91

Please use IRS label or print or type. See Specific Instructions.

B Name of organization

C Employer identification number

F Check type of organization—Exempt under section ▶ [X] 501(c)(3) (insert number), OR ▶ [ ] section 4947(a)(1) charitable trust

G Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

H Is this a group return filed for affiliates? [ ] Yes [X] No

If "Yes," enter the number of affiliates for which this return is filed: ▶ N/A

Is this a separate return filed by a group affiliate? [ ] Yes [ ] No

I If either answer in H is "Yes," enter four-digit group exemption number (GEN) ▶

J If address changed, check box ▶ [X]

K Check here ▶ [ ] if your gross receipts are normally not more than $25,000. You do not have to file a completed return with IRS; but if you received a Form 990 Package in the mail, you should file a return without financial data. Some states require a completed return.

Note: Form 990EZ may be used by organizations with gross receipts less than $100,000 and total assets less than $250,000 at end of year.

Section 501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990).

Part I Statement of Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue

1 Contributions, gifts, grants, and similar amounts received:
a Direct public support
b Indirect public support
c Government grants
d Total (add lines 1a through 1c) (attach schedule—see instructions)
2 Program service revenue (from Part VII, line 93)
3 Membership dues and assessments (see instructions)
4 Interest on savings and temporary cash investments
5 Dividends and interest from securities
6a Gross rents
b Less: rental expenses
c Net rental income or (loss)
7 Other investment income (describe ▶
8a Gross amount from sale of assets other than inventory — (A) Securities
b Less: cost or other basis and sales expenses
c Gain or (loss) (attach schedule)
d Net gain or (loss) (combine line 8c, columns (A) and (B))
9 Special fundraising events and activities (attach schedule—see instruct
a Gross revenue (not including $ __________ of contributions reported on line 1a)
b Less: direct expenses
c Net income
10a Gross sales less returns and allowances
b Less: cost of goods sold
c Gross profit or (loss) (attach schedule)
11 Other revenue (from Part VII, line 103)
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)

Expenses

13 Program services (from line 44, column (B)) (see instructions)
14 Management and general (from line 44, column (C)) (see instructions)
15 Fundraising (from line 44, column (D)) (see instructions)
16 Payments to affiliates (attach schedule—see instructions)
17 Total expenses (add lines 16 and 44, column (A))

Net Assets

18 Excess or (deficit) for the year (subtract line 17 from line 12)
19 Net assets or fund balances at beginning of year (from line 74, columr
20 Other changes in net assets or fund balances (attach explanation)
21 Net assets or fund balances at end of year (add lines 18, 19, and 20)

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

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