

The governmental support of international non governmental organizations

A résolution adoptée par le Economic and Social Council on June 6, 1967 [Res. 1225 (XLII)] resulted in a laborious process of revision of the consultative status of non-governmental organizations in relation with the Council. Several times already this year there, has been reference to this subject in the columns of our magazine, in particular in the January and February numbers (pp 2-31 and 86-91). During the discussions of the NGO Committee of the Economic and Social Council held in March and April this year a final draft resolution (E/C. 2/L.28) was made of the revision of Resolution 288 B (X) which dates from 1950 and which up to now has determined the system of consultative relations between the United Nations and NGOs. The Conference of Non-Governmental Organizations in Consultative Status with ECOSOC (1) has circulated to its members an excellent document containing the texts of Resolution 288 B (X) and the draft resolution E/. 2/L.28, a list of the paragraphs of the new text showing the most significant changes to the 1950 arrangements, and a commentary on the main trends in evidence during the sessions of the NGO Committee of ECOSOC in March and April.

The Committee's discussions dealt mainly with the character of NGOs : their international quality, their representativeness. In the May 1968 issue of " International Associations "the UAI published a documentary analysis of statistics relating to national participation in international NGOs and showing the progress made as regards the geographical extension of leadership and members.

The NGO Committee of ECOSOC also expressed concern over the presence of government representatives among the members and leading officials of NGOs and the question of direct or indirect financial support from governments, factors which could affect the non-governmental character of these NGOs.

There appears to be a good deal of ignorance of the facts and much confusion regarding this subject, and for this reason we are pleased to publish in the following pages a detailed analysis made by our collaborator A.J. Judge, together with a commentary on the findings by G.P. Speeckaert.

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Survey

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Purpose of Survey.

The survey was conducted in order to determine to what extent governmental support of any kind was given to international non-governmental organizations. The distinction between intergovernmental organizations (IGOs) and international non-governmental organizations (NGOs) is based on the definition adopted by the Economic and Social Council of the United Nations in its Resolution 288 b (x) of 27 February 1950, namely, "Any international organization which is not established by intergovernmental agreement shall be considered as a non governmental organization".

This survey is only concerned with government support of international *non-profit*, non-governmental organizations. Commercial organizations, international corporations, etc have therefore been excluded, except where they have linked together via a non-profit organization.

Support was taken to have two meanings in this context. Governments or their subsidiary organs can either be direct *members* of non-governmental organizations in which there is a category permitting governmental membership. The governments are then providing partial support of the organization as members. Alternatively, as non-members, governments or their subsidiary organs can provide *financial assistance* of one kind or another. In the first case, this financial assistance will also include membership fees. In the second case, the financial assistance may take the form of direct grants, subsidies, etc. which may cover any percentage of the organization's budget.

Data for the Survey.

The 1,935 international non-governmental organizations which were analyzed in this

survey are those listed in the 11th edition of the Yearbook of International Organizations (1966-67). This publication has an editorial policy endorsed by the United Nations.

The survey was based on the data *as listed* in the entries in the Yearbook. The majority of these entries has been approved by the executive officers of the organizations concerned. Different interpretations are however made on the terminology used in describing membership types and the nature of financial support in different countries and languages. Every effort is made to eliminate the more obvious discrepancies when the Yearbook entries are prepared, but the editorial staff cannot depart to any great extent from the text returned by the organization. No effort at reinterpretation was made during this survey. It may therefore be assumed that the survey was made on the most comparable data base available under the circumstances when it was impracticable to attempt a detailed analysis of each organization.

Survey Categories Used.

1. *Membership.*

Two types of governmental membership support of international NGOs were distinguished.

"A" *Membership* was noted when the Yearbook entry indicated some form of *direct* governmental or official membership participation. The terminology accepted as being indicative of this was the following :

- Government or State membership category.
- Government departments amongst members.
- Governmental delegates or officials in official capacity.
- Governmental, semi-governmental, official or semi-official institutions or bodies.

"B" Membership was noted when the Yearbook entry indicated some form of *indirect* governmental or official participation in the membership of the organization. Indirect participation was defined as participation through a body, which may or may not be independent of the government (depending on the degree of nationalization in a given country), but which normally receives some form of government financial assistance. When such a body is a member of an international NGO, it is clear that a form of partial governmental financial support is being provided for that NGO.

This category of membership was noted when bodies such as the following were indicated as being members of the NGO :

- National broadcasting organizations.
- Railway administrations.
- Military health authorities.
- National museums.
- National airlines.
- Patent offices.
- Lighthouse authorities.

2. Financial Assistance.

Two principal types of governmental financial assistance to international non-governmental organizations were distinguished. A third category was introduced to cover *possible* governmental assistance.

"C" Finance was noted when the Yearbook entry indicated some form of *direct* government financial assistance was being supplied. The terminology accepted as being indicative of this was the following :

- Government grant, subsidy, subvention, assistance, etc.
- Membership fees where "A" type membership existed, except where membership fees were not a stated source of income.

Excluded from the "C" category were the following :

- Government contracts.
- UN or Specialized Agency contracts or aid.

"D" Finance was noted when the Yearbook entry indicated some form of *indirect* or less clearly specified financial aid from official bodies. Indirect support was defined to include support from a body of the type indicated under "B" membership.

The terminology accepted as being indicative of this was the following :

- Grants from official or public bodies, including intergovernmental bodies.
- Grants-in-aid, subsidies.
- Membership fees where "B" type membership existed, except where membership fees where not a stated source of income.

Excluded from the "D" category were the following :

- Grants from foundations, private sources, industry, municipalities, UN and Specialized Agencies.
- Donations.

"E" Finance was noted when the Yearbook entry indicated some form of " grant " of an unspecified origin. This category will clearly include a proportion of governmental or official grants of the "C" and "D" type, but also includes grants from private sources. This category is only useful as an indication of the possible extent of government financial support.

The terminology accepted as being indicative of this was the following :

- Grants, subventions.

Comment on Categories Used.

1. Membership.

One very important type of government indirect support of non-governmental organizations is not covered by the categories as they stand. The Yearbook entry does not distinguish between " institutions " of governmental and non-governmental type as members of international non-governmental organizations. In many cases this is probably because the organization itself does not evaluate to what extent a national research institution, or some such body, is government supported or independent. This problem of institutions is particularly important in the field of science. A separate survey would

need to be performed to determine what proportion of all institutions were government supported and what proportion of each of their programs was government financed. Such bodies were not considered as indicative of category "B" membership support. An example might be an international association of cereal chemistry, where the national members, particularly in the developing countries, would tend to be government research institutes rather than private bodies supported by industry.

In addition the survey does not bring out the cases where an international NGO may be a member of or receive funds from another international NGO which may have either governments as members or receive direct finance from governments. This is particularly true of the member organizations of the International Council of Scientific Unions which would not have been indicated as receiving government aid even though they might be receiving grants from ICSU. A portion of these grants would come from those members of ICSU which are governments.

The problem of determining the extent to which a member of an international non-governmental organization is an extension of the government of a particular country extends to bodies such as public cleansing institutes, school associations (which may include government schools), universities (which may be entirely government financed), hospitals, etc.

It is also difficult to evaluate the status of the non-governmental organizations in the socialist countries where such associations are so much more closely integrated into the state administrative apparatus. A rather unsatisfactory example of this situation is the long standing controversy over the "amateur status" of athletes from these countries participating in the Olympic Games. The majority of these athletes is probably represented on national Olympic committees — non-governmental organizations — nevertheless the means by which the individual athletes training is financed is still a matter of controversy.

Municipalities were also treated as a borderline case and were not considered as indi-

cative of "B" type membership, although municipalities and local authorities are arms of the central government in many countries.

Nationalized industries such as gas, coal, steel may be members of international non-governmental organizations. The members from some of the other member countries may not be nationalized. The study does not bring out such forms of governmental support, except as defined under category "B".

The problem is also complex at the national level since a government body may be one of many members of a national organization, e.g. a government library may be a member of a national library association which is non-governmental. This national non-governmental association may then become a member of an international non-governmental library association.

2. Finance.

The study does not indicate any forms of indirect support of international non-governmental organizations by government through tax relief legislation. In some countries both the national non-governmental organizations and any international organizations would receive indirect financial assistance because of preferential tax status for non-profit organizations. The form of this legislation varies extensively from country to country being more lenient for some groups in one country than for equivalent groups in another.

In the United States, for example, government tax relief extends even further in that subscribers to some periodicals may treat the annual subscription as a tax deductible expenditure. This results in indirect government support for the national organization and, more indirectly, for any international organization to which that national organization may belong.

Other forms of government assistance to non-governmental organizations are: government training programs for officers of national organizations (e.g. trade unions), government paid part-time officers of non-governmental organizations (e.g. where a particular civil servant is permitted to devote part of his working time to administering such an organization), government or IGO financial

assistance in the organization of an international meeting of a non-governmental organization (e.g. supply of meeting hall, travel expenses, hotel expenses, entertainment, etc.). None of these could be detected by this survey.

Government financial assistance to non-governmental organizations is particularly important in developing countries where there are not sufficient private resources to support national participation in international voluntary action. The extent of this form of support could not be detected by this survey.

Relation between Governmental Support and Policy Formulation and Control.

a) *As a result of Government Membership.* Governmental membership of international non-governmental organizations does not necessarily result in governmental control of policy. Where both governmental and non-governmental bodies are members of a non-governmental organization, policy control depends on the manner in which the voting system is designed and the relative number of governmental and non-governmental members.

b) *As a result of Government Finance.*

Government finance of international non-governmental organizations does not necessarily result in governmental control of policy. Each case must be judged on its merits. In some cases government aid is given for one particular program of the international non-governmental organization. The other programs may be of no interest to the governmental body concerned and any control it might have over the way in which the aid is used for the one program would not necessarily result in any control over the other programs of the organization. In many such cases the government concerned is only justified in requesting a copy of the accounts for the fund or program with which it is associated.

Summary of Channels of Government Support of International NGOs.

This list is given in an extremely approximate order of degree of governmental participation in policy formulation. The order is approximate because the voting systems and degree of governmental influence vary in each case, as does the degree of control over expenditure of government allocated funds.

CHANNEL

SURVEY COVERAGE

Government contract to NGO

Not covered

Government direct membership ("A" type)

Covered as "A" type

Government indirect membership ("B" type)

Covered as "B" type

Government controlled or financed bodies which are directly or indirectly members of international NGOs (e.g. universities, nationalized industries, research councils, hospitals, municipalities, etc.)

Not covered unless a specific link with government was shown

Government direct finance of NGO
(or "A" membership fees)

Covered as "C" type; but is not comprehensive as some of these funds are under "E" and some are not mentioned

Government indirect finance
(or "B" membership fees)

Covered as "D" type; but is not comprehensive as some of these funds are under "E" and some are not mentioned

— Government legislative tax relief to international NGOs or indirectly to their national members	Not covered
— Government control, membership or finance of a national organization which is a member of a national NGO, which is itself a member of an international NGO	Not covered
— Government aid or tax relief to businesses or corporations which are linked through national or international NGOs	Not covered

Survey results

A. Total international non-governmental organizations	1935	
Less : Common Market NGOs for which no details on " Members " or " Finance " are given	245	
	1690	100 %
Total indicating government support as members		
— direct (A)	59	3.5
— indirect (B)	64	3.8
(only 1 organization had both A and B)		
Total indicating government financial support		
— direct (C)	97	5.7
— indirect (D)	104	5.7
(only 4 organizations had both C and D)		
Total indicating possible government support — (E)	94	5.6
(only 1 organization had both E and A 1 organization had both E and B and D no organization had E and C)		
Total organizations indicating A, B, C or D	219	13.0
Total organizations indicating A, B, C, D or E	311	18.4

B. The following combinations between different forms of support were noted (excluding E) :

A and B only :	1	B and C only :	4	A and C and D :	4
A and C only :	42	B and D only :	47	A, B, C and D :	1
A and D only :	1				

C. The results were compared with the classification of NGOs according to their consultative relationship with the United Nations Ecosoc. (The list available in April 1968 was used for purposes of comparison, whereas that listed in the 1966/67 Yearbook should have been used. The changes are not significant.)

CATEGORIES USED IN THIS SURVEY : Categories used in this survey :	A	B	C	D	E	Total no. of organizations Category	Total NGOs in this Ecosoc %	
UN Ecosoc Category A status :	2	2	12	17				
UN Ecosoc Category B status :	6	9	15	14	14	42	143	29
UN Ecosoc Categ. Register status :	14	10	17	20	11	49	222	22

Conclusions

The results show that 219, namely 13.0 % of the 1,690 international non-governmental organizations (excluding the 245 Common Market NGOs) listed in the 1966-67 Yearbook of International Organizations have themselves *indicated* that they have some form of governmental participation in policy formulation. A further 5.6 % have indicated some form of unspecified "grant" financing of which a certain proportion will probably be of government origin. (The figure of 13.0 % should also be recognized as excluding any form of aid or contract from the United Nations or the Specialized Agencies, as well as any other form of government "contract".)

The survey does not establish the extent of government influence, since this will vary from organization to organization depending on the design of the voting system and the comparative number of governmental and non-governmental members. The influence will also vary from year to year depending on whether grants or membership are continued by governments, and also on the increase in the membership or participation of non-governmental members.

The survey could not bring out a very important source of indirect participation by governments in policy formulation of international non-governmental organizations, namely, the ambiguous or borderline cases where the national members were listed as "institutions" which may, in many cases, be bodies under governmental control or which have some form of governmental assistance. The influence of government through nationalized industries "which are members of international non-governmental organizations also varies from country to country. These would require a separate survey.

The figure of 13.0 % is therefore a minimum. Some organizations did not reply on certain points. Detailed replies by organizations on the relationship between each national member and the government of its country would complete the picture, but such a survey would be difficult to perform in practice. Due to the maze of terminology and definitions employed in various countries and languages, these results are the best indication of the true situation that could be given without undertaking a lengthy and considerably more detailed survey.

Additional remarks

(translation)

by G.P. Speeckaert,

U A I Secretary General

The considerations and data above underline on the one hand, the diversity of forms under which governments participate in the activities of NGOs and, on the other hand, the quantitative importance of such participation.

A. — A better understanding of the present situation requires a quick examination of the past as well as of present tendencies.

1. Until the League of Nations was created governments attentively followed and actively participated in the work of many NGOs. The number of governmental organizations was not very large and their aims were in most cases restricted to solving a definite problem or to standardizing legislation in different countries. At NGO conferences and in their publications, governments sought administrative, social, economic, scientific or technical improvements, which they hoped might be of use to their countries. One could be sure that any conference organized by NGOs would be attended by official representatives of five to twenty governments, and the proceedings of these conferences could be found on the desks of the national public administrative services concerned. This resulted, mainly for governments in continental Europe, in the habit of contributing to the expenses of NGOs by means of subscriptions or grants. Another consequence was the constitution of joint international organizations partly IGO, partly NGO.

2. The number of IGOs gradually increased and their activities became more diversified. They now cover any possible field of documentation, study, information and publications, which formally was handled exclusively by NGOs. This resulted in a marked change from the pre-1914 situation.

The constitution of the United Nations and its Specialized Agencies focussed on them the attention and participation of States, and

resulted in a politicalisation of international life which was unknown until 1914 and restricted to the League of Nations between the two world wars.

Each government's official services became flooded with IGO documents and faced with the problems of participation at meetings, whilst at the same time the national administration had to get acquainted with international cooperation to try to understand this and to adapt its national mechanism to the new duties arising from its capacity as a responsible participant.

An ever larger gap has therefore gradually been created during the last twenty years between the public and private sectors at the international level, and there has been a progressive reduction in the government's support of NGOs (1).

3. A new phase now appears to be starting. "The two revolutions which are likely to leave the greatest impress on this Twentieth Century are the "revolution of rising expectations", which is taking place throughout the less developed areas, and the revolution of modern technology and science. It is a fortunate coincidence that these last two revolutions are taking place concurrently, because if it were not for the revolution in technology and science there would be no hope that we could meet the rising expectations now filling the hearts of half the world's population" (2).

(1) See G.P. Speeckaert "The evolution of international structure" in *International Associations*, September 1958, pp. 612-619, and "Les Assemblées de Princes et les forces ouvrières de la coopération internationale", in *International Associations*, December 1966 - pp. 719-721.

(2) Paul Hoffman, Director of the United Nations Special Fund, excerpt from his address to the United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas. ECOSOC, E/3772. Add. 3rd June 1963.

The achievement of these two revolutions will to a great extent depend on the development of the work of the international organizations, on combining the whole potential of IGOs and NGOs, on a better coordination of their cooperative efforts and a better diffusion of the concrete results of their work. There has been a tendency recently to broaden the fields and methods of cooperation between IGOs and NGOs. Besides agreements on consultative status, cooperation is achieved in such fields as the exchange of information, participation in standardization activities, technical meetings, research programmes, in the publication of results of work and also as regards operational activities.

As an example of joint operational activities, mention can be made of the Joint Project of the International Council of Scientific Unions and UNESCO on the exchange of scientific information.

In the United States, foundations and companies supported national or international organization activities, but besides a few exceptions government did not grant them any financial aid. As scientific and technical research work became more important and costly, the American government was induced to support financially the work of many national or international organizations in research and study in the widest sense. However, owing to the former reluctance to use public finance to support non-governmental national or international organizations, and with regard to the objection still expressed by many American Congressmen, indirect means have been used. This is to be regretted and the situation should be corrected, but the lesson should be borne in mind.

B. — 1) If starting from this example the question of government financial support to NGOs is considered, the complexity of the problem becomes immediately apparent. On the one hand, ICSU is granted important financial aid by UNESCO and, through this body, by all UNESCO member governments; on the other hand ICSU receives in various forms and in different proportions, grants from certain governments, national scientific foundations, national scientific councils and committees, which in their turn are in many

cases financed by their governments. Certain definite projects undertaken by ICSU or its member unions are also directly or indirectly supported financially by governments.

2) As the functional activities of IGOs and NGOs develop, the whole problem of their finance will have to be re-examined. The present situation will at any rate have to be modified considerably.

3) Consider the different ways in which the situation has evolved in the United States and Europe over the last twenty years. It has already been mentioned that European governments used to assist national or international non-governmental organizations. European industrial and financial companies on the contrary, restricted their assistance to organizations taking care of children, elderly people, or social progress, as they were of the opinion that this resulted in a benefit to their shareholders.

Finally, on both sides of the Atlantic, foundations or government funds, productivity centres, and other public or semi-public establishments have been founded, which are widely supported financially by governments but remain close to the private sector since they are directed by university, business or trade union representatives.

4) Generally speaking, countries outside Europe or North America, have not yet any policy regarding the financing of international activities, to the extent that this requires any involvement beyond their subscriptions in their capacity as members of international governmental organizations. This is a regrettable situation. The problem should be studied very carefully. Without prejudicing the results of this study, it may possibly be assumed that in developing countries financial aid will for many years only be granted by governments, directly or indirectly.

5) NGOs can only be international inasmuch as their financing is international. The fact that their resources only come from one country or another, even through member subscriptions, public grants or support from private industrial sectors, has in our opinion more disadvantages than if their resources come from many countries, whether from private subscriptions or public grants.

6) It is difficult to understand how those who have no personal experience in NGO management can consider that a State's involvement in NGO finance might result in pressures on the work of the NGO. Some people may likewise think for instance, that an important grant or donation from an American foundation to a NGO might be linked with political obligations. We know of many NGOs which have been granted government or foundation subsidies and which have never been subjected to, any pressure. The only thing which was ever requested from them was administrative documents and accounts showing the actual use which was made of the funds granted.

7) In order to further clarify this point, we will mention our own experience in the Union of International Associations, which for many years has been granted subsidies from several governments through their Ministry of Foreign Affairs and to which grants have also been made by American foundations. Never has any request or influence of a political or semi-political order preceded, accompanied or followed these subsidies. The only wish sometimes expressed when the request for grants was made has been that UAI should obtain support from a larger number of other governments.

Even so, it would still be possible to imagine — but it would only be imagination — the UAI could serve as a vehicle for political views.

8) In reality what appears to us to be very serious, is that it is extremely difficult for nearly all NGOs to increase their resources by obtaining larger subsidies, or by being granted them by a larger number of countries. In many United Nations member countries, it is impossible to obtain support from the private sector. Their governments are negative to requests for grants, less by reason of principle than because they have to face urgent internal problems, although support is obtained when an international conference is being organized in their territory.

European governments which are assisting NGOs try more and more to terminate their aid, to reduce it or maintain it only on the condition that within the next few years their

assistance should represent a reduced percentage of the NGOs income.

Subscriptions and other financial resources are only available in a too limited number of countries at a time when the geographical extension of NGO membership and activities considerably increase the complexity and cost of NGO work and administration.

Most NGOs have not yet been able to find new forms of finance through a sufficiently large sale of publications, contracts for special work, advertising, exhibitions, etc. Moreover, the activities of certain NGOs do not make this possible.

C. — In the above remarks we have paid more attention to those NGOs which are concerned with study or research work. The same considerations also apply, however, to organizations aiming at economic, social cultural or moral progress. These NGOs, and especially those which have consultative status with ECOSOC, are aware that their expenses have been increasing over the last twenty years as a consequence of the contribution they are making to the work of the United Nations.

The problem of NGOs resources and expenses should be studied thoroughly. In this connection it would be interesting to examine what is the cost to them of their consultative relations and the percentage of their budget which this represents. Besides the administration of these consultative relations, results are being achieved by them in accordance with the programmes set up by the United Nations and its Specialized Agencies. Requests to them for cooperation made by the United Nations have to be answered on exceptional and repeated occasions such as the International Cooperation Year, the International Year for Human Rights, etc.

These appeals underline the concept of solidarity, partnership and common ideals. It is with this idea in mind that a solution has to be sought for the well defined and important problems raised by the NGO ECOSOC Committee with regard to government participation in the composition and finance of international non-governmental organizations.