New Imperatives for Sustainability in a Developing Economy’s Civil Society Sector: A Case Study of Nigeria

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ABSTRACT

The 2008 global financial crisis brought about cuts in international development assistance to sub-Saharan Africa. There may yet be further cuts as donor countries struggle with slow economic recovery. Private philanthropies have not been spared; some were forced to adjust their funding commitments after losing sizeable revenues to the crisis. These readjustments may have slowed the expansion of civil society activities in Nigeria, but they also expose intrinsic challenges to the sector’s sustainability that mainstream funders overlook, namely the institutional character of the country’s civil society organisations (CSOs), the sustainability of current funding patterns and the tendency to funnel donor support to some segments of the sector at the expense of strengthening sector-wide institutional capacity and encouraging grantees to grow social capital. This paper probes these challenges. Drawing on the author’s experience in CSO management, it argues that development assistance by mainstream donors encourages CSOs to be donor-dependent. Although some of the latter can boast of organisational efficiencies and experience, their social capital credentials are often short, leaving their self-sustainability prospects weak in the long term. One potential panacea is the emergence of private philanthropies in Nigeria whose interventions in the sector may be altering the grantmaking landscape in the country. This paper argues that these philanthropies can help to enhance CSOs’ value and viability by directing their energies into mobilising resources for greater investments in institutional capacity development for CSOs that demonstrate strong community linkages and provide direct services.

INTRODUCTION

In 1996, the Organization for Economic Cooperation and Development (OECD) warned that it takes several years for the full impact of a global recession to be felt on aid flows (Love 2012). Various reports already document downward trends in international development assistance as a result of the 2008 and 2009 global financial crisis. Although its full impact, as suggested by the OECD (1996) finding, is probably still unknown, there are indicators of a potentially wide impact. Global economic recovery has been sluggish and the crisis’ rippling effects have forced international donors to adjust or downscale their funding commitments. This paper considers what these changes signify for the sustainability of the civil society sector in sub-Saharan Africa. Drawing from the author’s CSO management experience, it examines those features that may impede or enhance the sector’s sustainability in a period of sluggish global economic recovery. It also explores how the global financial crisis has impacted international aid flows to developing economies and what this could portend for
CSOs. The paper uses the Nigerian civil society sector as a type of the roles that CSOs assume in the region’s developing economies and to illustrate the challenges that they face.

The paper makes three claims. First, it claims that the civil society sector or critical sections of it continues to be confronted by a legitimacy crisis that remains unaddressed. Using the theories of resource dependency and organisational strategy, it explains how this legitimacy crisis impedes the accumulation of social capital that is so crucial to the sector’s sustainability. Second, the paper claims that part of the legitimacy crisis is rooted in the absence of a culture of voluntarism in the more visible and better-organised segments of the civil society sector. Third, it confronts the challenge of measuring the civil society sector and claims that a meaningful discussion of its sustainability is considerably impeded by a dearth of reliable empirical data that portrays the size of the sector and how it has been impacted by, or responded to, the global financial crisis. The paper concludes with a recommendation for empirical research in this regard.

The paper is divided into four sections. Using statistics, section one examines the impact of the global financial crisis on international development assistance to sub-Saharan Africa. Section two explores the relationship between civil society legitimacy and growing social capital, while section three discusses the emerging landscape of local philanthropy in Nigeria. Section four concludes with recommendations.

THE IMPACT OF THE GLOBAL FINANCIAL CRISIS ON INTERNATIONAL AID FLOWS TO SUB-SAHARAN AFRICA

The adjustments mentioned above were inevitable. The crisis caused a severe recession that shrank Western economies and forced their governments to make significant cuts to their budgets for funding aid (Bureau of Economic Analysis 2009:1-7; Verick and Islam 2010:20-21; Allen 2010:28-29; Dang, Knack and Rodgets 2009:3; Global Impact 2013:4-5). These economies were the main financiers of official development assistance (ODA) to the developing world. Economic recovery from the recession has been slow (Bureau of Economic Analysis 2013) and it is likely that ODA will undergo further rationing. Indeed, between 2011 and 2012, aid fell by 2 and 4 per cent respectively because donors tightened their budgets in response to the impact that the crisis had on their economies (OECD 2013). Consequently, there has been a decline in the size of aid and a disquieting change in patterns of allocation. ‘A noticeable shift’ occurred when donor countries moved ‘aid allocations away from the poorest countries [to] middle-income countries’ (OECD 2013; Deutsche Welle 2012). In 2011, ODA to the least developed countries fell by 8.9 per cent (Love 2014). A significant number of those countries are in sub-Saharan Africa.

African countries have not been spared dipping growth rates either. According to estimates by the African Development Bank (2009:1-10), Africa’s economy slowed by 2.3 per cent in 2009 when global demand for African exports fell, resulting in corresponding drastic drops in export revenues (including trade tax revenues). The key drivers of economic growth, such as oil and gas, mining, and the stock markets,
endured major losses that threatened current account balances and external reserves while also exposing the region’s external debts to volatility. These developments, corresponding with a rising need for aid in sub-Saharan Africa, place the region’s development programmes at risk as they threaten to reverse the progress that has been made towards achieving the Millennium Development Goals.

The consequences have been considerably dire for Nigeria. Until 2005 when Nigeria successfully negotiated its exit from the Paris Club, the country had endured recurrent fiscal deficits and economic decline while incurring considerable expenses to service its foreign debts. In the years that followed, Nigeria experienced fiscal surpluses, principally as a result of spikes in the global price of crude oil, the mainstay of its economy. Unfortunately, however, the surpluses did little to reverse widespread poverty; 70 per cent of the population continued to subsist on less than US$1.25 with women and rural dwellers affected the most. Further complicating the picture, in late 2008, a combination of factors, including the global financial meltdown, forced drastic falls in global oil prices. This development reversed previous surpluses and lowered key macroeconomic indicators. The country began to experience serious fiscal deficits, foreign investment flows reduced significantly, credit lines shrank and the capital market experienced downturns as foreign investors divested their portfolios (Igbatayo 2011:498; Mordi 2009:13-14; Alege, Ojapinwa and Bello 2012:20; CIVICUS 2007:48-50; Lewis 2010:6, 9, 11-12). From 2009, Nigeria began to experience the greatest strains on its economy since the Niger-Delta oil militancy crisis. Boko Haram, an Islamist sect, unleashed a wave of terrorist attacks that has not only further impoverished northeast Nigeria, but also threatened economic life across northern Nigeria. The sect’s activities have impacted farming activities, displaced about half a million people, threatened a food crisis, undermined the economy and development of the region and created a humanitarian crisis (International Crisis Group 2014:40; Human Rights Watch 2014; Okoli and Iortyer 2014:44).

Amid dire socio-economic conditions in the region and dwindling ODA sources, however, opportunities emerged for private donors to play bigger global roles in funding international development. Over the last few decades, American foundations have increased funding for international development outside the US. The increase was partly due to the emergence of new private foundations on the scene and to growth in their assets (Pratt et al 2012:4-5). Similar changes were happening in the United Kingdom (House of Commons International Development Committee 2012:6-7, 13-15). International grantmaking by private foundations has remained modestly robust despite the impact of the financial crisis on their assets and revenues. For instance, private foundations in the US recorded new highs in overall grantmaking in 2008, despite losing more than 17 per cent of their assets accrued that year. Although the financial crisis persisted through 2009, their international grantmaking declined by only 4-5 per cent, which was less precipitous than had been anticipated (Pratt et al 2012:5; Lawrence and Mukai 2010:2). Without doubt, their contribution to development assistance is significantly lower in comparison to ODA. Be that as it may, private foundations have exhibited a resilience in the face of the financial crisis that signposts an important milestone in international development assistance (Pratt et al 2012:5; Lawrence and Mukai 2010:2).
To portray how these developments may have impacted the African situation described earlier, it is necessary to place private donor funding patterns in proper context. International assistance by US foundations, for example, represents a portion of their overall giving while the bulk funds local or national causes. A study claims that about 20-25 per cent is invested directly with partners in developing countries and 45 per cent on emerging economies like Brazil, China, India and South Africa. So much is spent on these four countries because funders are unable to find suitable partners in the least developed economies. A further 20 per cent is spent on global programmes like the Global Fund to fight HIV/AIDS, malaria and tuberculosis, while the remaining is shared unevenly among the world’s least developed countries (Pratt et al 2012: 5). According to another report, about 26 per cent of the US$2.1 billion given by American foundations for international development assistance was invested into global programmes that were managed by organisations in Western Europe, while 12 per cent (US$252 million) was invested directly in sub-Saharan Africa (Lawrence and Mukai 2010:5; House of Commons International Development Committee 2012:6-7).

Funding patterns among private foundations in the United Kingdom have not been much different. To start with, it is important to observe that America’s private foundations sector is considerably bigger than the UK’s and that total international assistance by American foundations in 2011 stood at US$6.7 billion (Global Impact 2013:13), compared to UK foundations’ £292 million, which represented 9 per cent of total annual giving by UK foundations that year. 37 per cent of this amount (totalling £88 million) came to Africa as direct grants (Pharoah and Bryant 2012:18, 22).

In the years ahead, a narrative of rebounds and stagnations may unfold. Although ODA expenditure by the world’s major donors declined in 2011, the OECD-DAC projected a 6 and 9 per cent rise in Country Programmable Aid (CPA) in 2012 and 2013 respectively, and possible stagnation or slight increases in CPA in 2014-2015, depending on regional and country level aid flow patterns. In some ways, this shows that the economic recession is having a lingering impact on CPA (Love 2012). However, while recipient countries may expect a small measure of predictability in ODA over the next two years, what they are likely to receive as aid may well fall below what is required to fund development. One study suggests that many local CSOs received less funding in 2012 because some donors decreased support for Africa while simultaneously increasing support for international organisations (USAID 2012:110).

The implications are clear. Local CSOs must compete for funds with their more efficient international counterparts and against policies that give the latter an advantage. Although private foundations may look to assume greater roles in funding international development, they cannot fill the vacuum created by dwindling ODA support. Further, though private philanthropies have shown a greater willingness to assume new challenges, venture into new fields, assume greater risks and innovate where official donors are less inclined to, their funds still constitute a ‘small portion of financial flows internationally’ (Pratt et al 2012:9-10). Indeed, American foundation giving to international development ‘would have been flat’ in 2010 and 2011 but for funding that came from a single source: the Bill and
Melinda Gates Foundation (BMGF) (Global Impact 2013:11).

THE NIGERIAN CIVIL SOCIETY SECTOR AND CHALLENGES TO SUSTAINABILITY

Nigeria’s non-governmental organisations (NGOs) are relatively young; they only emerged on the scene of national development in the 1980s (Nwoga 2000). Though modern in outlook and growing in the range of complex challenges they are willing to take on, they are still in the early stages of development and cannot yet pride themselves with the organisational efficiencies of their compeers in the developed West or Latin America. As a sphere of citizen action, however, there are other forms of organised communal efforts which constitute an important part of Nigeria’s civil society sector and predate NGOs (Okafor 2006). Nigerian communities have long mobilised communal resources to address issues of common interest. Indeed, studies allude to a strong culture of voluntarism in local communities in Nigeria, which dates back to the inception of those communities many centuries ago (Nwoga 2000). Unfortunately, however, this culture of voluntarism and community mobilisation is not as imbedded in today’s NGOs. The ensuing discussion explores how this confronts Nigeria’s civil society with a legitimacy crisis that challenges the sector’s sustainability.

Social capital and the crisis of legitimacy

Understanding social capital and civil society legitimacy

To discuss the crisis of legitimacy meaningfully, it will be helpful to explore what social capital is. Robert Putnam (1995) offers a definition by analogising social capital to ‘notions of physical capital and human capital’. While the latter implies ‘tools and training that enhance … productivity’, social capital ‘refers to features of social organization such as networks, norms and social trust that facilitate coordination and cooperation for mutual benefit’ (Putnam 1995:67). Woolcock and Narayan (2000) offer an even simpler and more pragmatic definition, drawing it down to a common aphorism that is rooted in conventional wisdom: ‘[I]t’s not what you know, it’s who you know’. The aphorism alludes to those circles of social influence that comprise of family, friends and other social networks that provide safety nets ‘to be enjoyed for [their] own sake, or leveraged for material gain’ (Woolcock and Narayan 2000:225-226). The authors argue that communities that are ‘endowed with a diverse stock of social networks and civic associations are in a stronger position to confront poverty and vulnerability, resolve disputes and take advantage of new opportunities’. On the other hand, individuals or communities who lack such networks also lack social support mechanisms.

Robert Putnam’s (1995) article on the decline of social capital in the United States offers a useful insight into how social capital is acquired. The article calls attention to different research findings that show ‘that the quality of life and the performance of social institutions … are powerfully influenced by norms and networks of civic engagement’. It references research in the fields of ‘education, urban poverty, unemployment, the control of crime and drug abuse, and even health [which all show that] successful outcomes are more likely in civically engaged communities’. It also cites research on ‘varying economic attainments
of different ethnic groups in the United States ... [which] demonstrated the importance of social bonds within each group.’ Putnam then draws attention to compelling historical research which suggests that ‘networks of organized reciprocity and civic solidarity, far from being an epiphenomenon of socioeconomic modernization, were a precondition for it’. Describing the currency that underpins these forms of organisation as ‘social capital’, Putnam takes the case further, arguing the unique advantage of a community that owns ‘a substantial stock of social capital’ and that ‘networks of civic engagement foster sturdy norms of generalized reciprocity ... encourage the emergence of social trust ... facilitate coordination and communication, amplify reputation, and thus allow dilemmas of collective action to be resolved’. He draws attention to other benefits as well, but arguably one of the most compelling of these is the point that civic collaboration builds the spirit of togetherness. It transforms individual instincts into collective instincts, ‘developing the “I” into the “we”’, thereby ‘developing the participant’s taste for collective benefits’.

Does this explanation offer a link between social capital and legitimacy? Essentially, social capital and legitimacy can be said to subsist within the same social sphere in which mutual concerns for general welfare moderate relationships and aid is offered in response to needs. Developing relationships of mutual assistance builds social capital. Being able to leverage that capital in response to a real need strengthens the sense of community. It reinforces the mutual sense of satisfaction that a need in the community has met a desired response. In this regard, achieving legitimacy for an organisation presupposes that it has justified its existence to its constituency; it has shown that its actions are relevant and the community confirms that relevance by embracing its actions. Such acceptance may come from the organisation’s conformity to social norms or from acts of creativity that are deemed to be desirable (Suchman 1995). Acceptance connotes that public trust and support have been earned. This process is essential to building legitimacy and is enhanced by the ability of the public to understand what CSOs stand for. Legitimacy may also be influenced by ownership of the platforms for popular mobilisation or by levels of public participation or support for it, in which case, the environment plays a crucial role in conferring legitimacy. Viewed from this perspective, legitimacy assumes importance; not only does it affirm the relevance of the CSOs, it also provides a safety net of sorts in times of crisis when CSOs must depend on its host communities (i.e., their social capital) for resources and survival. Some have defined this dynamic from a resource-dependency theoretical viewpoint that regards legitimacy as an ‘operational resource deriving from the organisational environment’, which propels organisations to achieve their goals’ (Meyer, Buber and Aghamanoukjan 2013:69-70). A legitimacy crisis arises when CSOs run deficits in public trust or popular support.

Social capital deficits and the legitimacy challenge of Nigeria’s CSOs

About ten years ago, a study of declining public confidence in the US civil society sector highlighted four sets of concerns that threatened public trust in it. Three of these concerns are relevant for the present purpose. The first concern dwelt on mission vagueness occasioned by the fact that American CSOs and private businesses used similar methods to deliver similar services, thereby blurring the distinction between
non-profit (civil society) and for-profit services. The second concern focused on perceived lapses in accountability, which created doubts regarding the sector’s claims of working for the common good. The third concern had to do with the difficulty that the public had in understanding how the civil society sector was evolving from traditional stereotypes of voluntary work. This difficulty, which was matched by public scepticism over the methods that CSOs adopted to remain in business, was instigated by private businesses that competed with CSOs for philanthropic funds. It forced CSOs to develop new charitable giving vehicles and services that combined the efficiencies of non-profit (CSO) and for-profit (private business) (Schlesinger, Mitchell and Gray 2004:674-675).

Although Nigerian CSOs are years from attaining the sophistication of American ones, the above findings are instructive. As pointed out earlier, community mobilisation has a long history in Nigeria and is rooted in established traditions of voluntarism and self-help. In Western countries with more robust narratives of civic mobilisation, voluntarism is identified as one of those prominent though not necessarily defining features of the civil society sector (Salamon 1999:26-28). In Nigeria, although community based organisations (CBOs) and other community initiatives for social mobilisation have exhibited similar patterns in voluntarism, they are not the prominent face of the sector. The sector’s visible face is the sub-sector comprising non-governmental organisations (NGOs). These are modern in outlook and exhibit several of those formal organisational structures that typically define civil society sectors in the West.

The prominence of NGOs was prompted by two factors related to Nigeria’s experience with military rule, especially in the 1980s. First, the military sponsored brutal suppressions of civil and political rights, which led to the emergence of human rights NGOs and pro-democracy movements. Second, the military floated harsh economic policies that impoverished the nation and spurred the growth of development NGOs that worked in the areas of social services and livelihoods. Thus, the 1980s proved to be a critical decade in the emergence of NGOs. However, they all worked within the restrictive economic conditions described above and had to depend on Western donors for survival. Further, the factors that precipitated their emergence meant that they evolved outside existing norms and patterns of volunteering for community causes. Therefore, the prominence that they achieved did not necessarily come from any popular voluntary causes that they championed, but from a select coterie of elites whose unique skill sets, visionary leadership and courage generated a momentum that became a key factor in ending military rule. The support of foreign donors was particularly vital to achieving that outcome. Since the transition to civilian rule in 1999, their (NGOs’) prominence has been sustained by the state’s persistent failure to meet ‘the needs, welfare and security of citizens’ (Igbuzor 2009) and by the continual support of foreign donors.

Ironically, it is this remarkable relationship of collaboration between NGOs and generous Western donors that partly underpins the crisis of legitimacy confronting Nigeria’s civil society sector (Okafor 2006:224). The point needs to be made though that not all CSOs experience this crisis (Odinkalu 1999) or experience it in equal measure. NGOs are prone to experience it more because most of them are run by experts who, not seeing the need to earn legitimacy from host communities,
sometimes pursue goals that are at variance with communities’ immediate needs. Okafor (2006:224) offers a helpful explanation of the conceptual origins of the crisis among human rights NGOs. In his view, the human rights movement had a narrow view of human rights activism. It was fixated with ending military dictatorship and civil rights abuses based on the mistaken belief that achieving those ends would automatically result in the enjoyment of all other rights. This limited view precluded engagement with the class of rights that directly impacted daily life, namely socio-economic rights. Fifteen years after the 1999 transition to civilian rule, the approach has not been substantially reinvented. Only a few human rights organisations now engage with socio-economic issues meaningfully. Even then, some of these and a majority of other NGOs remain bound by established patterns of donor dependence. They focus their energies on courting funders and winning grants, rather than on mobilising communities, meeting actual needs and winning public trust. Theirs is, as it were, a default legitimacy conferred by international donors who, knowing the capacity limitations of local NGOs, often define the context of their work for grantmaking purposes (Mutua 1997:12; Okafor 2006:124-126).

Odinkalu (1999) provides a pertinent dimension to the legitimacy crisis when he suggests that human rights NGOs adopted post-World War II human rights language at the expense of developing a culture-specific discourse. In other words, they transplanted human rights ideals using forms of expression that were unfamiliar with how local communities conceived and expressed notions about rights, duties and redress for violations. Odinkalu’s views do not understate the significant impact that human rights NGOs have had on promoting human rights in Nigeria. Certainly, their efforts have spawned a growing consciousness about rights in Nigeria, which today is being consolidated by democracy and increasing awareness about citizen participation. For the most part however and owing perhaps to the language that has been adopted, human rights discourse in Nigeria remains an elitist urban fare; it is strong on civil and political rights and expression, but painfully limited in how it impacts the quality of life for a majority of Nigerians who remain politically disempowered and unable to meaningfully engage the political process.

When CSOs do not foster meaningful engagements with communities, they lose opportunities to create awareness and provide clarity about their mission, values and programmes. They fail to create platforms that help them to understand their communities better, learn their values, understand their needs and discover how best to respond to them. Inevitably, their interventions fail to address actual community needs. This only accentuates the divide between CSOs and host communities, which further erodes public trust and social capital. It fuels what Igbuzor (2009) instructively labels ‘careerism’: the widespread perception in Nigeria that NGOs are just another source of livelihood. Such perceptions are likely to become ingrained when NGOs do not provide platforms for organising voluntary efforts on a consistent and structured basis.

One way to understand the above phenomenon is to examine it through the strategic theory of organisational legitimacy. The theory explains how an organisation tries to manage or dictate the terms of its acceptance within a community. It suggests that organisations exert considerable influence over legitimation processes (Meyer, Buber and Aghamanoukjan
2013:170) to the point that ‘legitimation ... [becomes] purposive, calculated, and frequently oppositional’. The organisation frequently comes into conflict with its ‘constituents over the form of legitimation activities, with managers favouring the flexibility and economy of symbolism, whereas constituents prefer substantive responses’ (Suchman 1995:575-576). In this model, a CSO may be motivated by the terms of a grant to create an environment that is suitable to fulfilling that grant’s requirements. In this situation, failure to cultivate popular participation may be ‘strategic’, or by ‘design’ (Odinkalu 1999). The strategic theory also explains how these NGOs have organised themselves into intermediaries between donors and beneficiaries without necessarily building a solid reputation that is rooted in community-level mobilisation, a strong record of performance and grassroots credibility (Okafor 2006:215). The social costs are foreseeably high; the public is denied representative movements that can articulate its ‘frustrations into demands that evoke responses from the political process’ (Odinkalu 1999). This portends a serious threat to the future of the sector (Mutua 1997:12).

The above views highlight what remains critically deficient in Nigeria’s civil society sector: the culture of civic engagement. The perception that NGOs are engaged with communities and work for public good is very important. It erodes the prescriptive, top-down approach that typically defines the non-consultative (or non-participatory) methods that justify Odinkalu and Mutua’s apprehensions about Africa’s human rights movement. Their views resonate with the civil society sector as a whole. Although CBOs are involved to some degree at community levels, they have yet to achieve those paradigms of reciprocity and civic engagement that Putnam described. It may be, though, that what is needed is a better understanding of how CBOs are able to mobilise despite dire economic realities. Some research on this is available but this article demonstrates that a lot more needs to be done. For NGOs, it would seem that a primary reason they have been able to carry on despite the legitimacy crisis is their continued access to international aid. However, international aid is dwindling and this could imperil the future of their local grantees.

**Regarding long shadows, institutional constraints and diminished CSOs**

**Civil society fragmentation and institutional limitations**

NGOs are the worst affected by arguably the biggest legitimacy challenges facing the civil society sector: fragmentation and proliferation. Writing on the subject, Okafor (2006:34, 71, 215) bemoans the high rate of fragmentation and proliferation among NGOs in Nigeria. Using the example of the Civil Liberties Organization (CLO), an NGO that fragmented into several others, he argues that NGO fragmentation and proliferation have been driven by profit-seeking, personality differences, internal rivalries and disagreements over principles (the CLEEN Foundation and the Social and Economic Rights Action Centre (SERAC) are two NGOs that broke away from CLO to address human rights concerns that CLO did not or could not address effectively). These problems raise credibility challenges that have portrayed NGOs negatively in the eyes of government, donors and beneficiary communities. However, fragmentation and proliferation may not necessarily be a problem; they could be beneficial if properly managed. CLO has produced a pool of...
human rights activists who are now running their own NGOs and doing well in their areas of thematic interest. Their NGOs are facilitating broader engagement on different human rights issues ranging from women’s rights to socio-economic rights (Okafor 2006:217).

Thus, fragmentation and proliferation may not necessarily connote crisis unless they weaken institutional strength and capacity or, as Okafor has suggested, they undermine the sector’s credibility. However, evidence suggests that fragmentation and proliferation have had mixed consequences on CSOs in Nigeria. Today, CLO and a number of other NGOs, which were the battering rams of Nigeria’s pro-democracy and human rights movement in their heydays, have either collapsed or lost their once strident voices. On the other hand, their place is being taken over by no less effective NGOs, some of which have excelled at mobilising popular support, an example being SERAC. Beyond these, however, a deeper probe reveals problems that should no longer be ignored. Many CSOs have emerged without giving serious thought to establishing viable institutional structures and capacities that would ensure future sustainability. Essentially, most were heavily reliant on the personalities and reputations of their founders. They subsisted, flourished and attracted grants almost entirely on that basis.

At the time that most of these NGOs were established, international funders, given their primary preoccupation at the time to end military rule, probably wanted little more than assurances that their (NGOs) founders’ reputations provided. They were thus content to fund individual efforts that would fulfil that goal. Secondly, there were capacity constraints on both ends; funders could hardly do more because they lacked the capacity to do due diligence on their grantees at the time and to monitor and evaluate funded programmes effectively (Okafor 2006:124–5). On the other hand, they may have struggled to find suitable partners in Nigeria (Pratt et al 2012:4). Therefore, to insist on institutional efficiencies at that early stage in the life of the human rights movement may not have been practical. Indeed, recent developments suggest that funders may have been waiting for a suitable moment to address these concerns. Lately, some have opted to implement programmes directly in beneficiary communities in addition to providing funds to CSOs. An example is the Open Society Foundation (OSF), which works through the Open Society Justice Initiative to provide capacity support in target communities and complement its grantees’ activities. Another example is the West Africa Civil Society Institute, which was created by the Open Society Initiative for West Africa (part of OSF’s global network), to enhance civil society capacity in the region. Some, like the Canadian International Development Agency (CIDA), prioritise the building of local capacity to implement grants, while others like the European Union (EU) have instated painstaking grantmaking processes that insist on internal institutional controls and a solid presence and reputation in the civil society sector and in the specific area of the proposed grant activity, which must be evidenced through a demonstrated capacity to enter into strategic partnerships and leverage other networks for the purpose of implementing proposed activities. These developments make grantseeking more competitive and encourage CSOs to develop capacities that put them in good position to secure grants. However, there remains much for NGOs to do to become fully competitive.
The founder’s long shadow and institutional identity

Many NGO founders have invested more time in creating institutions that are organisational extensions of themselves than in establishing credible, self-dependent organisations. This phenomenon has been much discussed. Igbuzor (2009) makes an accurate diagnosis when he argues that NGO management is confronted by the problem of phantom boards, a phrase that describes governing boards that are either detached from the organisation or so beholden to founders’ towering reputations that they do not provide any effective policy direction or exercise control over the institution. Such arrangements eventually result in two very constraining features. First, the governance of the institution and the institution itself become personalised. The second feature flows from the first: NGOs become so dependent on their founders that they struggle to survive without them.

This problem not only contributes to a legitimacy crisis, it also raises further questions about identity, accountability and sustainability. As suggested earlier, public perceptions often construe CSOs as profit-seeking or personal fiefdoms. Such perceptions are perpetuated by a lack of accountability. Unfortunately, CSOs have individually and collectively done little or nothing to address it. Only a handful makes any pretence of accountability by occasionally uploading barely adequate financial statements to their websites. Accountability must go beyond bland narratives of income and expenditure to address issues surrounding an organisation’s effectiveness, its reliability and legitimacy (Jordan undated). For CSO accountability to be effective, it must provide narratives of how it pools and adds value to resources through efforts that address and transform legitimate concerns in the community. This process can be construed as developing a sales brand, the unique points of which include elements of accountability and social responsiveness. In other words, a brand should comprise a relevant social mission, an ability to demonstrate social entrepreneurship and a capacity to manage scant resources efficiently. To the many international donors and the growing number of philanthropic interests within the country, the capacity to develop and communicate such brands must become critically relevant.

Having explained what accountability entails, it must be acknowledged that a number of factors, unique to the relationship between donors and their grantees, militate against accountability by Nigerian CSOs. One is that some CSOs struggle to fulfill their obligations within the time frames stipulated under grant agreements. This struggle arises from a lack of capacity and, in some cases, technical know-how regarding the subject matter of the grant. In one real case scenario, an NGO with core strengths in civil rights programming partnered with another in a successful grant application to implement a project on maternal health and child mortality in northern Nigeria. Since neither organisation had the requisite capacity, the project had to be executed through third parties who also did not possess the required level of professionalism. As a result, the administrative costs of the project spiralled while reporting and completion schedules were repeatedly missed. The quality of the project outputs was gravely compromised.

The cost of administering grants represents yet another obstacle to accountability. Inconceivably, not a few CSOs run unsustainable administrative costs. Many
operate from large cities where the costs of rent, living, skilled labour and transportation are very high. Since they do not have other sources of income, some institutional costs have to be furtively charged to project funds. Funders may not be oblivious to this practice as some now insist that potential grantees meet certain basic requirements, such as demonstrated capacity to cover overhead costs, before awarding grants. However, it is debatable whether grantees possess this capacity.

The challenge of measuring growth

Proliferation may sometimes point towards growth but fragmentation can undermine growth when it creates weaker institutions. As such, when proliferation is driven by fragmentation, it presents a problem for measuring growth. Measuring real growth requires a combination of different growth indicators. Beyond a preoccupation with numbers, positive growth indicators would include changes in institutional governance structures which result in stronger, capable, self-sustaining institutions, improved management structures, a growing range of services, wider social impact, growing visibility, greater financial viability and, as this article subsequently argues, tangible contributions to national economic indices. Unfortunately, there is no empirical data that attempts to measure these indicators. In a recent publication, the United States Agency for International Development (USAID) issued a CSO Sustainability Index for Sub-Saharan Africa (USAID Index), which provides seven dimensions to the sustainability of CSOs (2012:183). The dimensions capture some of the indicators mentioned above. However, the report’s reliance on consultations with a select group of civil society specialists and CSOs, among others, reflects a methodology that is empirically very limited. The report’s scope is also limited as it only provides broad descriptions of the range of issues that large, city-based CSOs deal with (USAID 2011:106-7; USAID 2012:110). A more recent report, the CIVICUS 2013 Enabling Environment Index for CSOs (EEI) (2013: 8) acknowledges that the limited feedback obtained from consultations with the Nigerian Network of NGOs (NNNGO) suggest the ‘need for citizen-generated data’. The NNNGO comprises of a wide array of NGOs and CBOs with presence in urban, semi-urban and rural communities in Nigeria.

Other recent studies have attempted to measure CSOs but none of these are country specific or focused on Nigeria (CIVICUS 2013). In the Nigerian context, the apparently measurable indicators may include numerical size, self-sustainability, governance and management structures, and financial viability. Attempts to measure the numerical strength of the sector do not yet offer comprehensive data (Nwoga 2000). For example, between 2011 and 2012, the number of CSOs that were registered at the national level grew from 54,000 (USAID 2011:106) to more than 57,000 (USAID 2012:109). However, several CSOs are also registered at state and local government levels, besides a host of other unregistered groups (USAID 2012:109). The numbers of these other platforms cannot be ascertained though one study claims that more than 100,000 CBOs operate in Nigeria (Nwoga 2000:27). These groups may be registered or unregistered. Since then, CSOs have grown in number and are increasingly diverse in character, composition, institutional arrangement, thematic focus, approach and accomplishments (Igbuzor 2009).

Notwithstanding the limitations of the USAID Index, the report it provides on growth indicators in Nigeria’s CSO sector is
a useful starting point, even if it is a mixed one. Nigeria’s return to civil rule in 1999 provided a stable environment for CSOs to operate that did not change much for a decade. Important improvements only began to be observed in 2011. Organisational capacity evolved, financial management systems were instated to meet funding requirements, several successful advocacy campaigns took place and civil society infrastructure evolved as CSOs worked more through coalitions. Nevertheless, organisational capacity remained weak (USAID 2011:105) and no changes in this respect were reported in 2012 (USAID 2012:109). CSOs in major cities—presumably those that engage in political issues of national interest—were able to build constituency around a limited range of issues, notably peacebuilding, security and constitutional review. However, constituencies could not be built at local levels because the CSOs that work there had limited capacities. Generally, there were no significant changes in the area of funding. ‘CSOs still depend largely on foreign donors’ and many received fewer grants in 2012 (USAID 2012:110), apparently as a result of the global financial crisis.

According to the CIVICUS EEI, which used a weighted scale of indicators ranging from 0-1, Nigeria ranks far below global averages. The index defines an enabling environment as those conditions that affect the capacity of citizens to sustain voluntary engagement in the civil society arena. It includes three dimensions: the socio-economic environment (SEE), socio-cultural environment (SCE) and the governance environment (GE). The last two are of particular interest because they provide sub-dimensions that coincide with the sectoral challenges that this article highlights. Under the SCE, for instance, are the sub-dimensions of giving and volunteering, as well as trust. The GE includes the sub-dimension civil society infrastructure, among others. Unfortunately, neither dimension indicates Nigeria’s average score. The index however gives Nigeria a score of 0.29 under SEE against the global average of 0.54. This places Nigeria within the ten worst SEEs for civil society. This is the only dimension in which Nigeria is graded. Burkina Faso on the other was ranked ninth with a score of 0.60 out of the 109 countries that were evaluated on the SCE. The ranking is attributed to high levels of ethnic and religious tolerance in the country, which makes it the best SCE for civil society in Africa. Unfortunately, ethnic and religious intolerance in Nigeria have peaked recently, especially in northern Nigeria where the Boko Haram insurgency rages, leading to the closure or relocation of CSOs in that part of the country. Overall, Nigeria secured an EEI score of 0.38, which places it in twelfth position from the bottom of the rung (CIVICUS 2013:7, 9, 10, 17, 25; USAID 2012:108).

At this juncture, it is pertinent to look a little more closely at the probable dimensions of the services provided by community-based groups that operate in rural areas in Nigeria. In 2011, Nigeria’s rural population (which often subsists outside the sphere of city-based CSOs) was around 82 million (50.38 per cent) of the national population, which was 162.47 million (Index Mundi undated). In 2010, the number of rural poor was estimated to be 51 million (Rural Poverty Portal, undated). According to studies, rural poverty has a higher incidence rate than urban poverty due to disparities in the availability of infrastructure and access to opportunities (Omonona 2009:3-4). These
statistics portray the acute need for development interventions in rural communities. At the same time, they draw attention to the community development associations, cooperatives, farmer’s unions and clubs and societies that provide services in these communities. They frequently do this through volunteers (Nwoga 2000:23) and often without support from mainstream donors. The groups form an important part of the global civil society picture in Nigeria. Studies that do not fully explore their roles ignore the useful lessons that they offer for mobilising scant resources around community causes as well as the potential contributions that they make to the economy.

CSOs, voluntarism and contributions to national economy

In Nigeria, there has been no purposive discussion on the subject of civil society’s contribution to the national economy or, more specifically, to the country’s gross domestic product (GDP). This oversight is rooted in the perception that the civil society sector is not a productive sector of the economy. NGOs are partly responsible for this perception: they seek foreign support at the expense of building social capital and pursue issues that are often not directly relevant to community needs. Lastly, there is also perception that CSOs are self-serving. While some of these perceptions may be true, they hardly describe CBOs that make indispensable contributions to the economies of their local communities and of the nation as a whole. Besides, it cannot be denied that even those CSOs that fit the above stereotypes are employers of labour. However little this contributes to national household incomes, it ought not to be ignored.

There is abundant evidence that the US civil society sector is ‘an enormous contributor to the American economy’ (Independent Sector, undated). In 2010, the sector’s contribution to the national economy totalled US$804.8 billion, which represents 5.5 per cent of GDP (Blackwood, Roeger and Pettijohn 2012:1). That amount rose to 5.6 per cent of GDP (US$836.9 billion) in 2011 (Pettijohn 2013:1) and fell back to 5.5 per cent in 2012 (National Centre for Charitable Statistics 2012: undated) when the national GDP was US$16.24 trillion (World Bank, undated). A breakdown of these figures is necessary. In 2010, American CSOs paid out US$587 billion in wages and benefits to 13.7 million employees. This represented 9.2 per cent of all wages and salaries that were paid that year in America (Independent Sector, undated; Clarke, Kane, Wilding and Bass 2012). The percentage excludes volunteer time calculated as an average of private wages. From September 2009 to September 2012, about 25.4 per cent of Americans over 16 years old volunteered their services (National Center for Charitable Statistics undated). Statistics from 2011 indicate that ‘64.3 million adults volunteered 15.2 billion hours of service worth an estimated value of $296.2 billion’. Those hours were spent raising funds, collecting or distributing food, ‘doing general labour or transportation’ and ‘tutoring or teaching’ (National Philanthropic Trust undated). Less time was committed to volunteering in 2012 but 12.7 billion hours of service, worth US$259.6 billion, were accomplished (Pettijohn 2013:6). These statistics show that America’s civil society sector is a key player in the economy. However, it is the story that the statistics tell that merit serious attention. Behind the figures are narratives of CSOs that hold their ground against stiff competition from private businesses that are continuously developing highly efficient charitable gift services. The
sector’s survival is, in large measure, due to the deep reserves of social capital (mainly volunteers) at its disposal and its willingness to innovate and demonstrate capability to add greater value to philanthropic gifts amid stiff competition for those gifts and an economic recession.

Granted, the American economy is so much more advanced than the Nigerian economy that one must be cautious about drawing the kind of comparisons that the above account suggests. Caution may indeed be needful if what this article seeks is a measurement of cash flows; that is not the goal here. The goal is to lay emphasis on two factors. First, as employers of labour, Nigerian CSOs ought to be regarded as contributors to Gross National Income (GNI). Unfortunately, however, the tax revenue system and the regulatory environment for CSOs in Nigeria are weak. This makes it difficult to determine what the sector contributes to the GNI. Second, some of these CSOs, such as community development associations, farmers’ unions and produce marketers’ associations, are making important contributions to the agricultural sector, which should give them deserved recognition as important contributors to the national economy. In recent years, agriculture has been a major driver of improved overall performance in Nigeria’s non-oil sector. As at the third quarter of 2013, agriculture was contributing 41.9 per cent to GDP growth, compared to the oil sector’s 12.5 per cent (Federal Republic of Nigeria 2013:6). The narratives behind this achievement cannot be complete without seeking a full account of how the aforementioned CBOs, most of which operate as voluntary organisations promoting mutual interests, have contributed to this growth. At the moment, a full comprehensible account is impossible because civil society volunteering remains an unmapped terrain in Nigeria.

Globally, volunteering has come a respected institution. An example of its success is the American account offered above. According to United Nations Volunteers (UNV), voluntarism is the ‘first line of defence against social atomisation in a globalising world’. If this is so, and there is every good reason for it to be so, the ways in which voluntarism has functioned in Nigeria ought to no longer be overlooked. As the UNV further suggests, the ‘caring and sharing’ that voluntarism offers are ‘more than ever before … a necessity, not [just] a charitable act’ (United Nations Volunteers 2011:1). For a country with high unemployment rates where government and the private sector are not as engaged as they ought to be in providing social services and creating livelihoods, voluntarism is indeed a necessary first line of defence against underdevelopment in Nigeria. Yet, the size, scope, patterns and impact of voluntary organisations in Nigeria remain open to conjecture.

Nigeria’s economic potentials are another reason that voluntarism can no longer be taken for granted. At an estimated GDP growth rate of 6.7 to 7.3 per cent in 2014, Nigeria is projected to be one of the fastest growing economies of the world. It recently revised its GDP, pegging it at US$510 billion, which made it the biggest economy in Africa (The Economist 2014). The prospects for West Africa and indeed Africa are equally good compared to other parts of the world (African Economic Outlook 2013). The signs of an economic rebound are clear; capital inflows to the region and consumer spending are on the rise and recent mineral discoveries are also expected to drive growth (World Bank 2013). The emerging opportunities are as legion as is the potential for philanthropy. The growth
forecasts, the rising profile of local philanthropic organisations, as well as the rich tradition of informal giving in Nigeria are capable of positioning the country as a potential hub for charitable giving in Africa. It is within the prospects of this unfolding landscape that the sustainability of the sector and its response to changes in international aid flows need to be discussed.

The changing landscape of philanthropic giving in Nigeria

In a recent paper, Fedeler and Hayman (2012:4) note an ‘unprecedented growth in African philanthropy’, the extent of which is difficult to understand because efforts to study the phenomenon are limited. However, the reason for the growth is not difficult to decipher. There is a growing number of high net-worth Africans who have shown increasing commitment to socio-economic, community and human resource development in the region. Much of their giving takes place through private philanthropic foundations. A number of these have emerged in Nigeria in the last twelve years and have been making substantial investments in health care, youth and community development, education, and other programmes designed to transform communities. Examples include the Youth Empowerment and ICT Foundation (YEICTF), the Fate Foundation (FF), the TY Danjuma Foundation (TYDF), the Tony Elumelu Foundation (TEF) and the Wellbeing Foundation (WF). While some focus on social grantmaking, others promote economic development by supporting entrepreneurship programmes. The foundations can also be hands-on; some of them give grants and also implement community projects directly. The TEF however does not award grants but designs and funds its own projects. These foundations, in addition to the efforts of an increasing number of grassroots movements that invest considerably in local communities, bring a new paradigm to mobilising local philanthropic resources in Nigeria. Grassroots movements swell the ranks of Nigeria’s philanthropic sector (Fedeler and Hayman 2012:2).

Local foundations seem to prefer to engage directly with local communities and specific development projects. The TYDF is a model worth considering. Between 2010 and 2013, it made 114 grants in support of projects that were focused on health, income generation, the creation of livelihoods, skills acquisition, women’s economic empowerment and education. It also raised awareness against drug abuse and promoted youth development schemes, among other interventions. These efforts were selected carefully to address needs that the foundation considered to have been neglected by mainstream funders. For example, in its 2010 and 2011 funding circles, the foundation found that the proposals it received from CBOs in Edo State revealed serious capacity deficiencies that hampered their ability to access mainstream donor funding. Similar deficits were discovered among CSOs in Taraba State. The foundation observed particularly low donor investment and serious inequalities in funding for women’s initiatives in the state. To address these problems, it established community funds for both states. It also provided capacity building programmes to equip them with skills for designing projects, writing proposals, raising funds, budgeting, managing projects and finances, and monitoring and evaluating projects (Dambo 2010:9-10). The WF’s community development programme is similarly built around participatory schemes for sustainable development. It seeks to help
local communities organise and empower themselves, identify their own problems, devise appropriate solutions and own the process of resolving the problems. It also provides direct grants in support of health care services to women (Wellbeing Foundation 2013).

The methods of private philanthropic organisations in Nigeria also show that they understand and emphasise the importance of knowing the communities in which they intervene, of identifying the problems therein, strategising ways to resolve them, identifying which grantees (NGOs/CBOs) to fund, understanding their needs, enhancing their capacity to deliver and tailoring resources towards these ends. Through empirical research, the foundations have come to acquire considerable awareness of the peculiarities of the environment of their work and of the challenges of their civil society partners. Hence, they are able to devise interventions that fit those peculiarities. No less critical are the varying levels of mentorship that the FF, the TEF, the YEICTF and the TYDF offer their grantees. One of the primary goals of these interventions is to help their grantees or the programmes that they fund achieve self-sustenance.

These interventions reflect levels of sustained engagement that foreign donors are unable to provide for reasons that are partly understandable. Local funders can more readily recruit skilled workers who, having garnered considerable knowledge and experience from working in local communities or with CSOs therein, understand the terrain intimately. Their approach shows a healthy interest in and identification with their grantees that goes beyond providing them with funds and a focused attention on tangible transformations in communities. That said, Fedeler and Hayman (2012:4) rightly identify the need to study and understand local foundations more closely to deepen understanding of how they function as organisations. For example, there is a need to understand their governance and other institutional structures, their capacities and how they construe their roles in relation to the larger donor community. It may also be useful to explore how these organisations’ structures and business models improve their chances of sustaining the interventions that they make. At the moment, their endowments, assets, asset generation and investment strategies are not readily known. What seems to be apparent is that some rely on generous gifts from their founders, their founders’ businesses and possibly other businesses within the founders’ circles of influence. The TEF is an example. According to information that is readily available to the public, the foundation’s endowments derive from the founder’s businesses (Tony Elumelu Foundation undated). Conceivably, an organisation as prominent as the TEF would probably have a broader blueprint for growing its philanthropic capital. On the other hand, the TYDF projects a more inclusive assets mobilisation plan which seeks to develop synergies among funders who operate in the foundation’s areas of interests. Such synergies can facilitate the aggregation of philanthropic assets, the rationalisation of interventions and the avoidance of waste through duplicated interventions. However, how the foundation proposes to build such synergies is unknown.

The foundations have been criticised for being apolitical and not engaging political processes that impede development. This is not necessarily a fair characterisation of African philanthropic foundations. Some have been agents of socio-political change. A good example of this is the role of the Mo Ibrahim Foundation which focuses on good
governance in Africa and uses its Ibrahim Prize for Achievement in African Leadership as a tool for promoting good leadership in African countries (Fedeler and Hayman 2012:3, 5-6). Another example is the TEF’s focus on rebranding Africa’s image. The foundation is championing Africapitalism, a new philosophy of African development that proposes a strategic reallocation of resources from charitable aid to profitable investments with positive social impact (Tony Elumelu Foundation undated:6-11). These examples show the increasing focus of African philanthropic organisations on changing ‘gloomy perceptions of Africa as a charity case’ and fostering a growing sense that Africans must ‘decide their own destiny’ (Fedeler and Hayman 2012). How they sustain this focus over the long term is what makes them a subject of interest. Meanwhile, foreign charitable aid remains the main source of funding for most Nigerian CSOs.

CONCLUSION

This paper examined how the global financial crisis impacted Nigeria’s civil society sector as well as its implications for the sector’s sustainability. It argued that the sector continues to be burdened with a legitimacy crisis that could undermine its sustainability. It also examined how the absence of critical data impedes constructive discussions on sustainability. Among the impediments to sustainability that the article discussed are burdensome institutional overheads, the lack of accountability and a failure to harness the potentials of voluntarism. Lastly, the article discussed the emergence of African philanthropic organisations and how these may be compelling new paradigms of development assistance.

The article made a number of other observations. CSOs need to acknowledge their legitimacy crisis as a threat crisis that imperils their long-term survivability. Mutua’s (1997:12) suggestion is apt: the antidote to the crisis is for CSOs to ‘secure domestic, ideological, financial and moral support from interested constituencies’. They must seek to earn legitimacy by identifying constituency needs and developing interventions that address them directly. The second challenge to sustainability that the article identified is burdensome overheads. These require measures that streamline administrative costs. Cost efficiencies may be achieved through shared office spaces and facilities. US-based CSOs have utilised such schemes to trim overhead costs considerably, leaving them with more funds to execute projects. However, funders also have a role to play. They can create endowments that help grantees develop the capacity to meet their overheads in the long term and empower grantees to grow these endowments through prudent investments or community fund drives. The latter would inevitably require CSOs (urban ones, in particular) to sink deeper roots in communities and cultivate working relationships with emerging local philanthropic organisations.

Further, local philanthropic foundations need to envision a broader context of interventions beyond their founders’ philanthropic inclinations and resources. This is particularly important for their longevity. Three things may help to achieve this. First, they need to position themselves as efficient charitable giving vehicles that can be utilised by other philanthropically minded high net-worth Nigerians and by corporate entities with substantial corporate social responsibility portfolios. At this point in its development, Nigeria does not need a philanthropic foundation for every
philanthropically minded individual or corporation. A pooling together of resources is far more efficient to achieve meaningful impact. Local foundations may create joint donor basket funds to support prioritised activities that address critical areas of need, as their foreign donors did to support Nigeria’s general elections in 2007. This would enhance the creation of a critical mass of philanthropic capital, minimise the duplication of projects and encourage grantees to forge partnerships. This, in the near future, may also reduce the administrative costs of projects. Second, like their western counterparts, local foundations need to develop brands that are built on their unique knowledge and growing expertise in the core areas that they support as well as their working familiarity with grantees. Brands are not just necessary for fundraising, they are also key to bringing charitably inclined persons and entities together into shared commitments for long-term sustainable investments in programmes that strengthen and transform communities. Also, foundations need to back their brands with efficient business models that put them in good stead of growing philanthropic assets over the long-term and enhance their capacity to transform development assistance into sustainable and potentially profitable ventures.

Finally, this article discussed the need for empirical research to provide critical information on certain dimensions of the civil society sector. The contributions that CSOs (CBOs in particular) make to the nation’s economy are one of such areas. The second area comprises local philanthropic organisations. Future research needs to focus on understanding how these work to strengthen the sector.

1 In the United States, for example, real GDP grew by 2.7 per cent in 2013, up from 2.0 per cent in 2012.
2 The African Development Bank (AfDB) paper cites World Bank estimates which warned that an additional 53 million people in developing countries will fall into poverty in addition to the 130-150 million people that were ‘rendered unemployed by the food and oil crises in 2008’. The percentage of African workers who earn below USD2 per day was expected to increase to 86.6 per cent (29 million people) in 2009. Reduced growth in the region will force 390 million people into extreme poverty.
3 The Paris Club is a group of creditor nations from the world’s biggest economies. By 2005, Nigeria owed the Club about USD 39 billion. Following a debt forgiveness deal that year, 60 per cent of the debt was written off. Nigeria paid the balance.
4 The main drivers of growth have been increased giving by the Bill and Melinda Gates Foundation and growth in the assets of the Gordon and Betty Moore Foundation.
5 Grantmaking in 2009 reduced by 8.4 per cent.
6 Pratt et al noted that their growing visibility may also have been influenced by the involvement of ‘a growing number of relatively small and new foundations in the USA’ in international development.
7 It should be noted that 18 per cent of the grants to Western Europe were for development programmes in sub-Saharan Africa, Asia, the Pacific and Latin America.
8 The CPA is a scheme for measuring past and future trans-border aid flows to individual countries. It is actually a portion of the ODA and was put together in 2007 by members of the Development Assistance Committee (DAC) (a unit of the OECD), the IMF, World Bank and UNDP. It is the net sum after all non-CPA expenses have been deducted from ODA gross. Non-CPA expenses include debt relief, administrative costs, humanitarian and food aid, support to NGOs, imputed student costs, imputed student costs and unallocated funds. In 2011, CPA was 55 per cent of ODA. Of this amount, CPA to Africa averaged about 68 per cent (US$40 million). CPA to sub-Saharan Africa over an eight-year period (2005 to 2012) grew from US$19.025 million to US$34.798 million. CPA to Nigeria increased over the same period from US$7.80 million to US$11.928 million. As a measurement scheme, CPA helps to track aid flows and to measure impact at country level better than the ODA does. CPA also gives partner countries a ‘significant say’.
11(24/202/2014) and OECD Development Assistance


10 Examples of Nigerian NGOs that have been actively involved in advancing socio-economic rights include the Social and Economic Rights Action Center (SERAC), the Environmental Rights Action and the Socio-Economic Rights Initiative. To the author’s knowledge, SERAC’s successes can be attributed in part to its capacity for mobilising mass action. The author once participated in one of such actions for the Maroko and Ijora Badia communities in Lagos, Nigeria, more than ten years ago.

11 According to Mutua (1997), funders and international NGOs were obsessed with creating a tradition of human rights movements in Africa which Okafor argues failed to acknowledge and develop African connotations of, and forms of expressions for human rights. Okafor argues that these impeded the progress of the human rights ideal in Africa.

12 Okafor (1999: 2150) shares this view. In his words, ‘the agendas, [programmes] and methods of these NGOs have been almost entirely lacking in attentiveness and sensitivity to the need to research, understand, mobilize and deploy those aspects of Nigeria’s various cultures that support or enhance the content and language of their human rights catechism.’

13 Odinkalu, Okafor and Mutua all express these views with respect to human rights organisations in Africa. In this author’s views, however, they aptly describe current legitimacy challenges of the CSO sector as a whole. However, Odinkalu is careful to qualify his statement by observing that women’s rights movements and faith-based social justice initiatives may be exceptions because they often draw a popular following due to their ability to connect with a community of interests, even when they are not necessarily membership based.

14 In this article, fragmentation describes the situation when a CSO ceases to exist after it has broken up into smaller CSOs or when a member of one CSO departs to set up another CSO, replicating one or more of the former’s programmes. Proliferation simply refers to when CSOs multiply. This may be because of fragmentation or because individuals or communities are coming together to set up new CSOs.

15 The Open Society Foundation runs the Open Society Justice Initiative (OSJI) programme. According to the OSJI website, the unit ‘uses law to protect and empower people around the world. Through litigation, advocacy, research, and technical assistance, the Justice Initiative promotes human rights and builds legal capacity for open societies’. See http://www.opensocietyfoundations.org/about/programs/open-society-justice-initiative/background, accessed 19 March 2014.

16 www.wacsi.org

17 A fitting example is the Canadian International Development Agency (CIDA). The Agency provides grants that integrate capacity development for its grantees. CIDA trains grantees on project cycle management and project finance before contracts are signed and funds are released. Thereafter, it insists on strict compliance with project schedules and deliverables, on reporting schedules and on discipline in handling project finance. CIDA also ensures that its grantees have the necessary personnel to manage key components of projects and are able to monitor compliance with its requirements.

18 The author provides these three examples based on his experience of interacting with, applying for or managing grants by funding organisations.

19 It is unhelpful that Nigeria’s laws in this regard are weak. They merely require that registered CSOs submit annual financial statements to regulatory authorities. What the authorities do with the reports is unclear and it has not enhanced the public image of the sector that there is little information about their projects and finances in the public domain. Some of the sector’s most credible organisations maintain websites, but less than a handful upload their financial statements to the websites on a regular basis. Besides, it is not enough to upload statements of income and expenditure as though accountability were just about narrating figures. Such statements must tell stories of income and expenditure that translate to real value for communities.

20 A few years ago, the author did a breakdown of an NGO’s project expense for a grant worth $450,000.00. About 72 per cent of the grant underwrote institutional costs, while 16 per cent went to core project expenses. 12 per cent was unspent at the termination of the project. A further classification of expenditure showed that 14 per cent of the grant (about US$62,000.00) was used to pay the office’s three-year rent. The breakdown suggests the major expenditure heads were rent, salaries and other institutional costs.
In South American countries, a continuous growth process can be seen in relation to the number of organisations, their participation in the supply of goods and services, their influence on drawing up public agendas and in their bringing to debate different problems that affect the lives of people in south America. See Helmut K. Anheier and Stephan Toeplar (eds) International Encyclopedia of Civil Society (2010) Springer Science+Business Media, LLC, New York, 290.


Civil Society infrastructure has been defined as ‘the set of institutions that create the conditions in which efficient and effective citizen organization can flourish.’ They are often referred to as ‘enabling conditions.’ See David Bonbright and Natalia Kryttopoulou ‘A new challenge for civil society infrastructure: The imperative of downward accountability’ in Volkhart Heinrich and Lorenzo Fioramonti CIVICUS global survey of the state of civil society: Volume 2 comparative perspectives (2008) Kumarian Press, Inc., Bloomfield, Conn., 201.


These foundations fit in with one of Salamon’s (1999) classification models. The TEF may be regarded as an operating foundation and TYDF as a grant-making foundation, although they may not necessarily classify themselves such. TEF may also fit into the Corporate Foundation category.

Its health programme includes maternal and child health.

This includes improving high school completion rates and education for the girl child.


The foundation makes this one of its mode of operation. See the TY Danjuma Foundation website at http://tydanjumafoundation.org/about-the-foundation/

The paper does not claim that the TEF does not seek synergies as does the TYDF. Neither does it want to draw a comparison between the two. It only makes inferences from information that both foundations have made available to the public. There may well be other strategies laid out in either foundation’s business plans which are not known. The point being made is that neither foundation publishes reports that provide information about asset generation.


Clarke, J., Kane, D., Wilding, K. and Bass, P, (2012). Civil Society Almanac


United States Agency for International Development. [2012]. CSO sustainability index for sub-Saharan Africa. Available from


Wellbeing Foundation website at http://www.wbafrica.org

