

Which Are Really Effective? Non-Governmental Organisations (NGOs) in New Zealand and Japan

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I. Introduction

There is no doubt that foreign aid has been one of the main tools of foreign policy for both New Zealand and Japan as both states have not used military strength as a means to settle international disputes. In the case of New Zealand, this is because the country only possesses small-scale military units and with regards to Japan, Japan has been restricted from maintaining a military force under its Peace Constitution, therefore it has no choice but to utilise financial assistance as its foreign policy tool called Official Development Assistance (ODA). In both countries' foreign aid strategies, it is officially recognised that Non-Governmental Organisations (NGOs) have played crucial roles. Ideally speaking, they should be 'partners' to their respective governments but in reality, they are often treated as 'supplementary actors'. Both New Zealand and Japanese NGOs have been officially claimed as 'partners' to each of their governments but have received treatment different to this status. Having said that, there is a gap between NGOs in these two states in that New Zealand NGOs are more likely to be treated as 'partners' whereas Japanese NGOs play more of a 'supplementary actor' role, or even that of a so-called 'cheap contractor'.

Overall, perceptions of NGOs in New Zealand and Japan have now been routinely accepted.¹ Such perceptions are as follows:

'New Zealand NGOs working under a 'small government' system have been recognised as partners to the government and have played crucial roles in its foreign aid strategy. NGO's in New Zealand substantially exert their influence on New Zealand's foreign aid.'

'Although officially claimed as 'partners' to the government, Japanese NGOs find it uneasy to take any action or exert influence in Japan's foreign aid strategy due to their 'self-restrictive' nature which comes about in a closes society such as Japan ruled under a strong bureaucracy.'

This claim has been backed up by a following examination on Japanese NGOs;

...Japan has a limited tradition of philanthropy, related mainly to the building

of temples and private schools for classical and special education. Government has traditionally provided leadership, and has organised the delivery of most social services. A dominant bureaucracy left very limited space for non-governmental action².

These two perceptions have been routinely accepted by many scholars including myself. Often these perceptions have been applied in the context of ‘effective New Zealand NGOs and ineffective Japanese NGOs’. However, along with alterations in the foreign aid strategies of both states, these perceptions seem to have changed, and the change also started influencing roles and effectiveness of NGOs in New Zealand and Japan. Based on this background, this paper will examine the changing perceptions of NGOs in both states following shifts in aid. This paper aims to examine and clarify the new emerging standpoint of NGOs in each state’s foreign aid strategy.

II. ‘Are we really effective?’ - New Zealand’s NGOs in Foreign Aid

1. Overview of New Zealand’s foreign aid policy

Under the Fifth Labour government of 1999 to 2008, New Zealand’s foreign aid has been provided on the basis of working towards a safe and just world. There is no doubt that New Zealand is a small country and as a result, New Zealand has a limitation on the scale of its foreign aid. New Zealand, however, has distributed its foreign aid over a wide area of the world’s developing nations including Asia and Africa; countries often seen as relatively far from New Zealand physically and also far in terms of New Zealand’s more immediate interest in the Pacific region.

In order to carry out the above aim of providing for a ‘safe and just world’, a semi-autonomous foreign aid agency called the ‘New Zealand Agency for International Development’ (NZAID) was established in 2003 and a bilateral and through it, an official yet rather friendly approach was established in respect of NGOs foreign aid strategy. This approach was categorised into the following four schemes:

- (1) Regular dialogue on policy matters between NGOs and the government?;
- (2) Core funding for key strategic NGOs in NZ;
- (3) Exchange of information and lessons learnt, at the programme level; and
- (4) Funding opportunities for the work of New Zealand NGOs and their partners overseas.³

Under the above schemes, NGOs have been able to make effective policy advocacy to NZAID in terms of how the state’s foreign aid should be spread around the world. As NZAID and the government behind it already had attentive ears for NGOs it was not difficult for NGOs to have their message heard by NZAID and the government.

However, as described later in this paper when the National Party came to power in 2009, the honeymoon period between NGOs and the foreign aid agencies was to end.

2. NGOs' role in foreign aid under the Labour government (1999-2008)

Under the 1999 – 2008 Labour government, New Zealand NGOs engaged in foreign aid relations have not only taken on crucial roles as partners with the government but also grown bilateral relationships with it. These relationships have in fact strongly influenced the state's foreign aid strategy for a long period to the extent that the government set its goal as realising the world toward "safe and just world", which is in stark contrast to the current foreign aid style of New Zealand. The author has done several intensive case studies on this topic but in order to present how NGOs have interacted with the Labour government towards the former goal, the following section of this paper will take a close look at one such case - Christian World Service (CWS).

CWS is a Christchurch-based local NGO⁴ and its main purpose is to provide financial assistance to its counterpart NGOs, called 'partners', in developing countries. Of course, in order to provide such assistance the CWS is involved in active studies on possible partner NGOs, conducting close communication with each other, and carrying out detailed monitoring and evaluation of the partner NGOs, including regular trips to visit them in their respective countries. As most of New Zealand NGOs are small in their operations and financial schemes, in turn, financial assistance is often the main pillar of their activities, but they make sure the financial assistance is being channelled to appropriate issues. The CWS states in its values ("Our Values") that it places a crucial focus on applying resources to people struggling and suffering from an unfair distribution of the world's monetary and natural resources, especially children and young people.⁵ The CWS has supported partner NGOs in various areas including Palestine, but Africa and Asia have been their main concern.

CWS has also regarded policy advocacy as an important focus of their activities, as it is stated, "[W]e believe that transformative change cannot occur unless we are prepared to stand alongside our partners and speak out on the issues and concerns that affect their lives."⁶ In order to accomplish this aim, the organisation has made a good use of the aforementioned bilateral and friendly approach in its operations. Also, it comes as an advantage as New Zealand that it is a state with a small population, which enables close communication between people in small communities. A former CWS director made the following remarks in my interview with her;

[I]f we want to tell the government something about its foreign aid operation, I will just pick up the phone and call my former pupil, who is now someone within MFAT [the 'Ministry of Foreign Affairs and Trade': Author]. And I know there are some people whom I know from their childhood in the government, which makes it easier for us to get our messages to them.⁷

Building personal relationships between decision-makers helps effective policy advocacy from the side of NGOs and this is a process widely known amongst and often used by Japanese NGOs. In the same way the New Zealand NGO CWS, has also used this type of process very well.

3. A change in stance of NGOs under the National government of 2008 - current)

Under the Labour Government, CWS seems to have enjoyed a friendly system of utilising personal relationships to further their operations.. This has included receiving generous funding from the Labour government. A 2003 annual report issued by one New Zealand development NGO states, “The NZAID grant increased again for the new financial year...This increase reflects the strength of the relationship [of the government] with NZAID – they clearly see the value of liaising with one organisation rather than 56 [member agencies: author].⁸”

However, since the National Party came to power in 2008, the CWS’s relationship with the government seems to have started to change. The National Government has made some major changes to New Zealand’s foreign aid policy. Such policy changes have already been discussed earlier in this paper, however, in addition, the major change that has occurred was that NZAID, which was established as a semi-autonomous institution separate from MFAT, was brought back under the umbrella of MFAT once again. That means, MFAT is under increased influence from the government and also to its foreign aid policy. A 2007 audit report criticised NZAID for “having inadequate record keeping, contract management processes and a lack of conflict of interest procedures”.⁹ A series of criticism followed including the effectiveness of the agency and of the foreign aid itself, so NZAID came under fire when Labour lost its power to the National.

CWS is also facing difficulties with the National government’s change in approach to foreign aid policy. The difficulties arise mainly from the government’s huge cut-back in funding for NGOs. An anonymous CWS staff member made a comment in the author’s interview that “the organisation has lost huge part of its annual budget due to the government cutting-back and this is affecting the staff employment. The cut-backs seem more severe for those who do not dance to the government’s tune in foreign aid policy.¹⁰” He also commented that as CWS has focused on Asia and Africa but not much on the Pacific region, it is rare for CWS to obtain much financial assistance from the government. A executive director of another New Zealand NGO told the author that “[W]e cannot communicate with the government any longer through the way that we used to be able to. They just don’t listen and these ones are the centre of operating New Zealand’s foreign aid now.¹¹”

It is too early at this stage to evaluate the changes that the National government has made to foreign aid and how the NGOs’ are handling the difficult challenges. CWS and other NGOs are putting forward a positive attitude at this difficult time and are endeavouring to be more independent and show stronger presence without the government’s influence. However, it is clear that they are at a loss with the sudden change in their role in foreign aid policy – from that of playing a crucial role to that of being ignored.

4. Observations

New Zealand NGOs in the foreign aid field have no doubt been crucial players in New Zealand’s foreign aid policy under the Labour government. Friendly bilateral relationships were forged between NGOs and the government and NZAID was the focal point for both sides. NGOs enjoyed the Labour government’s intensive listening and narrative approach, and they grew to be influential actors. The small size of New Zealand, where it can be said that almost everyone knows everyone,

has also helped New Zealand NGOs establish their personal relationships with decision-makers in the Labour government and that boosted their advocacy works. However, doubt has risen about the NGOs ability to be influential as so many NGOs now struggle with the National government's change in stance in foreign aid policy.

III 'Influential Outsiders' - Japanese NGOs in Foreign Aid Policy

1. Overview of Japan's foreign aid policy

Japan's foreign aid has a unique history in comparison to New Zealand. Although Japan is now a major foreign aid donor, it started as a major foreign aid recipient country immediately after the Second World War, until 1951. Funding from several international organisations such as the World Bank helped to build Japan's infrastructure, which was necessary for Japan's later economic boom. In 1955, Japan joined the 'Colombo Plan', an international foreign aid plan and since then, Japan's own foreign aid policy, known as the "Official Development Assistance" (ODA), has grown dramatically from smaller reparation payments to Asian countries in the 1950s to being one of the largest foreign aid contributors in the world. Although its budget has decreased since 2000, foreign aid is definitely one of Japan's major tools of foreign aid policy when Japan is not able to exert military strength to settle international disputes, claiming restrictions set out in its Peace Constitution.

Japan's foreign aid strategy seems to hit a critical turning point every ten years. As already mentioned, the 1950s was the era of reparation. The following decade was the era of quantitative expansion of Japan's foreign aid due to boosting Japan's economy. In fact, from the 1960's Japan continued to grow to become the top foreign aid donor at the end of the 1980s. In the 1970s, Japan experienced two global events which in the end changed a façade of its foreign aid. The first event was 'The Nixon Shock' of 1971 and the other was the 'Oil Crisis' of 1973. This paper will not go any deeper into these two events but what Japan has learnt from them was that the United States would not hesitate to act in its own best interests and indirectly risk Japan's national interest in doing so. These two incidents made Japan realise that it needed to secure its own national interests as other states worked in their best interests. Therefore, the 1970s was the era where Japan secured resources through foreign aid, exemplifying Japan increased its aid distribution to those resource-producing states such as Indonesia. Around the same time, Japan's foreign aid started to be called 'check-book diplomacy', meaning Japan was buying its own national interests in international disputes.

2. NGOs' role in Japan's foreign aid

The 1980s and the 1990s saw the appearance of NGOs' in Japan's foreign aid strategy. What is common in these two decades is the harsh international criticism levied against Japan's foreign aid. In the 1980s, Japan was criticised for using foreign aid for its own self-interest or for its own commercialism. The following decade marked its start with the first Gulf War (Crisis) and the international community, especially the United States, harshly criticised Japan for not providing human contribution but only monetary contribution in a time of international crisis. Encountering

these criticisms, Japan faced a necessity to show its 'face' to highlight Japan's presence internationally. After that, NGOs - which already had received a high reputation internationally - were joined into Japan's ODA.

The author's Ph.D. research, *Non-Governmental Organisations in Japanese Foreign Aid Strategy*, has explored roles of NGOs in Japan's foreign aid historically, institutionally and politically. There are varieties of crucial findings on this topic but the most important findings of the author are as follows:

- (1) Japan's foreign aid has not changed as much as it is claimed and Japan always follows what Japan thinks is its 'national interests'.
- (2) Although officially claimed as 'partners' in Japan's official foreign aid strategy since 1989, the impact of Japanese NGOs on the ODA has not risen beyond original expectations and NGOs has not been inclusive in its decision-making process. NGOs have often been treated as supplementary actors or low-cost performers. So the impact of NGOs on Japan's foreign aid did not expand as much as was initially expected.
- (3) Japanese NGOs have therefore developed their own methods of exerting influence on the foreign aid strategy from outside the decision-making process.^{1 2}

In order to clarify the above statements, the following section will focus on two NGOs specialising in the foreign aid field which exerted influence from outside the system.

3. Influencing from outside the system

There are numerous numbers of NGOs working in Japan but most of them are small-scale with a limited number of staff^{1 3}. This paper will examine the case of the 'Japan International Volunteer Centre' (JVC). There are several other Japanese NGOs, which the author has conducted research upon but the JVC has been a prominent development organisation that has achieved concrete results so therefore, using JVC is an appropriate example to show how NGOs are working in Japan's foreign aid strategy.

Similar to the case of CWS in New Zealand, JVC is a locally-born and raised NGO in Japan. Many foreign aid-related NGOs in Japan, such as Oxfam Japan and World Vision Japan, are sometimes influenced by the global aspects of their activities which are usually suggested by the international headquarters of both organisations. In contrast, JVC, on the other hand, is free from those global aspects and has established its own foreign aid mission and style of activities since its foundation in the 1970s. JVC's activities in the past have been well-received by people in developing countries and JVC has earned a high reputation, which has pushed it to be one of the largest development NGOs in Japan. One of the features of the NGOs is independence so that their operations are flexible.

On the other hand, enjoying freedom and independence in its operations, has meant that JVC faces the risk of not having an 'international back-up' while many other international branches of NGOs in Japan do receive such backing. Considering the approach to Japan's foreign policy -

vulnerability to international criticism and opinions – JVC has had to develop its own ways of influencing the Japanese government.

The Japanese foreign aid decision-making system is heavily dominated by ministries such as foreign affairs and finance, however against the background outlined above, JVC has developed its own mechanism of influencing the system from the outside. As mentioned earlier, New Zealand NGOs have been included in the system - though rather superficially - therefore they could use a 'front door' approach to being influential. Japanese NGOs on the other hand have had to go through a 'back door' to do their business in foreign aid. In order to do so, Japanese NGOs have developed and use the following six methods of interacting with the Japanese government:

- (1) 'Sub-official meetings'
- (2) 'Financial support'
- (3) 'International/domestic cooperation'
- (4) 'Workshops, symposiums and campaigns'
- (5) 'Personal relationships'
- (6) 'Media' usage^{1 4}

Out of the six items listed above, it is considered that the first, the fifth and the sixth-mentioned methods are the most effective in interacting with the government. Through the method of 'sub-official meetings', NGOs have disclosed all agendas and meeting minutes from sub-official meetings about Japan's foreign aid with the government on internet so that readers can closely follow what was happening behind closed doors. For example, Japanese government officials attending workshops or symposiums often fall silence when they are asked questions which they do not want to answer or clarify their stance. This kind of silence is usually accepted and allowed as 'indecisive but okay attitude' in the Japanese society, and their behaviours do not appear in any writing forms. However, NGOs make it clear that they fall in silence as they do not intend to answer questions in workshop or symposium minutes and usually put them on their websites, which anyone can access to. Through this mean, NGOs try to make the government side always being under public surveillance and being pressured. In regards to the fifth method outlined above, Hirata (2002) has clearly stated its effectiveness:

The success of NGOs in influencing (Japan's: author) foreign aid policy largely depends on their ability to engage state officials. While easy access to officials does not guarantee an impact will be made on policy, accelerating mutual understanding through dialogue is one of the important steps of NGOs to change foreign aid policy.^{1 5}

JVC has tried to make personal contacts with not only state officials but also politicians in order to make them ask questions or submit statements on behalf of the organisation for more 'effective and better foreign aid'. To do so, not only does JVC make appointments for meetings with politicians, the organisation has also invited interested politicians and journalists to attend seminars in order to

study about foreign aid. Not waiting to be invited, several politicians have themselves made contact with JVC to learn about Japan's foreign aid, and through this, a mutual relationship has developed between JVC and decision-makers. One NGO staff member commented that "some journalists are hard to breakthrough to. They come to us for information or interesting stories but when we want them to help us to promote better foreign aid, some will disappear and it is difficult to make contact with them again."¹⁶

4. Observations

It is not going too far to say that Japanese NGOs are used to being excluded from the decision-making system. Unlike New Zealand NGOs which were examined earlier, Japanese NGOs have had to develop their own methods in order to be influential from the outside. This is largely due to Japan's own strongly bureaucratic political environment. It would have been easier for Japanese NGOs if they were inclusive in their foreign decision-making system from the outset as it was officially claimed, but they have learnt to be 'influential outsiders' the hard way. In other words, it can be said that regardless of the political environment, Japanese NGOs have obtained strength, which has enabled them to be influential. This seems to be different from the aforementioned New Zealand NGOs, which are vulnerable to changes in the political environment.

IV Concluding remarks

The main purpose of this paper has been to examine whether established perceptions of New Zealand and Japanese NGOs are correct or not and to present the author's answer to that issue. It may be too early to come to a definite answer – if there is one – but something can be claimed at this point based on the above examination. That is, New Zealand NGOs are vulnerable to circumstantial changes including a change in government whereas Japanese NGOs continue to show their strength despite changes in government. This paper has demonstrated that New Zealand NGOs were only 'allowed' to be influential under the Labour government, but that since 2008 under the National government they have not been allowed to so easily influential. In the other words, their inclusion in the foreign aid policy decision-making is totally up to the government's choice and not their own abilities. Some NGOs, which refuse to dance to the National government's foreign aid policy tune, if that is against their own tune, seem to have suddenly lost their ability to exert influence on the government.

Whilst Japanese NGOs also experienced the changeover in government in 2009, but on the other hand, they do not seem to be any different in regards to being influential on the government. They were outsiders in Japan's foreign aid policy and they still are outsiders and will continue to be so in the future considering the closed nature of Japan's decision-making process. In any event, Japanese NGOs have developed in how they can be influential externally as outsiders, so they are not influenced by the government's choice as much as New Zealand NGOs.

On the basis of the above examination, it is possible to state that generally established perceptions of NGOs in the two states of New Zealand and Japan are not exactly correct. Whether or not NGOs can be influential in foreign aid policy is largely the government's call and does not

have much to do with the abilities of the NGOs themselves. It is also possible to note that New Zealand NGOs have been led to believe they were influential when in reality they were only allowed lead to be so. At least, that is how it is seen as at 2011. Whether or not New Zealand NGOs will show their strength in changes of circumstances, will be one issue to observe in the coming few years under the National government which at this point, seems to be predicted to win the next election in November 2011, The author is planning to launch a further and deeper examination of the strength of New Zealand NGOs in the future but this paper is concluded with the author's answer to the question as at September 2011.

¹ General perceptions have been formed in the research of several authors such as Smilie, Helmich, German and Randel (1999) *Stakeholders: government-NGO partnerships for international development*, Earthscan: London.

² *Ibid.*, p.149.

³ "Non-Governmental Organisations (NGOs)", *NZAID Annual Review 2004/2005*, NZAID: Wellington, p.52.

⁴ Note: CWS was severely stricken by a series of earthquakes that hit Christchurch during 2010-2011, s CWS has shifted its location to Papanui from the former City Central as of October 28, 2011.

⁵ CWS's website, "Our Values", <<http://www.cws.org.nz/about-us/our-values>>, as at 8 December 2010.

⁶ CWS homepage, *ibid.*

⁷ The author's personal interview on 7 July, 2008, with a former director of CWS, who wished to remain unnamed. .

⁸ "Report from the Executive Director", *Council for International Development Annual Report 2003*, CID: Wellington, p.2.

⁹ "NZAID chiefs grilled over failure to manage budget", *New Zealand Herald*, published on 9 November, 2007.

¹⁰ The author's personal interview on 1 September, 2011 with a staff member of CWS, who wished to remain anonymous. .

¹¹ The author's personal interview on 24 August, 2010, with a current CWS director, who wished to remain unnamed. .

¹² For more information, see Nanami (2008) *Non-Governmental Organisations in Japanese Foreign Aid Strategy: Partners or Challengers?*, Saarbrücken: VDM Publishing.

¹³ For more information, see "NGO Directory", <<http://www.janic.org/directory/>>, as at 16 September 2011.

¹⁴ For more discussion, see Nanami (2008) *Non-Governmental Organisations in Japanese Foreign Aid Strategy: Partners or Challengers?*.

¹⁵ Hirata (2002) *Civil Society in Japan: The growing role of NGOs in Tokyo's aid and development policy*, Houndmills: Palgrave Macmillan, p.223.

¹⁶ The author's personal interview on 28 May, 2004, with Mr. Kiyotaka Takahashi, a policy advisor at Japan International Volunteer Centre.