The Enabling Environment for Implementing the Millennium Development Goals: Government Actions to Support NGOs

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Paper presented at:
George Washington University Conference
“The Role of NGOs in Implementing the Millennium Development Goals”
Washington, DC
May 12-13, 2004
The United Nation’s Millennium Development Goals (MDGs) have focused the attention of the international community on enduring problems of global poverty and have attracted broad support. The MDGs establish ambitious targets for promoting economic growth, improving health and education, empowering women, creating sustainable development, and reducing poverty (UNDP 2003). The magnitude of the challenge is captured in one estimate that, given current trends, “33 countries with more than a quarter of the world’s people will achieve fewer than half the Millennium Development Goals by 2015” (DFID 2003: 6). Others express similar views, noting the varying prospects for different regions of the world. An African Development Bank report notes that countries in “Asia, Eastern Europe, and Latin America and the Caribbean are on course to fulfill many of the MDGs. But few African countries are likely to meet most of them” (ADB 2002: 1).

What will it take to achieve the MDGs? This question preoccupies international donor agencies, developing country governments, policy think tanks, international and national nongovernmental organizations (NGOs), local communities, and citizens’ groups. Actions at all levels, from the global to the local, are called for; and the recommendations for what needs to be done are numerous. Among the prescriptions for MDG country implementation that these various actors voice is the need to create an enabling environment to put in place the conditions that will facilitate the efforts of actors in the public, private, NGO/civil society sectors to take the various steps needed to reach the MDG targets.

A quick scan of printed and electronic sources reveals the ubiquity of the term. The enabling environment is the topic of NGO conferences, World Bank training programs, and USAID and other donor-supported technical assistance projects. It appears repeatedly in analytic studies, policy briefs, and reports. However, like much of the vocabulary of international development and assistance discourse, the term exhibits an apparent clarity that masks the underlying complexity inherent in the conceptual territory it subsumes. In some formulations, the enabling environment is defined so expansively that it becomes nearly synonymous with socio-economic development itself. In others, it is treated so narrowly as to be clearly inadequate to stimulate sufficient response absent the presence of additional factors; for example, considering the enabling environment as consisting primarily of an appropriate regulatory framework.

This paper seeks to clarify what government can and should do to support and encourage societal partners to pursue actions related to the MDGs. It does not pretend to sort out the definitional complexity or offer a comprehensive tour of the term’s contours. In keeping

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with the theme of the conference, the main focus is on the role of government in enabling NGOs to be engaged in reaching the MDGs. Government is not the only actor involved in the MDGs; clearly all sectors of a society need to engage in order to make progress toward those goals. But government has a primary role in structuring and influencing the contributions of the private and NGO sectors. The paper begins with a brief discussion of the evolution of attention to environmental factors in socio-economic development, and then turns to what has commonly been considered government’s role in creating an enabling environment. Next, the paper develops a framework for more precisely characterizing government’s role in an enabling environment specifically for NGO participation in the production of public goods. This is followed by a discussion of the incentives for government to create such an enabling environment, touching on topics such as the politics of pro-poor reform, accountability, citizen participation, and so on. The paper closes with a brief investigation of several measurement and implementation issues, and some concluding remarks.

From sustainability to the enabling environment

Those interested in economic development and poverty alleviation, whether academics or practitioners, have long sought to identify what is necessary and what works to address these objectives. For rich countries and international donor agencies, this interest has been driven by the desire to make the best use of foreign assistance resources. During the 1980s, the donor community engaged in a number of “soul-searching” exercises as evidence of the limited impact of project investments came to light, leading to a concentration on sustainability (e.g., USAID 1988, World Bank 1985). Among the findings of these and other reviews was the important influence of factors external to projects and programs on their ability to generate long-term benefits. The current attention to the enabling environment emerged from the earlier debate and analysis on what to do in order to make better development project investments. Calls to improve the enabling environment can be seen as the latest version of concern for sustainability and aid effectiveness, which derives from the question, what needs to be in place in order for donor interventions to yield lasting results?

This interest in the enabling environment reflects a swing away from a narrow focus on project designs that can “protect” donor interventions from environmental hostility. Donor investments shifted toward targeting the policy environment itself for intervention, aiming at the range of factors that support and encourage actors in developing countries to take actions to promote socio-economic improvement, and that generate country ownership and commitment. Whereas the sustainability focus of the 1980s led donors to look for ways to adapt their project/program designs and implementation to cope with inhospitable and constraining operating environments, the trend begun in the 1990s up to the present poses the question, how can environments be made more supportive so that in-country actors can productively use project/program investments? The search for

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2 There are many ways to define NGOs. The definition used in this paper is intentionally broad, encompassing what has variously been identified as the third or nonprofit sector, civil society organizations, nongovernmental development organizations, and grassroots organizations. Brinkerhoff and Brinkerhoff (2002) discuss definitional questions, and cite the issue of “sector blurring,” which recognizes that the lines distinguishing the public, private, and NGO sectors are not always bright.
answers to this question has led to significant research and analysis devoted to better mapping and understanding of the environment for international development efforts and institutions (e.g., Brinkerhoff and Goldsmith 1992, Picciotto and Weisner 1998), as well as spawning several generations of policy-based lending and grants.

While this shift in focus may seem like a subtle one, it has led to a dramatic reorientation in the thinking of the development assistance community, with major policy implications. As research findings increasingly demonstrated the links among successful socio-economic development, the enabling environment, and government capacity coupled with political will, donor agency policymakers—with the World Bank, which has sponsored much of the research, in the lead—began to emphasize targeting grants and loans to countries with demonstrated performance records (see, for example, Dollar and Svensson 1998, Burnside and Dollar 2000). In the World Bank, these findings undergird the latest generation of policy-based lending, in which countries rated as high performers receive loans with fewer conditionalities and more discretion in utilization of the funds than previous generations of structural adjustment programs. Among bilateral donors, the U.S. government recently concretized this emphasis with the Bush administration’s creation of the Millennium Challenge Account (MCA), which will reward countries that have put in place the conditions for sustainability that will assure the effective utilization of foreign assistance dollars. In the context of the MCA, the presence or absence of an enabling environment distinguishes between those countries eligible for funding and those that are excluded. Thus, the enabling environment shares a prominent place in the foreign assistance policy arena along with the MDGs.

Defining the enabling environment

As noted, definitions of the enabling environment are numerous, and range from all-encompassing to narrow. A typical general definition is as follows: “An enabling environment is a set of interrelated conditions—such as legal, bureaucratic, fiscal, informational, political, and cultural—that impact on the capacity of ...development actors to engage in development processes in a sustained and effective manner” (Thindwa 2001: 3). To be useful, broad definitions such as this one need to be unpacked. Getting more specific about the enabling environment requires, first, elaborating a comprehensive set of influential environmental factors; and second, clarifying the nature of their impacts on various development actors. There is a vast body of research and experience that offers a wealth of answers, and a comprehensive treatment is beyond the scope of this paper. Table 1 contains a brief summary of commonly agreed-upon features of the enabling environment, divided into five categories of factors: economic, political, administrative, socio-cultural, and resources.

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3 Both the World Bank researchers’ analyses and the modified lending policies are topics of intense debate, among Bank staff as well as outside observers. For recent critical discussion of the empirical research base for performance-based selectivity in lending, see Mosley at al. (2003) and also Radelet (2004). This debate fits within the ongoing arguments regarding the utility, appropriateness, and effectiveness of conditionality (see, for example, Killick 1997, Santiso 2001, Koeberle 2003).

4 These are not the only clarifications that are in order. Other questions that arise include, in what ways are the conditions interrelated? Are some conditions more important than others?

5 Huge amounts of the development literature address the topics in this table. For some useful treatments that aggregate and synthesize research findings, see World Bank (2002, 1997) and UNDP (2002).
### Table 1. Key Features of the Enabling Environment

<table>
<thead>
<tr>
<th>Category of Environmental Factors</th>
<th>Key Enabling Features</th>
<th>Illustrative Government Enabling Actions</th>
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<tbody>
<tr>
<td>Economic</td>
<td>- Nondistortionary policy framework.</td>
<td>- Reducing red tape &amp; unnecessary regulation.</td>
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<td></td>
<td>- Encouragement of free markets &amp; open competition.</td>
<td>- Managing macro-economic policy to control inflation, deficit spending, &amp; assure stability.</td>
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<td></td>
<td>- Supportive of investment (including physical security).</td>
<td>- Reducing tariffs, barriers to investment (“level playing field”).</td>
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<td></td>
<td>- Low transactions costs, credible commitment.</td>
<td>- Investing in physical infrastructure (roads, transportation, etc.).</td>
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<tr>
<td></td>
<td></td>
<td>- Controlling criminality (e.g. mafias) &amp; violence.</td>
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<tr>
<td>Political</td>
<td>- Democratic system that supports pluralism, accountability, transparency, &amp; responsiveness.</td>
<td>- Conducting free &amp; fair elections.</td>
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<td></td>
<td>- Processes that encourage participation, social contract, &amp; state legitimacy.</td>
<td>- Making information widely available, promoting free media.</td>
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<td></td>
<td>- Rule of law, contract enforcement, respect for human rights &amp; property rights.</td>
<td>- Devolving power &amp; resources to subnational levels of government.</td>
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<td></td>
<td></td>
<td>- Limiting power &amp; influence of interest groups.</td>
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<td></td>
<td></td>
<td>- Supporting civil society.</td>
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<td></td>
<td></td>
<td>- Assuring judicial independence.</td>
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<tr>
<td>Administrative</td>
<td>- Efficient service delivery capacity.</td>
<td>- Curbing abuse &amp; corruption.</td>
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<td></td>
<td>- Low levels of corruption.</td>
<td>- Creating incentives for performance.</td>
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<td></td>
<td>- Institutional checks &amp; balances.</td>
<td>- Separating service provision from financing.</td>
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<td></td>
<td>- Decentralization.</td>
<td>- Building cross-sectoral partnerships.</td>
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<td></td>
<td>- Civil service meritocracy.</td>
<td>- Establishing monitoring &amp; evaluation systems.</td>
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<td></td>
<td></td>
<td>- Improving coordination across agencies &amp; sectors.</td>
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<tr>
<td>Socio-cultural</td>
<td>- Presence of social capital &amp; trust.</td>
<td>- Supporting marginalized &amp; disadvantaged societal groups—pro-poor affirmative action, need-based subsidies, safety nets, etc.</td>
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<tr>
<td></td>
<td>- Tolerance of diversity.</td>
<td>- Encouraging civic dialogue, social compacts, &amp; consensus building.</td>
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<tr>
<td></td>
<td>- Norms of inclusiveness, equity, &amp; fairness.</td>
<td>- Discouraging ethnic-based politics &amp; policies.</td>
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<tr>
<td></td>
<td>- Belief in the value &amp; efficacy of individual effort.</td>
<td>- Controlling violence (e.g., ethnic cleansing).</td>
</tr>
<tr>
<td>Resources</td>
<td>- Policies &amp; investments in health, education, workforce development, information technology, science &amp; research.</td>
<td>- Setting policies &amp; incentives that encourage private investment &amp; corporate social responsibility.</td>
</tr>
<tr>
<td></td>
<td>- Adequate funding &amp; institutional capacity.</td>
<td>- Allocating public resources to assure maximization of social &amp; economic potential.</td>
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</tbody>
</table>
This summary of the enabling environment and government actions to support it reveals the breadth and complexity of factors that analysts and practitioners have identified as important to putting in place the conditions that can support socio-economic development and the MDGs. Government needs to: a) improve policy, legal, and regulatory frameworks; b) build institutional capacity across sectors and at various levels; c) seek out and respond to citizens’ needs and preferences; d) establish and maintain a range of oversight, accountability, and feedback mechanisms; and e) mobilize and allocate public resources and investments. Indeed, many of the items in this table have been formalized in selectivity choices and conditionalities for World Bank loans and in the eligibility criteria for MCA funding. In one sense, then, the criteria for inclusion as an MCA country, or for selection for a World Bank loan, become the defining features of an enabling environment: good governance, investing in health and education, and sound economic policies. Yet, the table also confirms, as others have pointed out, the difficulties poor countries can face in meeting these conditionalities and criteria, and in establishing an environment that enables rather than disables.

The table highlights the extent to which the features of the enabling environment reflect the public-goods producing function of government, which relates to the basic rationale for public-sector intervention. However, the table also makes clear that government is not the only actor involved in contributing to an enabling environment. As the governance terminology reflects, societal problem-solving, the production of public goods, and social capital formation are not the sole purview of government actors.

**Enabling environment for NGOs**

Among the actors involved in governance are NGOs, and the focus here turns toward a framework for examining government’s role in an enabling environment for NGO participation. Government-NGO relations are both complex and diverse, reflecting the myriad rationales and modalities for cross-sectoral action. Najam (2000), for example, distinguishes four types of relationships: cooperation, where government and NGOs share similar ends and means; confrontation, where the ends and means of both actors differ; complementarity, where the ends are similar, but the means differ; and co-optation, where the means are similar, but the actors have different ends in mind. Given this diversity and complexity, any effort to characterize an enabling environment will necessarily be oversimplified. The intent here is to develop a broad-brush picture.6

Building on Fox et al. (2002), the role of government in fostering an enabling environment can be categorized as consisting of the following actions: mandating, facilitating, resourcing, partnering, and endorsing. Taking the three categories of NGO engagement in the production of public goods (Brinkerhoff et al. 2003)—service provision, aggregation and representation of interests, policy advocacy/monitoring—and combining them with the classification of government actions yields a framework for

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6 To elaborate on the specifics of government-NGO relations is beyond the scope of this paper. For an overview see Brinkerhoff and Brinkerhoff (2002).
clarifying how government can enable NGO engagement in the MDGs, as illustrated in Table 2.

Mandating refers to the legal and regulatory framework that affects NGOs, all the way from basic constitutional rights that allow citizens to organize independent of state control, to laws governing the creation and operation of foundations, to NGO registration laws. Laws affecting how government entities operate also play an enabling or constraining role; for example, statutes on public hearings, “sunshine” legislation, freedom of information, laws on citizen participation, etc. These statutes open the door for NGOs to discover what government policies and programs exist or are planned, to obtain budget information, to engage with public officials, and so on. Another important element of government mandating has to do with laws and regulations that govern NGO transparency and accountability, which affects both the legitimacy of individual NGOs through assuring fiduciary responsibility and the broader legitimacy of philanthropy and the NGO sector. Clearly, this government role in creating an enabling environment for NGOs relates to the broader features of democratic political structures and economic liberalism, briefly reviewed above, that support socio-economic development for all societal actors, not just NGOs.

In its facilitating role, government provides incentives for NGOs; for example, for NGO service providers these can include special provisions for contracting, such as set-asides. Government can also provide incentives and capacity-building for other actors, public and private, to work with NGOs. Another type of facilitating action is to make available information to NGOs and citizens in readily understandable language and easily accessible formats; this is important to enable NGOs to effectively represent constituencies and to engage in advocacy (see Brinkerhoff and Goldsmith 2003).

Resourcing can involve direct public funding, as in the case of contracts and grants for NGO service providers. In the U.S. for example, nonprofit, tax-exempt organizations rely on government resources for about one-third of their revenues (Independent Sector 2001). In the developing world, where governments are poorer, public funding of NGOs is lower, with international donor agencies’ resources serving as an important source of funds. However, beyond direct funding, government resourcing also includes the establishment of financial incentives that encourage other actors to provide resources to NGOs, such as tax policy that offers deductibility for contributions from individuals or private firms through donations or bequests.

Partnering is a role that brings government into relationships with NGOs based more on mutual interest and shared benefits, which capitalize on the comparative advantages of the partners (see Brinkerhoff 2002). Government can establish mechanisms and

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7 The International Center for Not-for-Profit Law has done extensive documentation of legal frameworks affecting NGOs and civil society in a wide range of countries. See the publications and on-line library available at <www.icnl.org>.

8 Many analysts of NGOs in developing countries have noted the existence of NGOs of dubious parentage, suspicious purposes, and outright phoniness; see Fowler’s (1997: 31-32) discussion of NGO “pretenders.” On NGO legitimacy and accountability see Slim (2002).
procedures that allow public entities to enter into partnership arrangements with NGOs. An example would be where a government agency enables a policy advocacy NGO to participate in establishing standard-setting and/or in policy outcomes monitoring. Or in the legislative branch, members of parliament can bring in NGOs to collect data on policy issues, conduct polls of their membership, and/or participate in committee hearings and deliberations.

Endorsing refers to actions that publicize, praise, and encourage NGOs and civil society groups. Government’s role here relates to reinforcing cultural values and influencing attitudes. Examples include policymakers publicizing the contributions of voluntarism to social service provision, or promoting philanthropic values; or public agency sponsorship of forums that bring together NGOs, private businesses, and individual citizens for policy dialogue.

Table 2. Government’s Roles in Enabling NGO Contributions to Public Goods

<table>
<thead>
<tr>
<th>NGO functions</th>
<th>Mandating</th>
<th>Facilitating</th>
<th>Resourcing</th>
<th>Partnering</th>
<th>Endorsing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Laws permitting contracting out of public services.</td>
<td>- Procurement regulations.</td>
<td>- Public funding of service contracts.</td>
<td>- Supporting databases to match NGOs with other partners.</td>
<td>- Recognizing the contributions of NGO service providers.</td>
</tr>
<tr>
<td>Interest aggregation &amp; representation</td>
<td>- Laws &amp; regulations on right to organize, hold public meetings.</td>
<td>- Building capacity for public officials to foster citizen participation.</td>
<td>- Grants for citizen participation.</td>
<td>- Supporting creation of NGO associations.</td>
<td>- Reinforcing societal values of equity, inclusiveness, &amp; justice.</td>
</tr>
<tr>
<td></td>
<td>- Procedures mandating citizen participation, sunshine laws, etc.</td>
<td>- Literacy programs.</td>
<td>- Establishment of social funds.</td>
<td>- Involving NGOs in parliamentary committees, blue-ribbon task forces, etc.</td>
<td>- Promoting civic education.</td>
</tr>
<tr>
<td>Policy advocacy &amp; monitoring</td>
<td>- Laws &amp; regulations for access to information.</td>
<td>- Demystifying policies &amp; budgets.</td>
<td>- Public funding of NGO participation in policy monitoring.</td>
<td>- Creation of public arenas &amp; forums for shared policy dialogue.</td>
<td>- Encouragement of media reporting on NGOs’ role in advocacy &amp; accountability.</td>
</tr>
<tr>
<td></td>
<td>- Laws on freedom of expression.</td>
<td>- Translation of public documents into local languages.</td>
<td>- Establishing social accountability mechanisms</td>
<td></td>
<td>- Support for reporting on NGO policy research results &amp; findings.</td>
</tr>
</tbody>
</table>
Supply and demand: incentives

The above framework seeks to clarify the features of an enabling environment for NGO participation in the MDGs, but it does not address the conditions under which a government would take the actions necessary to create such an enabling environment. What are the incentives for government to foster an enabling environment? Perhaps the strongest drivers derive from service delivery needs; government can expand service coverage and increase efficiency and effectiveness by accessing NGOs, whether as contractors, so-called “gap fillers” (operating autonomously where government services are unavailable), or full-fledged partners. Governments everywhere, even autocratic ones, face some pressures to open or broaden access to basic services. For the service delivery function, which relates to several of the MDGs, the instrumental nature of government-NGO interaction establishes clear incentives for government to enable NGO action.

For the interest aggregation and policy advocacy functions of NGOs, however, the incentives picture is mixed. These functions can have an impact on service delivery effectiveness; and they also can increase the quality and responsiveness of public policies and programs, reduce the degree of social exclusion of marginalized groups, express public values, and build social capital. These contributions can occur in the context of incremental improvements in specific policy/program interventions, in which case government has some incentives to enable NGOs to fulfill these functions. Such contributions can also lead over time to broader societal change, such as redefinition of state-citizen interaction, opening up of political space, and/or enacting democratic governance and civic values (see, for example, Fisher 1998).

In mature democracies, these NGO functions are part and parcel of state-society relations and are firmly supported in the constitutional framework and the government apparatus that structures accountability, responsiveness, and checks and balances (see Boris and Steuerle 1999). In these societies, the full range of enabling conditions illustrated in Table 2 is largely in place and operational. Yet, the existence of an enabling environment does not override the realities of differential access to power and influence, the pervasiveness of interest-group politics, and the persistence of a marginalized and relatively impoverished underclass in the democracies of the industrialized world.

For the poor countries of the globe where democratization is nascent, partial, or nonexistent, the incentives for government to enable NGOs’ interest aggregation and policy advocacy functions are less clear-cut and in some situations are limited or negative. Many developing and transitioning country governments view NGOs with suspicion and antagonism, fearful of their potential for fueling political opposition and jealous of their donor funding, even as they turn to NGOs for service delivery. Government often seeks to maintain controls over NGOs through registration, regulation, and, in some cases, repression. In Egypt, for example, where the government seeks to

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9 The percentage of countries by region (excluding Western Europe) ranked by Freedom House in 2003 as “not free” or “partly free” are: Sub-Saharan Africa, 77%; Middle East/North Africa, 94%; Central/Eastern Europe and former Soviet Union, 56%; Americas, 34%, and Asia Pacific, 54%. Calculations are based on data from <www.freedomhouse.org/research/survey2003.htm>. 
limit Islamic fundamentalist organizations, NGOs must meet strict requirements to organize and are regulated by the Ministry of Social Welfare.

The MDGs targeting poverty reduction, women’s empowerment, and environmental sustainability involve much more than incremental tinkering with technical content of socioeconomic policies and programs. Taken to their logical conclusion, they require substantial degrees of social change, accompanied by redistribution of public revenues and expenditures. Thus, as the extensive literature on the political economy of policymaking demonstrates, powerful societal actors often oppose the changes necessary to reach pro-poor goals and they exercise a high degree of influence and control over government (see, for example, World Bank 1997, Brinkerhoff and Crosby 2002, Lakshman 2003). Such power dynamics are at play at local as well as national levels. Thus, the existence of a nominally supportive legal framework notwithstanding (the mandating column in Table 2), government may be reticent to facilitate, provide resources for, partner with, or endorse NGOs to organize and empower citizens, engage in policy advocacy, and/or exercise monitoring and accountability. All societies and their governments operate with some degree of patronage, both formal and informal, which tends to preserve existing social patterns and power differentials (Brinkerhoff and Goldsmith forthcoming).

In terms of pro-poor change and involvement from grassroots NGOs, Jenkins and Goetz, writing about relatively democratic India, offer a sobering realism regarding the likelihood that government actors will be open to enabling the poor or their NGO representatives to take a seat at the policy table:

changing the elitist culture of the bureaucracy through training and inculcation of new pro-people values...hardly offers a viable replacement for the inducements bureaucrats earn from looking the other way when regulations are violated and from mediating the access of politicians and local business elites to state funds. It is hard to see how people’s knowledge can translate into power without critical engagements with the bureaucracy, or exposure and prosecution of corrupt practices—all supported by a social movement to protect the poor from the inevitable backlash (1999: 613-614).

Much of the donor discussion of enabling environments has a dry technocratic tone or a feel-good participatory one. But it should not be forgotten that power and politics drive the incentives that influence actors’ behaviors. Business regulatory regimes, for example, emerge not simply from technical discussions of best practices but from bargaining among powerbrokers inside government and outside in the firms being regulated. Government cannot be counted on to supply either the features of an enabling environment for socio-economic transformation (Table 1) or the more specific enabling conditions for NGOs to engage in social change (Table 2) absent mobilization of demand and application of political pressure. NGOs have a role to play both in creating their own enabling environment that will foster their participation, and in serving as a source of demand for change related to the broader set of environmental factors that enable
transformation in the economic, political, administrative, socio-cultural and resource allocation realms summarized in Table 1. This latter role is well documented, for example, in areas such as anti-corruption, judicial and election monitoring, and community organizing, where NGOs have been critical to successfully mobilizing demand and political pressure.

The demand-making and mobilization task can be relatively easy for service delivery, which tends to be non-controversial and readily accepted as a beneficial public good. Yet even in cases where the desirability of the service is not at issue, challenges to entrenched interests arise in the course of renegotiating the distribution of service costs, resources, and benefits, as Bloom (2000) points out regarding efforts to increase equity in health services. It can become progressively more difficult for NGOs to influence those components of the enabling environment that support interest aggregation, citizen mobilization, and advocacy. For example, in some countries it can be a major struggle for NGOs simply to gain rights and access to public information (see Jenkins and Goetz 1999).

Addressing the politics of the enabling environment is central if NGOs are to fulfill their potential functions in contributing to the MDGs. This does not mean that NGOs must necessarily sacrifice one function in favor of another; experience shows that NGOs often simultaneously engage in service delivery, policy advocacy, and constituency empowerment (Brinkerhoff and Brinkerhoff 2002). Even in relatively hostile settings, NGOs can on occasion exploit small openings that allow for progress to be made in enhancing their enabling environment. Well known examples of NGOs that began with a service delivery focus, but have grown to encompass advocacy and community empowerment, and eventually to influence the extent to which their government operates democratically are BRAC (Bangladesh Rural Advancement Committee) and the Grameen Bank in Bangladesh (see Karim 2000). For some NGOs, their mission aims directly at pressuring government actors for change, not simply to create an enabling environment for NGOs, but for promoting socioeconomic development, democracy, and social justice. As these NGOs connect across national boundaries, they contribute to transnational civil society, an increasingly potent force for change around the world, well skilled in the exercise of power politics (see Florini 2000).

As countries democratize and decentralize, the opportunities for government-NGO interactions increase, as do the possibilities for NGOs to engage in demand-making to create a more favorable enabling environment. These arise in response to the incentives for responsiveness and accountability that flow from democratization and decentralization. The exploitation of accountability linkages can enhance the effectiveness of NGO demand-making, such as through political campaigns, lobbying, and public hearings with legislators and policymakers; and in the executive branch through engagement with service delivery agencies in participatory planning exercises, client satisfaction surveys, and so on. The interaction patterns that evolve from this kind of cross-sectoral pushing and pulling result in an iterative process of engagement, exchange, feedback, adjustment, and re-engagement. As a result, government-NGO
relations and the features of the enabling environment can be highly dynamic (Brinkerhoff and Brinkerhoff 2002).

It should be noted that the accountability linkages in these dynamic interactions go both ways. As NGOs play roles in holding politicians, policymakers, and service deliverers to account, so government’s roles in regulating, contracting, and partnering with NGOs serve to increase their accountability and responsiveness as well. In countries where the government does not interact significantly with NGOs, these roles tend to be fulfilled de facto by the international donors who fund NGO service delivery, policy monitoring, and advocacy programs. With increasing levels of democratization and cross-sectoral collaboration, it becomes more likely that developing country governments will at least parallel donors in assuring some measure of NGO accountability, if not eventually replace them. Some NGOs are not comfortable with the notion of oversight of their activities and argue for unfettered autonomy, but increasingly the establishment of transparency and accountability is seen as important for NGO credibility and legitimacy, both as service providers and as policy advocates.10

Measurement and implementation issues
Concern for metrics that can be used for assessment of an enabling environment arises on a number of fronts. Since features of the enabling environment are being employed as criteria to decide which countries receive international donor grants and loans under initiatives such as the MCA, measurement of those criteria takes on fundamental importance. This is not the place to engage in detailed discussion of the choice and utility of the MCA and other selectivity indicators, which others have dealt with extensively (see Radelet 2003 and 2004, Jafari and Sud 2004). The point is to recognize that the intense focus on indicator selection and eligibility thresholds, which have preoccupied donors, countries seeking donor resources, and other interested parties, has limited attention to other aspects of measurement related to enabling environments.

In terms of making progress toward the MDGs with NGO participation, two other measurement considerations are important. Both of these concern the link between measurement and implementation. First is a focus on capacity assessment. As noted here, as well as by numerous other analyses, a critical issue for the enabling environment is whether societal actors, both in and outside of government, have the requisite capacity to establish and sustain appropriate enabling conditions to support NGO efforts that will advance the MDGs. This issue suggests that efforts to measure institutional capacity are a necessary complement to tracking enabling environment indicators. It also raises two related questions. First, what measures might provide indications of progress toward a

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10 Issues of performance accountability relate most directly to NGOs in their role as service providers, where the focus is on downward accountability to beneficiaries and upward to funders, whether international donors or governments (see, for example, Ebrahim 2003, and Edwards and Hulme 1996). NGOs as self-proclaimed representatives of, and advocates for, various special groups (the poor and marginalized, ethnic/religious minorities, women, children, etc.) face pressures for democratic accountability in both national and international policy arenas. For a useful discussion of NGO legitimacy and accountability that addresses both performance and democratic dimensions, see Slim (2002).
better enabling environment? Second, what strategies and interventions will build the needed institutional capacity?\textsuperscript{11}

Second is a focus on monitoring and measurement of the enabling environment for purposes of performance improvement and change management. The relevant managerial perspectives here are several: for example, public sector managers in government service delivery agencies, policymakers reviewing public agency performance and allocating resources, and managers of NGOs working on MDG-related programs. This measurement focus relates to a body of research and practice regarding strategic management, in which the items identified in Tables 1 and 2 would be used to inform assessment and strategy formulation for managing change.\textsuperscript{12} Given the dynamism of the enabling environment, this type of monitoring and measurement is called for on an ongoing basis, rather than being a one-shot undertaking. As poverty-focused NGOs participate in negotiating relative entitlements to public benefits and mobilizing political power in support of the MDGs, a strategic orientation to the enabling environment will be helpful.

Finally, related to implementation capacity, there is the issue of global and transnational impacts on an individual country’s enabling environment. How much of creating an enabling environment is within the control of a particular government and its governance partners? Globalization—removal of trade barriers, liberalization of capital markets, rapid technological change—has, in the view of many observers, challenged the sovereignty of the nation-state as well as posed serious burdens on state capacity to cope with greater economic, political, and social interdependence (see Rondinelli and Cheema 2003). Coupled with these forces, as previously noted, donor-imposed conditionalities and transnational civil society add to the external pressures that developing and transitioning country governments face. However, to the extent that global forces push governments in the positive direction of improving their enabling environments, the issue shifts away from lack of control toward capacity constraints.

**Conclusions**

The MDGs contain ambitious targets whose achievement depends upon the concerted efforts of national and international actors, supported by substantial investment of resources. The enabling environment in a particular country strongly influences the effectiveness of those actors’ efforts—in the public, NGO, or private sectors—and the sustainability of MDG-promoting investments. The features of the enabling environment have been targets of investment and capacity-building, as well as, more recently, criteria

\textsuperscript{11} Capacity assessment and capacity building are topics of perennial discussion, debate, and diatribe in the international development community. The UNDP has sought to play a leadership role in addressing issues of capacity development and technical cooperation; see, for example, Fukuda-Parr et al. (2002). For a recent highly critical perspective, see Dichter (2003).

\textsuperscript{12} A large literature provides analysis and guidance on change management and performance improvement. Brinkerhoff and Crosby (2002) offer a toolkit for public sector reformers that is also relevant for NGOs. Lusthaus et al. (2002) provide a useful compendium of insights and advice on performance enhancement and enabling environments. J. Brinkerhoff’s (2002) book on partnership is helpful for NGOs working with government or the private sector.
employed to assist donors in deciding ex ante which countries are “good bets” for development dollars and for specifying conditionalities associated with those dollars.

NGOs are important to the fight against poverty, and through their roles in service delivery, policy advocacy, and constituency empowerment can contribute to making progress on the MDGs. Maximizing these contributions depends upon government actions to create an appropriate enabling environment, as elaborated in this paper. Local NGOs themselves can take steps to push their government to implement these actions, but in many cases they cannot do it alone. International NGOs can provide support and fill gaps when necessary, using either their own or donor-provided resources. International donors, intervening directly, can also address the implementation issues raised above in various ways. Through conditionalities, as already mentioned, they can induce governments to facilitate NGO participation in the MDGs. Through targeted investment in pilot activities they can demonstrate the constructive roles NGOs can play. Through the convening of neutral forums, they can bring government and NGOs together to engage in information sharing, dialogue, and negotiation. Government resistance to NGOs derives to some degree from political concerns, but it can also stem from ignorance and lack of capacity. Sometimes NGOs are the resistant parties, with a hostile or fearful orientation to government.

To the extent that countries move in the direction of the features of the enabling environment for socio-economic development identified in Table 1, the likelihood increases that government will take actions to support NGO involvement in the production of public goods (Table 2). While restricting international donor assistance to countries where those features are already positive can assure that resources will be well spent and progress made, the real challenge remains to develop strategies for NGOs and the MDGs where those features are weak or absent.

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Among many activists, grassroots organizations and even some international NGOs the Sustainable Development Goals (SDGs) have been branded as the result of a top-down UN process. Something needs to change if the SDGs are to be more successful than "Agenda 21" or the "Millennium Development Goals." Only if local people will take responsibility for implementing the SDGs in their community and their region do we have a realistic change of accomplishing the audacious task set by Agenda 2030. Our academic disciplines, government departments and international institutions are set up in a siloed expert-lead fashion that makes such whole systems thinking and collaborating a serious challenge. The 2030 Agenda for Sustainable Development is a historic global agreement to eradicate extreme poverty, fight inequality and injustice and leave no one behind. Agreed by world leaders at the UN in 2015, the 17 Sustainable Development Goals (SDGs) succeed the Millennium Development Goals (MDGs). The SDGs are universal with all signatories expected to contribute to them internationally and deliver them domestically. The UK was at the forefront of negotiating the SDGs and will be at the forefront of delivering them. Below you can see some of the ways that the Government is supporting the delivery of the Sustainable Development Goals. Goal 1. End poverty in all its forms everywhere. How we will achieve this. NGOs and the Millennium Development Goals pp 83-101 | Cite as. The Enabling Environment for Achieving the Millennium Development Goals: Government Actions to Support NGOs. Authors. Authors and affiliations. The United Nations' Millennium Development Goals (MDGs) have focused the attention of the international community on enduring problems of global poverty and attracted broad support. The MDGs establish ambitious targets for promoting economic growth, improving health and education, empowering women, creating sustainable development, and reducing poverty (UNDP 2003).