

NGO Competitive power: Organisations vs. State institutions

Giedrius Kadziauskas
Lithuanian Free Market Institute

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Simple version

- How to involve NGOs to provide services to society that state usually provides?
- In education, social care, empowerment of groups, environmental protection etc.
- Then we need: clear description of services, transparent allocation of funding on competitive basis, non-discriminatory legislation.
- And huge educational and promotional work – to society and government.

Complex version

Competition for what?

- Competition to solve problems.
- Scope of “problems” – state functions (Constitution, international obligations)
- Scope of society’s problems – unlimited. Conflicting. Changing.
- Competitions implies overlap.

Connection of demand and financing

- Business
- Demand → service provider → receiver.
- Demand = finances = receiver.
- Civil society organisation
- Demand from society. Finances from society. Society/groups receiver.

NGO as an instrument

- State creates a demand. State finances provision of services.
- State's options:
 - state institution (conventional, inflexible, limited motivation)
 - business company by public procurement (profit maximisation, effectiveness, know-how management)
 - Ngo (good motivation, flexibility)

Conventional competitive advantages/disadvantages

- Effectiveness (constant shortage creates skills).
- Non formal approach. (“to do the job”).
- Personal motivation to make an extra step.
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- Permanent shortage of funding.
- Limited non-financial support from the society.
- Limited organisational, human resources management skills, fundraising skills.
- Undiversified income – from state, foreign foundations.

NGO as a trend setter – ability to detect and act

- Problems are unlimited. Recourses scarce.
- Civil society makes decentralised decisions on which are most important problems.
- Civil society acts as a trend setter → state follows.
- Religious, family communities – orphanages, self insurance groups, social support.

- State outcompetes initial trend setters.
- With more finances, quality regulation, discriminatory rules (education, social care).
- In many cases NGOs like it “we need more state involvement”, “this problem should be recognized on a state level” etc.

Conclusions

- NGOs dictate trends.
- State outcompetes NGOs.
- State involves NGOs to provide services more effectively.



Thank you for your attention.