Faith-based organisations (FBOs) are now widely seen as important actors in development in the developing world. Such awareness has gradually grown over time. There was no one single event to galvanise increased awareness; there was no ‘9/11 moment’ in relation to faith’s role in development, analogous to the impact of the murderous attack on 11 September 2001, by a transnational religious extremist organisation – al Qaeda – against the world’s most conventionally powerful country, the USA. This event catapulted ‘Islamist extremism’ into the full glare of global publicity and has set the stage ever since for an overall understanding of ‘religion in international relations’.

On the other hand, today’s rise to increased development prominence of FBOs did not come sui generis. During the 1990s, it became clear that faith was achieving increased prominence in relation to development issues, consequential to three linked but conceptually distinct developments: widespread religious resurgence; impact of deepening globalisation; and popular concern with development shortfalls in many developing countries. The collective impact was that these developments made it impossible to ignore faith’s influence on development in many parts of the developing world. This is not, however, to suggest or imply that awareness of faith’s impact on development makes it easy to understand or simple to analyse.

To understand the issue it is important to note two generic kinds of FBOs: (1) transnational FBOs, and (2) FBOs active in one country. Both can impact significantly on development issues and outcomes, in relation both to policy formation and execution. In relation to the first category, various transnational FBOs, including Christian, Islamic and inter-faith groups, bring religious concerns into development discourses in a number of ways; many are related to poverty alleviation, widely seen as the sine qua non for a wider, more generic, boost to development. The second category comprises FBOs mainly from four faith traditions: Buddhism, Christianity, Hinduism and Islam. Despite their differences, what they have in common is a desire to help deliver better development outcomes, with a focus on domestic not transnational or international concerns.

Because of its potentially vast subject matter, it is not possible in this brief chapter to examine each and every area where faith has an impact on development in the developing world. For the same reason, the chapter does not attempt to look at all developing regions of the world in detail. Instead, we are concerned with relatively brief, yet hopefully sufficiently substantive, analyses of: (1) how and with what effects FBOs interact with various secular development
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agencies, notably the World Bank, and (2) the problems and prospects of FBO-state engagement on development in developing countries.

The first section of the chapter briefly examines changing approaches to development over the last fifty years. The second section focuses on general links between FBOs and development. The third section briefly examines the World Bank’s engagement with FBOs from the late 1990s, with emphasis on the period of the presidency of James Wolfensohn (1995–2005), during which the Bank paid sustained interest to the notion of working more closely with selected FBOs in order to try to galvanise and improve development outcomes. The final section focuses on the problems and prospects of FBOs helping to deliver better development in the developing world.

Changing strategies to achieve improved development

The ideological power of economic neo-liberalism was at its zenith in 1989–91 when the Cold War came to an end and the Eastern European communist bloc spectacularly and swiftly collapsed. The swift disintegration of Europe’s communist governing systems not only appeared to offer clear evidence of the superior power of capitalism and liberal democracy over communism, but also provided pro-market forces with ideological momentum. The then-dominant neo-liberal development strategy – the so-called ‘Washington consensus’ – reflected the ideological pre-eminence of ‘rolling back the state’, to be replaced by various forms of private provider. Chief among these entities were the key, Washington, DC-based, opinion leaders, including: ‘the IMF and the World Bank, independent think-tanks, the US government policy community, investment bankers, and so on’. Critics of the Washington consensus ideology argued its studiously ‘pro-market’ approach to development gave insufficient emphasis not only to the essential developmental role of government, as the only institution consistently with power and authority to alter prevailing socio-economic realities through application of appropriate policies and programmes, but also to that of relevant non-state actors – both secular and faith-based – which might also be influential in delivering development goals, such as poverty alleviation and provision of primary-level education.

The new focus on non-state development actors reflected the abject failure of the key, one-size-fits-all, post-World War II development strategy: top down and state-dominated. That is, after half a century of applied development policies and programmes, and a quarter century of neo-liberal economic policies, over a billion people in the developing world still live on less than one US dollar a day. Over two billion people – a third of the global population – do not have access to potable clean water. Hundreds of millions of individuals, especially women and the poor, lack even basic health care and/or educational opportunities. In short, at the end of the twentieth century, the developmental picture in many developing countries was still very gloomy, with rising global poverty and polarising inequality.

The last half of the twentieth century saw three stages of thinking about development in the developing world. First, during the 1950s and 1960s, when dozens of culturally, politically, and economically disparate post-colonial countries emerged, mainly in Africa, Asia and the Caribbean, the West’s chosen strategy to achieve development was primarily via the application of appropriate levels of state-directed development aid. Second, during the 1970s, substantial oil price increases both underlined and hastened developmental polarisation, with some richer developed countries – such as South Korea, Taiwan and Singapore – managing to cope better than their poorer counterparts in Africa and elsewhere. Such countries found their international debts fast rising at this time. The West’s contemporary development vision was on a ‘basic needs’ strategy, where, it was envisaged, development goals would be achieved via
a strategy to ensure that all people had access to necessary ‘basics’, including: clean water, basic health care, and at least primary education. This strategy generally failed, however, for two main reasons: first, the developmental issue became subsumed into the wider Cold War ideological division, with government-disbursed development funds not necessarily going to the most ‘developmentally deserving’ countries – but often instead to allies of the key aid-providing countries; and, second, because of the frequent unwillingness of ruling elites and their supporters in many developing countries to facilitate the necessary financial transfers upon which the successful delivery of basic-needs strategy fundamentally hinged.

The third phase followed in the 1980s. Developmental polarisation in the developing world led to renewed Western attempts to encourage poorer developing countries to reform their economic policies in order to try to stimulate increased economic growth and development. Western governments, including those of the USA, Britain and (West) Germany, and international development agencies, including the World Bank and International Monetary Fund (IMF), appeared to believe that in the developing world, ‘unacceptable’ levels of state meddling, incompetence and poor policies fatally undermined achievement of development goals. The proposed solution was to try to ‘roll back’ the state, believing that states had often ‘tried to do too much’, expending much effort and money but achieving little. Instead, private entrepreneurs would, it was envisaged, provide new injections of dynamism, energy and funding to seek solutions to development shortfalls, which would usefully augment the state’s developmental role. To pursue this strategy, Western financial assistance was focused on ‘structural adjustment programmes’ (SAPs) in dozens of developing countries. According to Barber Conable, World Bank president between 1986 and 1991, SAPs reflected the belief that ‘market forces and economic efficiency were the best way to achieve the kind of growth which is the best antidote to poverty’.

Conable’s statement reflected the then-current intellectual predominance of neo-liberalism in relation to development thinking. Neo-liberalism was an economic and political philosophy that ideologically underpinned the pro-market and monetarist ideas of various contemporary governments, including those of Britain’s Margaret Thatcher (1979–90), Germany’s Helmut Kohl (1982–98) and, in the USA, the administrations of Ronald Reagan (1981–89) and George H. W. Bush (1989–93). A core belief of neo-liberalism was that to achieve desirable development outcomes, the state’s role must be significantly diminished. The second, overlapping, stage required the freeing of the entrepreneurial drive of non-state providers, ‘liberated’ from state control to apply their energies to economic growth strategies. Under pressure from the governments of the USA, Germany and Britain, working closely with key international financial institutions (IFIs) – especially, the World Bank and the IMF – developing-country governments presiding over pronounced development shortfalls were ordered to enact suitable and appropriate neo-liberal policies. Outcomes, however, were on the whole disappointing in terms of reducing developmental inequalities.

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Eventually, decades of failed development strategies helped to stimulate a new look at development and how to achieve it in the developing world. Led by the United Nations (UN), there was much new activity from the 1990s to try to address widespread development shortfalls in the developing world. Led by the UN, the international community set itself the challenge of a third-millennium ‘onslaught’ on poverty and human deprivation, with efforts focused on the developing world, especially Africa, where human deprivation and poverty were most pronounced. The aim of the Millennium Declaration was to diminish significantly human
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deprivation and poverty. In September 2000, the Millennium Development Goals (MDGs) were announced, with a deadline of 2015 to achieve desired outcomes. The MDGs featured eight key objectives:

- eradicate extreme poverty and hunger;
- achieve universal primary education;
- promote gender equality and empower women;
- reduce child mortality;
- improve maternal health;
- combat HIV/AIDS, malaria, and other diseases;
- ensure environmental sustainability; and
- develop a global partnership for development.

What was novel about this strategy was not that there were clear goals and a proposed timeframe to achieve them. What was new was that the MDGs were drawn up in the assumption that to attain desired development outcomes across the developing world it was necessary for state and non-state actors – both secular and faith-based – to work together. At the start of the twenty-first century, the world’s most influential and money-rich developmental agency, the International Bank for Reconstruction and Development, universally known as the World Bank, accepted the need for a significantly different developmental emphasis. The Bank noted in its *World Development Report 2000/2001* that adjustments were necessary at both global and national levels. While the Bank did not specifically mention FBOs in its 2000/2001 report there was a clear inference to its recommendations: to achieve improved developmental outcomes it was necessary to employ all currently under-used human resources, including those potentially available from FBOs.

This was a novel turn of events, an ideological *volte face* which few had anticipated. This is because, as Lunn notes, ‘religion, spirituality and faith have suffered from long-term and systematic neglect in development theory, policy making and practice, although there has been a noticeable turnover in the past 10 years’. This is a pointer to the fact that in recent years – in the context of the end of the Cold War, deepening globalisation, 9/11 and assorted global financial crises – there was much speculation about how developmental outcomes in the countries of the developing world are affected by multiple global changes. What do these changes mean for chances of improved peace, prosperity, and justice – in short, for prospects of enhanced development – in the developing world?

It was once widely assumed that nations would invariably secularise as they modernised. It was believed that associated loss of religious faith and secularisation would dovetail with the idea that technological development and the application of science to overcome perennial social problems of poverty, environmental degradation, hunger and disease would result in long-term human progress. However, it is plausible to surmise that lack of success in this regard was one of the factors behind the recent increased focus on the developmental role of religion in the developing world.

Over the last two or three decades religion has had significant impact upon development outcomes in many parts of the developing world. As a result, earlier confidence that the growth and spread of urbanisation, education, economic development, scientific rationality and social mobility would combine to diminish significantly the socio-political position of religion was misplaced. Two broad trends can be noted. First, religion is frequently used politically – often as a vehicle of opposition or as an ideology of community self-interest. Threats emanating either from powerful, outsider groups or from unwelcome symptoms of modernisation...
(breakdown of moral behaviour, over-liberalisation in education and social habits) serve to
galvanise such groups. Second, failure of governments successfully to achieve development
goals encouraged some FBOs to develop a faith-based ideology of solidarity and development.
Examples include Basic Christian Communities found in Latin America and elsewhere in the
developing world, and various Islamic development entities, such as Islamic Relief.

There is now a growing literature on FBOs in the developing world.14 Many such FBOs seek
to help deliver improved human development. Some provide social services for those whom
national or local governments cannot or will not assist, while others are more concerned with
human rights, gender issues, democracy and governance.15 In short, today FBOs are active in
many parts of the developing world, seeking to achieve improved development outcomes. For
example, some service-orientated FBOs in both the Middle East and Africa enjoy annual bud-
ggets that in some cases can exceed that of the relevant state agencies officially tasked to deliver
social welfare, while procedures for accessing their direct assistance and welfare services are
often more efficient and straightforward than those provided by the state in the public sector.16

Post-Cold War globalisation is a key factor in the rise of FBOs in many parts of the devel-
oping world. This is because globalisation impacts everywhere on local communities both
for better and for worse. On the one hand, there is the increased economic range and clout
of transnational corporations (TNCs) that can provide a wider array of consumer goods than
before, albeit often at steep prices. On the other hand, there is the widespread perception that
TNCs are taking economic power from both governments and citizens, reducing their efforts
to control their own fates.17 Globalisation also provided a new context for the advent of devel-
opment-orientated FBOs, whose efforts in this respect were often galvanised by a perception
that it helps polarise development outcomes. Many FBOs were keen to help ameliorate the
consequential social and human rights imbalances perceived as a major downside of economic
globalisation. Studies have linked new religious fundamentalisms and associated support for anti-
globalisation activities, including anti-World Trade Organisation protests and North/South
economic justice efforts.18 Overall, this underlines that religious and faith responses to globali-
sation now often include a stress on social interests that go way beyond the confines of what
Christians might call ‘church life’.

Alkire emphasises that in relation to both social development and the linked issue of human
rights, ideas of desirable outcomes expressed by FBOs may well differ significantly from those
advanced by secular economic development models, for example, those advanced by the IMF
and the World Bank.19 This is because from a generally faith-based perspective secular devel-
opment programmes and policies appear to be ‘one-eyed giants’ which ‘analyse, prescribe and
act as if man could live by bread alone, as if human destiny could be stripped to its material
dimensions alone’.20

Individual faith perspectives also note rather similar objections to secular developmental
programmes and policies. For example, writing from an Islamic viewpoint, Seyyed Hussein
Nasr focuses on the link between modernisation and development, and emphasises how impor-
tant it is for them to be concerned with religion. For him, development without such a concern
will fatally distract Muslims from what is their true – that is, religious – nature and, as a result,
seriously undermine their chances of living appropriately.21

Another example comes from Roman Catholic social teachings, which have articulated a
faith-based view of development. This emphasises the contributions of ‘spiritual disciplines
and of ethical action to a person’s “vocation to human fulfilment”, addressed alongside contri-
butions made by markets, public policy, and poverty reduction’.22 Another articulation of con-
cern about the goals and purpose of human development from a Roman Catholic perspective is
found in a radical approach, liberation theology, which emerged in Latin America in the 1960s.
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Liberation theology emphasises what it regards as the links between structural underdevelopment and political and social injustices. In response comes the demand for increased popular engagement of Roman Catholics with political and economic institutions in order to try to gain better development outcomes. A Peruvian priest, Gustavo Gutierrez, famously articulated liberation theology in his 1973 book, *A Theology of Liberation: History, Politics and Salvation*. In addition, representatives of other religious faiths, including Judaism and Buddhism, also advance similar kinds of development interpretations to that of Gutierrez, collectively underlining that the world faiths work from rather similar positions in relation to many social development issues. Moreover, distinct liberation theologies have also been articulated by some other world faiths. Various popular books have explicated similar people-centred, faith-based, development perspectives.23

In sum, religion and (secular) development have not always been in harmonious relationships. This is not, however, that surprising when we note that traditionally (secular) development strategies have been designed and devised by (secular) Western donors to try to improve the lives of people in the developing world who are very likely to be religious. As Mesbahuddin notes, ‘attempts have been made in the recent past to restore some of that imbalance by incorporating cultural issues and religious values into the international development policy network, but hostilities remain’.24 Yet, two problems remain: first, development policies and practices continue to be articulated within a neo-liberal framework which necessarily curtails the input from other ideological viewpoints, including those associated with faith. Second, within developing countries there are often divisions between faith communities and as a result it is difficult to develop a faith-focused development model that is inclusive and does not serve to reinforce divisions.

The World Bank, FBOs and development

By the early 2000s, the World Bank appeared to accept the need for a significantly different developmental emphasis, if the MDGs were to be achieved by 2015. The Bank’s *World Development Report 2000/2001* noted that ‘adjustments’ would be necessary at both global and national levels to achieve developmental improvements in the developing world. The report claimed that MDG goals, including the promotion of opportunity, were inherently linked to increases in overall economic growth, as were patterns and quality of growth. The Bank believed that: (1) market ‘adjustments’ were central to achieving expanded opportunities for poor people in the developing world, and (2) ‘adjustments’ were also urgently needed in relation to local institutional and structural conditions which combined to undermine chances of improved development.25

The 2000/2001 report also emphasised another concern: the importance of improving governance in many developing countries. This would involve both ‘choice and implementation of public actions that are responsive to the needs of poor people [who] depend on the interaction of political, social, and other institutional processes’ (emphasis added). The Bank claimed that more needed to be done to encourage involvement of non-state actors to boost chances of achieving improved development outcomes, especially in the world’s poorest, most under-developed countries (which are often those with the highest proportions of religious believers).

The report also contended that improved development outcomes would be linked to (1) ‘active collaboration among poor people, the middle class [sic], and other groups in society’, and (2) wider changes in style and outcomes relating to governance. These changes were necessary, the report averred, to make public administration, legal institutions, and public
service delivery more efficient and accountable to and for all citizens – rather than primarily serving the interests of a privileged few with best access to the ‘levers of power’. Finally, the report claimed that to deliver enhanced participation in development required the inclusion of ordinary people and their representative organisations in decision-making structures and processes at various levels, from local to national. The report did not specifically mention FBOs. Yet, anyone reading it would gain a clear inference from its recommendations: to achieve the MDGs in just fifteen years would require utilisation of all currently under-used human resources, including, where appropriate, those linked to FBOs.

In the late 1990s, the putative importance of FBOs to achieve improved development was explicitly noted by the then president of the World Bank, James D. Wolfensohn. For him,

[...]his is a powerful idea – to tap the strengths of religions as development actors. Consider economics, finance and administration as disciplines that are deeply ethical at the core . . . they are about poverty reduction and employment creation. A vision without a task is boring. A task without a vision is awfully frustrating. A vision with a task can change the world.27

James Wolfensohn was president of the World Bank for a decade, from 1995 to 2005. He was personally instrumental in establishing the notable World Bank-led initiatives to work with FBOs during his presidency. They were: (1) structured engagement of the Bank on development issues with the World Council of Churches (WCC),28 (2) the World Faiths Development Dialogue (WFDD)29 and (3) Development Dialogue on Values and Ethics (DDVE).30 Two of the World Bank initiatives – the WFDD and DDVE – were established in 1998, while the dialogue with the WCC began a few years later, in 2002.31

Wolfensohn and the then-Archbishop of Canterbury and head of the global Anglican Church, George Carey, jointly hosted a meeting in Canterbury, England, in October 2002. The get-together focused on a range of human development issues and the role of faith in potentially ameliorating development shortfalls. The gathering brought together an impressive group of faith leaders, secular development organisations, and individuals from the private sector, including the worlds of entertainment and philanthropy. Discussions and presentations at the meeting focused on key issues identified in the MDGs, including: poverty, HIV/AIDS, gender, conflict, and social justice. In addition, participants spoke on and discussed various dimensions of and developmental ramifications of globalisation, including its differential impact on rich and poor countries. It was noted that poverty, HIV/AIDS, conflict, gender concerns, international trade and global politics bind all the world’s countries and peoples into a global community, emphasising the urgency of shared responsibility and partnership. This sense of oneness highlighted the urgency of developing shared responsibility and partnership to deal with collective problems facing humanity. The overall conclusion was that more must be done to progress from well-meaning expressions of solidarity in the face of shared problems to creation and realisation of practical plans involving collaboration between the worlds of faith and development in order to confront major development shortfalls and concerns.32

In sum, shared development concerns – especially poverty alleviation and improved human development more generally in the developing world – encouraged expansion of links between FBOs and the World Bank in the late 1990s and early 2000s.

Katherine Marshall was Wolfensohn’s right-hand woman in these initiatives, at the time a senior World Bank official who headed the DDVE.33 According to Marshall, the Bank did not believe ‘that religion and socio-economic development belong to different spheres and are best cast in separate roles – even separate dramas’.34 Her observation was based on recognition that
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around the world many FBOs and secular development agencies have similar key concerns, including: how to improve (1) the lot of materially poor people, (2) the societal position of those suffering from social exclusion and (3) unfulfilled human potential in the context of glaring developmental polarisation within and between countries. In other words, while faith has often in the past been understood as ‘otherworldly’ and ‘world-denying’, Marshall noted much agreement both in the World Bank and within other secular development agencies that increased cooperation with FBOs can usefully contribute to the achievement of developmental goals, not least because issues of right and wrong and social and economic justice are central to the teachings of the world religions. During Wolfensohn’s presidency, the Bank’s commitment to bringing faith into the pursuit of development in the developing world led to a major initiative, ‘Shaping the Agenda – Faith and Development’, which centred on three main areas of dialogue:

- building bridges – stronger, bolder partnerships;
- exploring a more ‘comprehensive’, ‘holistic’ and ‘integrated’ vision of development; and
- transforming dialogue into practice and action.

In addition to these World Bank initiatives, other secular development agencies linked to the UN were also active contemporaneously in developing dialogue with FBOs. Both the International Labour Organisation (ILO) and the IMF developed institutionalised links with the WCC. The Inter-American Development Bank (IDB), an affiliate of the World Bank, began an initiative entitled ‘Social Capital, Ethics, and Development’ and ‘approached religious leaders to try to win the backing of their moral authority . . . for its campaign in Latin America against corruption’. The United Nations Fund for Population Activities (UNFPA) also built links with various faith leaders, including Muslim imams in Africa and Bangladesh. In addition, the UNFPA collaborated positively with faith leaders in Africa and, via a dialogue characterised by sensitivity and respect, began educational programmes and programmes for female empowerment. Overall, as Tyndale notes, such collaborations became possible when both sides – i.e. secular development agencies and faith-based leaders and organisations – were ready to acknowledge that they did not have the whole answer to all development questions and realised that working together might lead to improved outcomes.

In sum, in the late 1990s and early 2000s, various secular development agencies – including the World Bank, IMF, ILO and the UNFPA – sought to engage with FBOs to pursue improved development, especially for the poorest people, including females, in several parts of the developing world. This followed collective realisation that secular and faith entities often shared similar development concerns, especially commitment to poverty alleviation as a crucial first stage in improved development outcomes and better human rights. Common ground linked them to a growing consensus that underpinned both the 2000 Millennium Declaration and the MDGs.

FBOs and the state: strategy for improved development

Strategies and objectives stated in the 2000/2001 World Development Report were, at the time, central to the World Bank’s two-pronged strategy for improved development outcomes in the poorest developing countries: (1) investing in and empowering people, and (2) improved climate for domestic and external financial investments in developing countries. The clear focus in the 2000/2001 report on communities and their importance in achieving improved development outcomes was welcome, not least because it served to emphasise more generally
that development outcomes, ultimately, can only be measured in the extent to which they affect poor people’s quality of life and the ways in which such people can influence output via collective efforts.

In the increased emphasis on the importance of harnessing community involvement to achieve better development outcomes, it is obvious that faith could be a factor. Faith could potentially play an important role in two main ways in community engagement with development:

- **Bottom-up influence on policy makers and consequential policy formation.** This could potentially occur by engendering and/or influencing policy makers’ values and outlooks, in turn affecting formulation of specific development policies.
- **Bringing together or dividing communities along faith lines.** This could either improve or worsen political conflicts centring on access to development and associated goods.

This should not be taken to imply that relations between governments, secular development agencies and FBOs were, from this time, necessarily unproblematic. At the UN level, however, there was growing realisation within a number of the specialist agencies that:

- FBOs are an important part of civil society whose involvement in policies and programmes can potentially help achieve increased tolerance, social cohesion and understanding, all of vital importance to achieve development outcomes.
- FBOs can have a key role in providing education and achieving local and global justice, gender equality and action for non-violent resolutions to conflict, a *sine qua non* for development to take place.
- The highlighting of faiths’ common values can help promote and develop religious/cultural understanding in many societies in the developing world.

On the other hand, not everyone agrees that FBOs can be productive forces to help improve people’s lives, including development outcomes. For some, faith is inherently divisive, leading to inter-community complications and strife. In such a view, serving humanity is most likely to be delivered through a focus on secular vehicles of social and economic development. Problems in these regards surfaced during recent World Bank-led initiatives to build a bigger role for FBOs in development in the developing world. In recent years assorted multilateral development banks and other official development institutions have actively sought, through various means, to engage in dialogue with a broad range of civil society institutions, including FBOs. Yet results were decidedly patchy and now questions are increasingly asked about what is the best way forward in relation to the roles of FBOs in development policy and programmes in the developing world. In sum, FBOs face particular challenges not only in integrating their perspectives into the general state-civil society dialogue but also into the strategies and operations of development policy and programmes.

This point can be illustrated by identifying problems which surfaced when trying to institutionalise relations between, on the one hand, governments, the World Bank and IMF, and, on the other, assorted FBOs in relation to a joint World Bank/IMF initiative known as the Poverty Reduction Strategy Paper (PRSP), introduced formally in 1999 in the build-up to the Millennium Declaration. The PRSP was a government-led approach to guide growth and poverty reduction within explicit strategic frameworks tailored for each client country. The purpose of a PRSP was to outline a comprehensive strategy to encourage growth and reduce poverty in a named developing country, in order to collect together different actors’ priorities
and analyses – collectively working under the general rubric of ‘development’ – with the intention of increasing chances of complementarity and coherence. In pursuit of this goal, various forms of consultation with prominent figures and organisations were held in each country with a PRSP. The consultations sought to come up with agreed growth and development strategies that were deemed to be ‘economically rational’, while aiming to ensure that the policies and programmes that resulted were compatible with what a country’s government and citizens regarded as developmentally appropriate and sustainable. Once consultation was concluded, a PRSP would be finalised. Following that, the World Bank and IMF would assess its strengths as the basis for the country to receive loans and credits. Note that this means that the parameters of each PRSP was bound by what the World Bank and IMF believed was appropriate in relation to development policy and programmes.41

Civil society’s participation was seen as both essential and central to PRSP design and implementation. Some FBOs were recognised as potentially important components in the process of PRSP formulation. On the other hand, there was no coordinated strategy to engage FBOs in PRSP processes, nor wide-ranging discussions to ascertain their views or evaluate experiences. The reason for this omission was that PRSP processes were primarily designed and led by governments and in many cases they did not actively seek FBOs’ views, despite the fact that in each country adopting a PRSP, selected FBOs were expected to be part of the overall consultation and participation process.42 Problems of interaction between FBOs and governments were widely noted. For example, in 2000, an initiative to institutionalise FBOs’ involvement in development strategy, set in train by James Wolfensohn in 1998, faced serious collective opposition from the World Bank’s Executive Directors, that is, the 184 member countries’ representatives. The Executive Directors raised fundamental objections to the Bank’s faith dialogue that resulted in less effort being applied by the Bank, including reductions in institutionalised engagement with FBOs.43

Fundamental objections raised by Bank member states regarding an enhanced role for FBOs in development dialogues significantly inhibited development of the WFDD – eventually leading to it being hived off from the World Bank, becoming an independent development non-governmental organisation, based at Georgetown University, Washington, DC, under the leadership of erstwhile senior Bank official Katherine Marshall. This is, however, not to imply that if a government chooses to engage with an FBO or FBOs in a specific country, then the World Bank and other secular development organisations would refuse to get involved. In addition, where FBOs were already important elements in civil society forums, as in Zambia, then a continuation of their involvement was appropriate. Nevertheless, many questions remained concerning dialogue – as distinct from partnership involving joined action – beyond the country level. There were three key issues:

- disquiet about the nature and direction of development when FBOs are involved;
- apprehension about differences between secular and faith-based visions of development; and
- no consensus within the World Bank on whether systematic or institutionalised dialogue with selected FBOs is desirable.

The problem of consistent engagement between governments, secular development agencies – like the World Bank – and FBOs was highlighted during the already-mentioned World Faiths Development Dialogue-organised four-day meeting in Canterbury, England, held in July 2002. Under the direction of Wolfensohn and Carey, the meeting brought together individuals from fifteen developing countries where PRSP consultations had already taken place, including
participants from various faiths. Michael Taylor, then director of the WFDD, led the consultation. World Bank representatives were among the observers; the IMF was invited to participate but no representative was present. The meeting’s main purpose was to gain an understanding of whether FBOs involved in framing PRSPs believed their voice had sufficiently been taken into account.44

Several faith participants not only emphasised that poverty is a complex phenomenon but also stressed that many people regard the importance of freedom and a satisfying life as a higher priority than simple gains in income or improvements in social indicators.45 For example, according to a Sri Lankan at the meeting, aspirations of Buddhist Sri Lankans differ from those of people living in countries tightly focused on economic growth, commenting that: ‘The middle path, path to the human liberation in Buddhism, guides people for a simple, happy and content life.’46 In addition, two African participants highlighted that in popular perceptions of relative importance, opportunities in life can rival wealth acquisition in terms of popular priorities. A Tanzanian underlined the significance of rights in alleviating poverty, especially social wellbeing, as well as those related to security, justice, freedom, peace and law and order. In relation to Zambia, it was claimed that opposition parties were weak; consequently, ‘only the [Catholic] church speaks out’. In addition, Catholic social teaching was said to serve as a source of inspiration for many Zambians, with its focus on human dignity particularly important in contrast to the government view that ‘economic growth equals development’ tout court. The Zambian participant also stressed that ‘if growth does not benefit the human being, then it is not development at all’.47

Conclusion

Why do many FBOs now have a higher profile in relation to development issues compared to a few decades ago? This chapter has sought to argue that one important reason is that, after half a century, secular development policies and programmes had led to disappointing outcomes in many parts of the developing world. One result was that not only FBOs but also many ordinary people in the developing world regarded it as entirely correct that religion should be an influential voice in development strategies. Yet, governments still tended to regard FBOs’ involvement in development policies and programmes with apprehension or suspicion, a perception often linked to what they see as problematic involvement of religions more generally in secular – political, social and economic – issues.

Second, there were marked differences in perceptions of poverty and development between FBOs, on the one hand, and government and (secular) international development agencies, on the other. That is, while governments and (secular) international development agencies privilege economic growth as a fundamental component of ‘development’, FBOs may prioritise a range of ways of understanding the notions of poverty reduction and development. The key practical question is how and in what ways might secular development agencies and governments constructively integrate faith perspectives into poverty reduction strategies? Or, to put it another way, how and in what ways can FBOs constructively influence governmental and secular development agencies’ perspectives on poverty reduction strategies and by extension development? It is apparent, however, that this is going to be a difficult issue to resolve – not least because FBOs may well not view poverty reduction as the central question in the creation of more fulfilling, sustainable lifestyles. Instead, FBOs may consider it of greater importance to achieve wider spiritual and religious goals.

Third, while often paying lip service to the involvement of FBOs in development, many governments and secular development agencies either lack ability or are simply not interested
in integrating alternative – including faith – perspectives into poverty reduction strategies. Over the years, this issue has often strained relationships and undermined confidence between governments and FBOs, with secular development agencies’ own biases adding a layer of complexity; and this has curtailed vigorous and constructive debate about poverty and how to reduce it.

Notes

1 At a minimum, a faith-based organisation must be connected with an organised faith community. According to Scott in *Exploring the Funding Relationships*, these connections occur when a faith-based organisation ‘is based on a particular ideology and draws staff, volunteers, or leadership from a particular religious group’. Other characteristics that qualify an organisation as ‘faith-based’ include: religiously orientated mission statements, support from a religious organisation, or being founded by a religious institution (Wuthnow, *Linkages*). In *Religion-Sponsored Social Service Providers*, Castelli and McCarthy divide faith-based groups into three categories: 1) congregations; 2) national networks; and 3) freestanding religious organisations. Note, however, that there are problems with these definitions and in ‘Faith and humanitarianism’ Ferris contends that the ‘variety of faith-based actors makes generalizations difficult’. She questions the utility of the term, suggesting that differences between faith-based actors are often greater than those between secular and faith-based organisations.


3 Haynes, *Religion and Development: Conflict or Cooperation? and An Introduction to International Relations and Religion*.

4 Thomas and Reader, ‘Development and inequality’, 79.

5 Taylor, ‘Globalization and development’.


7 Conable quoted in Thomas and Reader, ‘Development and inequality’, 79.


9 The full Millennium Declaration can be read at http://www.un.org/millennium/declaration/ares552e.htm.

10 The MDGs are listed at http://www.un.org/millenniumgoals/.


15 ter Haar, *Religion and Development*.


17 Haynes, *Palgrave Advances in Development Studies*.

18 See, for example, Beyer, *Religions in Global Society*.

19 Alkire, ‘Religion and development’.

20 Ibid.


22 Alkire, ‘Religion and development’.

23 These include: Bernardo Klicksberg’s *Social Justice: A Jewish Perspective*; and from a Buddhist perspective, Sulak Sivaraksa’s *Seeds of Peace*.

24 Mesbahuddin, ‘Religion in development’.


26 Ibid., 7.
The World Council of Churches (WCC), founded in Amsterdam in 1948, is a 350-member international, interdenominational organisation bringing together most major Protestant, Anglican and Eastern Orthodox Christian churches. WCC headquarters are in Geneva.

According to the WFDD website, ‘The World Faiths Development Dialogue was set up in 1998 as an initiative of James D. Wolfensohn, President of the World Bank, and Lord Carey, then Archbishop of Canterbury. Its aim is to facilitate a dialogue on poverty and development among people from different religions and between them and the international development institutions. The focus is on the relationship between faith and development and how this is expressed, both in considering decisions about development policy and in action with impoverished communities all over the world.’ (https://berkleycenter.georgetown.edu/wfdd/about).

The DDVE is a small unit at the World Bank whose purpose is to contribute to analytical work, capacity development and dialogue on issues related to values and ethics. Founded in 2000, DDVE has traditionally served as the World Bank’s focal point on the intersection of faith and development. In addition, the unit carries a number of projects related to prominent development issues, such as the current economic crisis in Africa, with a focus on the difficult distributional trade-offs faced by various development actors in dealing with these issues.(http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/PARTNERS/EXTDEV DiALOGUE/0,,contentMDK:21966758–men uPK:5554943–pagePK:64192523–piPK:64192458–theSitePK:537298,00.html).

‘The WCC-IMF-WB high-level encounter’.

Marshall and Keough, *Mind, Heart and Soul*.

Marshall served as senior advisor for the World Bank on issues of faith and development. Her long career with the World Bank (1971–2006) involved a wide range of leadership assignments, many focused on Africa. From 2000 to 2006 her mandate covered ethics, values and faith in development work, as counsellor to the World Bank’s then president, James Wolfensohn.

Marshall, ‘Religious faith and development’.

Marshall, ‘Faith and development’.

Ibid.


‘Married adolescents ignored in global agenda, says UNFPA’.


See, for example, Marshall, ‘Religious faith and development’.


Marshall, ‘Religious faith and development’.


Marshall and Keough, *Mind, Heart and Soul*.

See Tyndale, ‘Religions and the Millennium Development Goals’; also see Marshall, ‘Looking beyond growth’.

Tyndale, ‘Religions and the Millennium Development Goals’.

**References**


Faith-based organisations and development


