

## The Socio-Economic Impact of Ngos Development on Beneficiaries in Khyber Pakhtunkhwa Province (Kp) of Pakistan

Anwarul Mujahid Shah<sup>1</sup>, Wong Swee Kiong<sup>2</sup>, Syed Arshad Ali Shah<sup>3</sup>, S.M. Shah<sup>4</sup>

Deptertment of Sciology and Gender Studies Bacha Khan University Charsadda, Pakistan<sup>1</sup>

Faculty of Social Sciences, Universiti Malaysia Sarawak (UNIMAS)<sup>2</sup>

Deptertment of Management Sciences Bacha Khan University Charsadda, Pakistan<sup>3</sup>

Faculty of Economics and Bussiness University of Malaysia Sarawak<sup>4</sup>

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### ABSTRACT

This study focuses on the analysis of socio-economic impacts of Non-governmental Organizations (NGOs) development on beneficiaries in Khyber Pakhtunkhwa (KP) of Pakistan. In order to accomplish the task, the qualitative method has been adopted based on the triangulation method in the study. Three fundamental approaches comprising of Regime Theory, Agency Theory, and Theory of Change have been applied to examine the role of NGOs. The findings illustrated a fact that NGO in KP are the root of improving the standard of living of beneficiaries who are poor and socially separated. In opposition, some adverse impacts of these NGOs were found during the 9/11 incident when the beneficiaries were socially divided and poorly developed. However, these impacts do not take over the positivity of NGOs development in KP including the Aga Khan Rural Support Program (AKRSP) and such kinds of other NGOs.

**KEYWORDS:** Non-Governmental Organizations (NGOs), Khyber Pakhtunkhwa, socio-economic impact, Asian Development Bank, Aga Khan Rural Support Program.

### 1. INTRODUCTION

When the governments are unable to provide services to the individuals and communities due to the lack of resources or rational decision-making then Non-governmental organisations (NGOs) take the responsibility for the improvement in the region (Teegen, Doh, & Vachani, 2004).

In the Khyber Pakhtunkhwa (KP) where the development of NGOs has been a considerable alternative to the beneficiaries/refugees hit by war and/or natural incidences (Khan, Kurosaki, & Miura, 2011). KP is also formally known as the North-west Frontier Province (NWFP) where the military disturbances and fallout have been increasing over the decades (Bennett, 1998). After the Afghanistan war, these disturbances have been further increased that affected the people mental health illnesses and injustice and increased the ratio of KP beneficiaries (Ahmad, 2010).

At this stage, NGOs development could be effective to ensure the social and cultural justice on the humanitarian ground (Jazayery, 2003). As per the Theory of Justice (Rawls, 2009), the socially just efficient distribution of goods/services in a society through developing social contract improves the social situation of a region. By contrast, it is ambiguous to what extent these organisations may contribute positively to the incumbent KP beneficiaries' living.

This study examines the literature on the role of NGOs on beneficiaries in KP by identifying the socio-economic impact that has been seen over the past few years, as Khan, Kurosaki, & Miur (2011), Mietzner (2012), Hafiza, Shah, Jamsheed, & Zaman (2011) reinforce the adverse impact of NGOs. According to Teegen, Doh & Vachani (2004), in all over the Pakistan, there are several NGOs performing well. In opposition, the role of NGOs can be inescapable, particularly in KP (Sungi Development Foundation, 2005). Over the past one decade, the number of KP NGOs has increased (Tahir, 2014).

After the tribal governance failure, these NGOs started social activities in most of the regions of KP (Tahir, 2014). This increased the justice for beneficiaries and/or refugees and empower the marginalised, particularly women in accordance with their rights (Mehboob, 2011). It led the NGOs to the replication of community participation model for other support programs (Tahir, 2014).

The NGOs located in KP have launched various working system of socioeconomic development by developing the partnership with Pakistan government (Bennett, 1998). The major purpose behind these programs is to facilitate local residents including refugees/beneficiaries (Teegen, Doh & Vachani, 2004). Therefore, these NGOs have positive economic impact on beneficiaries in terms of fulfilling the gap of poverties but after the 9/11 incident, some NGOs in Pakistan fragmented the country' local education system and ultimately contributed to the high

social inequality that further accelerated the division in society (Talat, 2014). This small exposure reduces the importance of NGOs development as an alternative to the beneficiaries whether they live in any area.

The intended literature on socio-economic influences of NGOs on beneficiaries in KP does not present the real consensus on the effective/ineffective working of these institutions, particularly in this region. Based on this evaluation, the contemplated research paper focuses on the theory triangulation method in which different theories and perspectives are analysed to generate influential results in the context of NGOs for beneficiaries in KP.

## 2. RESEARCH METHODOLOGY

Three approaches are used in research named as qualitative, quantitative, and mixed qualitative approaches. Quantitative research approaches are focused on analyzing data quantitatively using the numerical analysis with the help of statistical tools (Creswell, 2013). Qualitative research approaches, on the other hand, are focused on the analyzing the data descriptively. These research approaches commonly use descriptive methods for interpreting the data such as content and thematic analysis (Patton, 2005). The mixed research approach is a combination of both qualitative and quantitative research approaches whereby both methods are used together to enhance the outcome and increase the validity of the research. This method includes both statistical and non-statistical analysis (Frels & Onwuegbuzie, 2013).

The research topic of this research has not been studied extensively before and has a significant gap in the literature. This research, however, uses qualitative research approach since it allows analysis of the qualitative material. This method is useful for obtaining rich information in short period of time (Patton, 2005).

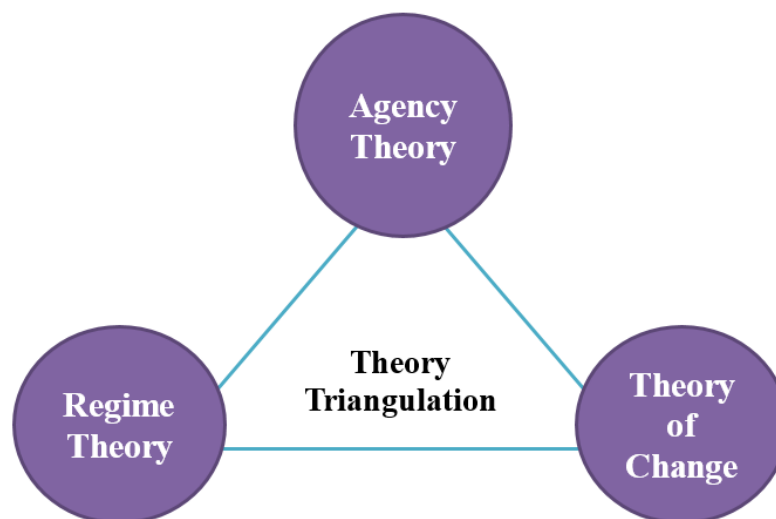
### 2.1. Data Collection

The present research used four research articles as source of secondary data for in-depth analysis supported by theoretical frameworks conducted in NWFP (old name of Khyber Pakhtunkhwa) and Pakistan. These include,

1. Assessing the role of government and non-government organizations (GO's|NGO's) towards poverty alleviation in the rural areas of NWFP (Pakistan) (Khan, 2002)
2. A critical analysis of communication strategies of NGOS, working for afghan refugees in NWFP by (Ayaz, A Critical Analysis of Communication Strategies of NGOs Working for Afghan Refugees in NWFP, 2005)
3. NGOs and Gender Development the case of AKRSP in District Chitral NWFP Pakistan (Hamayun, 2004)
4. Study on the Role of Media, NGOs and Civil Society in Promoting Pluralism in Pakistan (Sadrudin M. M., 2012)

### 2.2. Data Analysis

Triangulation is the method of enhancing validity in qualitative research while analyzing data from multiple perspectives (Bush, 2007). According to the nature of this research, the triangulation method opted for the study was Theory triangulation. This method involves adopting different theories for interpreting the data that in this case is collected from the secondary sources. The three theories selected for the analysis of the data include Theory of Change, Regime theory, and Agency Theory.



Theory of Change focuses on a particular methodology type for planning, participating, and evaluating in the NGOs for the promotion of social change. This theory focuses on long-terms objectives and then maps backwards for identification of essential preconditions (Carman, 2009).

Regime theory is defined by the international relations originated from the liberal traditions arguing the idea that international regimes or institutions affect the states behavior or behavior of international actors. This theory focuses on the postulation that cooperation within the anarchic system between states is achievable since regimes are by literal explanation instances of international cooperation (Ahmed & Potter, 2006).

Agency Theory reflects the conflicts of interests between people having varying interests in the similar assets. In other words, it highlights the relationship between principals and agents in terms of NGOs (Lan & Heracleous, 2010). The theory is concerned with resolving issues in agency relationships due to different risks such as unaligned goals.

### **3. RESULTS / KEY FINDINGS**

#### **3.1. Theory of Change and Impact of NGOs**

The Theory of Change (2015) states a non-profit organization is responsible for promoting quality standards with a consideration of the application in the areas of sustainability, human rights, and social/economic changed. The research conducted by Sadrudin (2012) broadly highlighted the impact of NGOs development in KP. It indicated that NGOs are assisting the beneficiaries in KP in terms of promoting pluralism as well as diversity within and all over the Pakistan. The major contributions of such NGOs are in stressing the human values in the form of increasing liberty, equality, bonding, and brotherhood. In this regard, its social impacts are relatively strong compared to the economic benefits.

As per the Theory of Change, social and economic change is brought by the NGOs through effective initiative. Ayaz (2005) also supported this fact in his research by projecting that currently, the KP/NWFP' NGOs are focusing on improved communication strategies for Afghan refugees/beneficiaries. In opposition, the author stated that it is a complicated method, which may bring social issues in terms of conflicts that reduces the important of NGOs development within the region (Ayaz, 2005).

#### **3.2. Regime Theory and Impact of NGOs**

As per Regime Theory, liberal traditions might be helpful in developing international relations, but it requires the need of international institutions/regimes that help in changing the behavior of members (at national and individual levels) (Davies, 2002). Another study presented by Khan H (2006), revealed that NGOs operating in KP are mainly working as the regime of changing behavior of beneficiaries and local people through contributing to the women empowerment, which is included in the socioeconomic status. Thus, the major aim of the NGOs in KP is to make women liberalize and able to fight for their rights. Additionally, the provision of credit facilities and training has been positively affecting the economic activities of women in order to increase their income. However, it can only be successful if proper and regular monitoring are ensured by the NGOs.

#### **3.3 Agency Theory and Impact of NGOs**

Agency theory elaborates, foresees, and exerts limitation among the financial parties (Lan & Heracleous, 2010; Douglas, 2010). Considering agency theory, it is necessary that NGOs be provided with sufficient authority in terms of financial resources in order to have a potentially positive impact on the beneficiaries of KP. The research conducted by Khan (2002) highlighted this factor by projecting the case of alleviating poverty from KP. The research indicates that due to the traditional policy that was focused on providing resources to only rich areas resulted in low productivity, unemployment, and migration of workers in rural areas. The situation highlighted an agency problem whereby finances were not equally disseminated. However, after resolving the issues and eliminating traditional policies, NGOs played a significant role in eliminating poverty.

### **4. DISCUSSION**

The findings reflect that the NGOs development in KP is essential since it has a positive socio-economic impact on beneficiaries/refugees in terms of promoting liberty, equality, and brotherhood (Sadrudin M. M., 2012). The findings of another research also identified that communication strategies used by the NGOs in KP/NWFP helps in improving the relationship with Afghan beneficiaries (Ayaz, 2005). These are vital for NGOs to bring change in accordance with the Theory of Change (Centre for Theory of Change, 2015). Mehboob (2011) also stated that the NGOs' development in KP is a prominent feature for social mobilization of beneficiaries that make them liberal to raise the voices. However, these actions of NGOs cannot be always effective in KP, as projected by Talat (2014) that the KP NGOs did not work effectively after the case of 9/11 and demotivated the beneficiaries socially and economically due to the educational and social distortive systems.

Considering the Regime Theory, it has been identified that NGOs in KP are the major regimes of developing international relations through changing the behaviors of beneficiaries and local individuals to be cooperative. Their major focus on women empowerment through launching Aga Khan Rural Support Program (AKRSP) has been the considerable strategy in the NWFP, as per Tahir (2014) illustrated, this not only reduced the gender discrimination through justice and equality, but it also increased beneficiaries/community' participation in different programs. In opposition, several studies have revealed that very few NGOs in KP are working progressively while most of them are not assisting the beneficiaries to grow socially and economically through the division of individual groups of local people and beneficiaries (Wolf, 2001).

According to the agency theory, the dilemmas in the agency exist when a conflict of interest is evident. The same was observed in the research conducted by Khan (2002), which determined that conflict of interest was the key reason that poverty alleviation was not achieved. The theory suggests that this is due to multiple principles conducting the project resulting in different objectives, which culminates the desire of fulfilling all the objectives. However, this is not accomplished and partial fulfilment is observed. According to Khan (2002) in coherence with the agency theory, specific targets should be laid as observed in the project undertaken in his research since this specificity allowed success as observed in the case of village development. In addition, Khan (2002) also indicated that after identifying that traditional policies are developing discrepancies in the objectives, government initiated working with NGOs giving them authority, which resulted in alleviation of poverty and less poor society for KP beneficiaries. NGOs have also been observed to play a significant role in developing KP especially the rural area as evident by agency theory soon after comprehending that traditional policies are a waste of time.

This study reinforces the claim of Talat (2014) and other researchers who have stated that NGOs have both positive and adverse impacts on beneficiaries in KP, which create an ambiguous situation for government either to increase partnership with them or eliminate them to work as alternative. This is because if the situation of ineffective working of the NGOs in KP for beneficiaries is observed then the state government is responsible for making rational decisions. Further, this research is an effort to disclose the greater extent of positive impacts of NGOs development in the case of Afghan refugees that changes the people attitude towards the contribution of these organizations.

## 5. CONCLUSIONS

The analysis indicated that NGOs have both positive and negative impact on the beneficiaries of KP. For instance, researcher projected that focusing on the theory of change NGOs have observed to be of the causes of promoting pluralism as well in KP. This has been made possible by working on the human values and increasing liberty, equality, bonding and brotherhood. In addition, NGOS have been observed to play a significant role in developing KP especially in rural area especially the rural area as evident by agency theory soon after comprehending that tradition policies are waste of time. regime theory highlight that NGOS have observed to be influential positively in term of economic and social development through the inclusion of changing the behavior of members. In addition theories also identify the role of NGOS in developing the positive relationship with Afghan beneficiaries. However, the research also highlighted the role of the NGOs had declined after the incidents of 9\11. This sudden fall in the passionate endeavors of NGOs has demotivated the beneficiaries of KP both socially and economically.

## 6. RECOMENDATIONS

It is recommended that researchers willing to conduct research on this topic focus on a quantitative research since a potential lack of numerical analysis have been observed. On the other hand, it is necessary that the opinion of NGOs and beneficiaries should be noted in terms of the attempts made by NGOs and regarding their sudden decline. Besides this, a difference of the role of NGO could also be observed in the context of the new government in KP.

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