

Journey into a New Nonprofit Sector

I have been involved with nonprofits since 1992, in Belarus, the third largest European state of the former Soviet Union. My home city is Gomel, a regional capital of 500,000 people, just across the border from Ukraine.

Belarus, with a population of 10,437,418, is just discovering the power of the nonprofit world. Its experiences provide a window into that world, with all its strengths and problems.

The Belarussian nonprofit sector didn't begin to grow until 1990, and expansion has been slow. We can blame the sluggish development of Belarus's nonprofit sector on the people's skepticism of public institutions, inherited from the Soviet period. After years of communist rule, Belarussian people rarely participate in the social and political sphere. They have a narrow view of nonprofits' role, which they see as limited almost entirely to humanitarian activities.

When I joined the nonprofit movement in 1992, I also lacked wholehearted enthusiasm. Like most of my fellow citizens, I was skeptical of nonprofit activities, believing that people who took part in them did so out of personal ambition or profit motive. My attitude was shaped by the years under

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Notes from Belarus

How does your organization compare to nonprofits in the former Soviet Union? What can we learn from each other?

Some intriguing research provides insights.

BY YELENA LEVCHENKO

communism, when participation in citizen activities was rewarded with such privileges as vacation vouchers, prizes, places in graduate school, and job opportunities.

My plunge into the nonprofit sector began when some friends, learning that I had helped my father register his private business, asked me to help them register a self-help organization for families with three or more children. I agreed.

It's interesting to note that registering a nonprofit organization was much easier than registering a private business. When I went to the city council to register my father's firm, officials said, "Go to the library." But when I went to register the nonprofit, they were much more helpful. They gave me charters of other organizations they had registered and told me how to proceed. Apparently, they were guided by the Soviet attitude that community activities were first priority, private businesses second.

In 1994, the Republic of Belarus made a step forward by creating a legal framework for nonprofit operations. The Supreme Soviet adopted a law regulating nonprofit organiza-

tions. This law recognized the right of citizens to form associations. While to Americans this ability to band together to address mutual concerns sounds like a natural civil right, it was outlawed in Soviet times.¹

Research Results

In 1996, I started a database of nonprofits. Through my research, I was able to categorize the nonprofits in the Gomel Region according to their interests and activities, as shown in Figure 1.

The research shows that there are 148 organizations officially registered as nonprofit, nongovernmental organizations (NGOs as we call them) in the Gomel Region, over 40 in the city itself. These groups include everything from scientific, professional, and sports associations to groups concerned with psychological training, protection of animals, and democracy building. The largest group—over 38—is involved in humanitarian work, especially for families affected by the Chernobyl nuclear-power

Figure 1:
Gomel Nonprofits According to Type

Number of Nonprofits	Type of Organization
18	Professional associations
15	Humanitarian work associated with Chernobyl disaster
15	Humanitarian help for children affected by Chernobyl
13	Sports associations
13	Invalids
13	Scientific-technical
8	Humanitarian help for multi-children families
7	National and friendship associations
7	Youth
6	Women's issues
6	Adult and children's health issues
6	Veterans organizations
6	Protection of animals
6	Social, psychological, & spiritual training
3	Democracy movement
6	Other
148	Total nonprofits in Gomel Region

disaster. (Belarus is only 80 miles from Chernobyl.)² Many of these groups are led by women, who have been particularly affected by the Belarus economic collapse³ and Chernobyl-related dislocations and health problems.

Research results also show that none of the nonprofits is in health care. Why? There are two traditional types of health care in Belarus. The first is the government health system. The second is the commercial medical institution—an option which has mushroomed in the past five years. The first private providers to register were dentists, homeopathic doctors, and diagnosticians. They function as for-profit enterprises and pay taxes.

Why hasn't a third option, so popular in the U.S.—the nonprofit health care facility—been tried? It is simply not familiar. With no background in management, doctors choose one of the two traditional routes—to work for a government-supported hospital or to start a private medical practice.

Problems Faced by Belarussian Nonprofits

My research reveals that many Belarus nonprofit leaders don't really understand the nonprofit sector. They have none of the sophistication about structure, board leadership, or management that most U.S. nonprofit leaders have. We can identify six main problems faced by Belarussian nonprofits:

Problem 1: Secrecy

Belarussian nonprofits aren't as open and accountable as U.S. nonprofits. They give out financial information only to tax authorities and only as the law requires. (Like for-profit firms, they must present nine financial forms each month to the tax inspectors.) The idea of an annual report is inconceivable to them. Besides keeping their financial data from the public, they also tend to keep their activities a secret.

Problem 2: No Mission, No Image, No Plan

Most nonprofits in the Gomel region are characterized by lack of a well-defined mission. Indeed, the meaning of the word "mission" in Russian and Belarussian is totally different from the English meaning. Its connotation is religious mission or zeal. Thus, if you ask Belarussian nonprofit leaders what their organization's mission is, they might catalog their activities but would have no concept of the mission behind those activities. More likely, they won't know what you're talking about, although they will answer you, anyway, to appear competent.

The expanded meaning of mission, so well understood in the United States, is now being taught in Belarussian universities. The wider population is still not familiar with it, however.

The lack of a mission means that Belarussian nonprofit leaders cannot explain, even to themselves, why their organization exists. It also means that Belarussian nonprofit organizations show little individuality in what they do. Most new nonprofits are simply clones of established organizations.

Philanthropy is not familiar to New Belarussians.

Likewise, few Belarussian nonprofits spend time formulating a strategic plan or public image. The very idea of an “image” is as foreign to Belarussian nonprofits as the concept of “mission.” Since most have inarticulate mission statements, it follows that most have done nothing about creating a public image, as U.S. nonprofits are so skilled at doing.

Problem 3: An Inactive Board

Another problem with Belarussian nonprofits is that the board doesn’t participate. Board members take no part in making important decisions or in raising funds for the organization, as they do in the U.S. Although board members are supposed to be responsible for the organization, they rarely take that initiative.

Problem 4: No Training or Salaries

Most managers and staff in Belarussian nonprofits lack training and are unpaid. Working for a nonprofit is not considered a job but an after-job volunteer activity. Often such unpaid work is not supported by family members.

With no salary, what motivates nonprofit staff? They do have a few “perks.” Through contacts with other nonprofit organizations, they or their children may travel abroad for free. They may also receive humanitarian aid from abroad.

A few organizations, such as the Society of the Blind, have paid staff. Most keep their salary levels a secret. We do know, however, that most nonprofit salaries are about \$70 a month, comparable to wages in the other sectors. (There are two exceptions—the Gomel regional branch of the Soros Foundation and the Duhovnost Center. Salaries in these nonprofits, both of which are tied to international organizations, are five to 10 times higher than average).

Problem 5: Dearth of Programs

Lack of a mission and strategic plan leads to a paucity of well-formulated programs. It’s not an accident that the only nonprofits that compensate their workers well—the Soros Foundation and Duhovnost Center—are also those with effective programs. Duhovnost is a branch of World Vision International, which has undertaken thousands of programs. Because it receives funds from World Vision, Duhovnost has launched some of the best programs in the area, including its “Chernobyl Children” and “New Beginning” ventures.

Duhovnost’s greatest successes have been collaborative projects. In one such program, Duhovnost cooperates with hospitals to prepare families for the birth of a child. In another, Duhovnost works with radiology labs to check the radiation of vegetables and fruits that villagers grow in their gardens or gather in the woods.

These programs are wonderful examples of what nonprofits can do when they collaborate with other groups and when they have a clear purpose and enough funding to pay decent salaries. This observation leads us to the next major problem—lack of funds.

Problem 6: Money

Most financing for Belarussian nonprofits comes from abroad. A few try to solve their financing problems internally. An example is the Gomel branch of the Belarus Society of Eye Disabilities, which creates jobs for people with vision problems. It has established 16 firms in Belarus, each of which requires that 52% of employees be blind or have poor eyesight. Since the Society of Eye Disabilities owns these businesses, it supports itself. With profits from its businesses, it organizes cultural events for the handicapped and helps finance a state school for children with poor vision. Despite Belarus’s economic crisis, none of its firms have closed, as have many factories in the former Soviet Union.

The Society of Eye Disabilities is also one of the few Belarussian nonprofits trying to gain support from the government. To do so, it created a political party, the “Party of Labor and Justice.” A few candidates from this party were elected to office, and the Society of Eye Disabilities hopes that it will receive government funding as a result.

Few Belarus nonprofits receive contributions from individuals. The philosophy of philanthropy, so well developed in the United States, is not familiar to New Belarussians—the country’s new capitalist class.

Belarus nonprofits are just beginning to learn about another potential source of funding—grants from international foundations. Like most of my fellow Belarussians, I had never heard the word “grant” until two years ago.

Even after they learn about grants, most Belarussians ignore the opportunity. Several psychological factors imbedded in Belarus culture contribute to their suspicion of grants.

First of all, during the long years of communist power, Belarussians were removed from the world of competition.

While Americans take failure as an invitation to improve, Belarussians see it as a sign of corruption in the system.

Thus, the idea of “competing for grants” is foreign to their philosophy. If they applied for a grant unsuccessfully, they would never think of trying again. To do so, they believe, would be to lobby for their own interests and would corrupt them.

The second factor leading to their distrust of grants is their view of rejection. A major difference between Americans and Belarussians is their reaction to being turned down. While Americans take such failure as an invitation to improve, Belarussians see it as a sign of corruption in the system. They reason that they didn’t win because someone else had an “insider” in the project. What, then, is the point of trying again?

Predictably, the few Belarussian nonprofits that have overcome these misgivings and applied for grants have had little luck. Although they of course blame it on the corrupt system, there are other reasons for their failure. For one thing, they are very young compared to the well-established nonprofits with which they must compete for international funding. Also, funders look for concrete programs that will efficiently meet the needs of specific target populations. Few Belarussian nonprofits have developed any such programs.

An exception is the League of Women for Survival, a Belarussian nonprofit which has received two grants from the Soros Foundation—the first to finance a one-month ecological camp for children in Crimea and the second to collaborate with the French Center on Women’s Rights. Its success is likely due to its concrete program ideas and its well-focused “direction of activities” (the closest thing it has to a “mission statement”), which is “to facilitate the interaction of women to help them adapt to changing social and economic conditions, offering moral and material support, humanitarian assistance, and assistance in the areas of child health and ecology.” As this success story shows, nonprofits can solve the “money problem” once they have addressed their management, mission, and program problems.

Some Recommendations

Now, while the government is busy solving large problems, nonprofit organizations should come closer together. Creation of a center linking all 148 organizations in the Gomel Region would be a big step ahead. Minsk, the capital of Belarus, has already had a small but successful experience with such a center. In 1993, the United Way opened a center offering consulting, access to computer services, and seminars on fundraising sources for nonprofits in Minsk.

While useful, the center needs to be larger, connecting and helping all the nonprofit organizations in the region. Its services also must be more comprehensive. Nonprofits need more than computer and fundraising help. They need help in all the problem areas discussed in this article—preparing a mission statement and image, involving the board, becoming more open and accountable, planning, training personnel, becoming financially self-sufficient, improving public relations, and creating effective programs.

Of course, Belarussian nonprofits are eager for financial help from American nonprofits. But they can gain something even more important than money from their U.S. colleagues—an understanding of the philosophy, structure, and management that make the American nonprofit sector so vital. ■

Footnotes

¹According to the new law, a nonprofit organization must be composed of at least 10 Belarussian citizens, addressing common goals of citizen, economic, social, and cultural rights.

²Although it occurred over 10 years ago, the catastrophe at the Chernobyl nuclear power station still haunts the lives of the Belarussian people. The life expectancy of women has decreased by five years. Only 10% of Belarussian children are considered fully healthy; the others suffer from vegetative vascular dysfunction, a weakening of the immune system.

³When the Soviet Union broke up, Belarus’s ties with the other republics were ruined, and demand for Belarussian exports plummeted. Since 1989, the GNP has declined by nearly 50%. The economic stagnation and decline in real wages has created an increasingly difficult social situation, undermining the people’s standard of living and their confidence in the future.

Selected References

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These publications are available through the Society for Nonprofit Organizations’ *Resource Center Catalog*, included in this issue, or contact the Society at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (800-424-7367).