2 *A Theory of INGO Populations*

The number and scope of international nongovernmental organizations (INGOs) grew remarkably in the second half of the twentieth century, both globally and in the United States. This expansion generated many positive developments, including the provision of aid and services to needy populations, the global diffusion of human rights norms, and the creation of systems to monitor whether states and corporations keep their pledges on issues like climate change and child labor. Many observers thought the global growth of INGOs would continue apace in the twenty-first century. In 1999, United Nations (UN) Secretary-General Kofi Annan anticipated that: "The 21st Century will be an era of NGOs [nongovernmental organizations]."[1]

In some ways, this positive prediction was accurate. In the twenty-first century, the global INGO population has grown larger and better resourced. Some of the world's largest INGOs – like Save the Children,[2] the Nature Conservancy,[3] and Americares[4] – had annual expenditures of over $1 billion in 2022, greater than the GDP of some

1 Quoted in UN-ECE Operational Activities, "Entrepreneurial NGOs and Their Role in Entrepreneurship Development," 2007. Available at https://web.archive.org/web/20070311005246/http://www.unece.org/indust/sme/ngo.htm (last accessed July 28, 2023).

2 Save the Children, "Annual Report 2022." Available at www.savethechildren.org/content/dam/usa/reports/annual-report/annual-report/2022-annual-report-brighter-futures-for-children-a-year-of-impact-v73123.pdf (last accessed September 7, 2023).

3 The Nature Conservancy, "2022 Annual Report." Available at www.nature.org/content/dam/tnc/nature/en/documents/TNC_AR_2022.pdf (last accessed September 7, 2023).

4 Americares, "Amended Form 990 for the Year Ended June 30, 2022, Public Disclosure Copy." Available at www.americares.org/wp-content/uploads/Americares-Foundation_Amended-F990_FY22_PD.pdf (last accessed September 7, 2023).

countries.[5] INGOs' access to international institutions has increased,[6] and INGOs have expanded their memberships to more parts of the world (see Figure 1.2). Whereas INGOs have historically often been portrayed as scrappy "Davids" up against the "Goliaths" of business and government interests, they are now often major players to be reckoned with in their issue areas, wielding significant experience, resources, and reputations in global governance.

But the picture is not all rosy. The rate of INGO founding has declined dramatically in recent years, and new organizations tend to have very specialized missions. As a result, many people worry that existing organizations are no longer innovating enough or reaching the people who need their help most.[7] Moreover, as the population of INGOs has grown larger and more dispersed, many countries have adopted laws in the past two decades that make it difficult for them to operate – for example by preventing them from registering overseas and providing funding or working collaboratively with domestic NGOs.[8]

Taken together, these trends suggest that we have entered a new era of INGO politics that is potentially more restricted and critical of their activities. How do INGOs operate in this new context? How do they make strategic choices in environments with many (often large) competing organizations? This chapter builds a general theory about how INGOs operate in world politics in this new era. We focus on how dynamics within INGO populations – particularly density – shape INGOs' strategic decisions.

We present our argument in three parts. First, we discuss what international NGOs are and why they exist. INGOs – defined both in terms of their nonprofit character and geographic breadth – respond to demand for social action that is unmet by the market and government. During the twentieth century, their organizational form came to be viewed as increasingly legitimate.

Second, we argue that INGOs are motivated to survive to advance their ultimate goals related to social change. Survival can be an end in

[5] World Bank, "GDP (current USD)." Available at https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?most_recent_value_desc=false (last accessed September 7, 2023).
[6] Tallberg et al. (2013).
[7] Bush and Hadden (2019).
[8] Dupuy, Ron, and Prakash (2016); Chaudhry (2022).

and of itself, but it is also a crucial means of obtaining other goals, such as promoting democracy or protecting an endangered species. INGOs must determine how best to achieve their goal(s) within the INGO population in which they work.

Third, we make the case that INGOs' ideal strategies depend on the structure of the organizational population in which they operate. We draw particular attention to the role of population density (how many INGOs there are in a particular country and/or issue area) and concentration (the share of revenues controlled by the largest INGOs in the sector). We argue that changes in these aspects of the population environment cause INGO entrepreneurs to make predictably different decisions about whether to found an organization, how specialized their mission should be, and where to locate their work globally. These decisions have significant implications for their ability to address social problems. In this chapter, we generate hypotheses about founding, mission breadth, and geographic locations, and then test them in Chapters 3–5.

2.1 The Range of International NGOs

Many types of organizations are "international NGOs." Some are household names, like Amnesty International, Oxfam, and Médecins Sans Frontières (or Doctors Without Borders). Others are shoestring operations, with just one or a handful of staff members working out of their homes. They engage in a variety of activities including advocacy, service provision, monitoring, and enforcement.[9] Many INGOs regrant funding to other organizations, and some do that as their primary task. Despite these vast differences, all INGOs exist to address social problems using an organizational model that shares some common features.

2.1.1 Defining INGOs

The UN, which helped popularize the NGO concept in 1945 by using it in its Charter,[10] defines an NGO as "any non-profit, voluntary citizens'

[9] Eilstrup-Sangiovanni and Sharman (2021).
[10] Davies (2014, 3).

group which is organized on a local, national, or international level."[11] Building on this definition, INGOs as we conceptualize them share two characteristics: they are *nongovernmental* and *international*.

First, nongovernmental organizations are, as their name suggests, distinct from governments. Past research has used a variety of criteria to determine which organizations qualify as "nongovernmental" (or "voluntary"), including institutional separation from the state and self-governance.[12] Yet many of these benchmarks are difficult to operationalize due to ambiguities that arise when, for example, an organization implements government contracts as one of its primary activities, as is commonly the case for NGOs.

Following other scholars of INGOs,[13] we define NGOs as entities that have legal nonprofit status in their country of origin. In the United States, the book's primary focus, the nonprofit designation comes from the tax code. When using US tax records, for example, we examine US-headquartered organizations that hold "501(c)(3)" status as tax-exempt charitable organizations (a reference to the relevant section of the Internal Revenue Code), similar to other researchers.[14] This category includes public charities, private foundations, and private operating foundations that do not support political candidates; they are subject to limitations on their lobbying activities. When relying on US tax records in this way, we exclude some potentially relevant nonprofits: Small groups that do not meet the revenue threshold ($50,000) at which point entities are required to file taxes; and larger groups that do not have a 501(c)(3) designation, such as 501(c)(4) organizations, which work on social-welfare causes but are generally not eligible to receive tax-deductible contributions from donors. Yet these types of organizations are (typically) sufficiently different in terms of their structures, activities, resource pools, and normative orders that it is reasonable to consider them to be part of different organizational populations. For example, 501(c)(4)s may have some overlapping activities

[11] United Nations, Department of Public Information/NGO Relations, "About Us." Available at https://outreach.un.org/ngorelations/content/about-us-0 (last accessed July 28, 2017).

[12] Salamon and Anheier (1992, 135).

[13] See the discussion in Stroup and Wong (2016, 139).

[14] For example, Mitchell and Schmitz (2014, 492) and Mitchell (2014, 72).

and resource pools with 501(c)(3)s, but they generally do substantially more lobbying and do not receive government grants.

Furthermore, we acknowledge that this legal definition of "nongovernmental" is thin, as it includes some organizations that collaborate extensively with governments. As we will see in Chapter 3, for example, many of the most prominent American organizations engaged in civil society and democracy promotion, such as the International Republican Institute and National Democratic Institute, have relied heavily (if not almost exclusively) on US government funding. Yet our definition of nongovernmental has two important advantages: (1) it is tractable within a large, global study, and (2) it has theoretical relevance. Indeed, most countries have legal provisions for designating organizations as nonprofit.[15] Organizations with legal nonprofit status are generally required to operate within a "nondistribution constraint," which prohibits them from "distributing the net earnings, if any, to individuals who exercise control over them."[16] NGOs can (and do) pay compensation to individuals involved in leadership activities. But in nonprofits, net earnings must be used to finance the organization and its mission.

Second, INGOs are international.[17] Researchers use different methods to distinguish between domestic and international groups, such as classifying the content of their missions. We define "international" organizations as those with significant activities outside the country in which they are based.[18] This definition includes organizations that are involved in only one other country (e.g., Together for Haiti, which brings development aid from the United States to Haiti)[19] as well as those that are global in their operations (e.g., Save the Children, which had operations in 116 countries in 2023).[20] We exclude purely domestic NGOs from our study, even though they may have connections

15 Salamon and Anheier (1992, 133).
16 Hansmann (1980, 838).
17 "International" NGOs are sometimes called "transnational" NGOs in the literature, and the two terms are usually used interchangeably. "International" NGO is the main term of art and what we use.
18 This approach follows Murdie and Davis (2012, 177) and Murdie (2014a, 1).
19 See Together for Haiti, "Our Story." Available at https://togetherforhaiti.org/our-story (last accessed June 9, 2023).
20 Save the Children, "Where We Work." Available at www.savethechildren.net/where-we-work (last accessed June 9, 2023).

with international actors and in some cases receive most of their funding from overseas.[21] If private foundations are legally registered as nonprofits and have significant operations abroad, they fall into our INGO category. For example, the Bill and Melinda Gates Foundation (BMGF) is registered as a 501(c)(3) organization and is headquartered in Seattle, but it has offices in seven other countries at the time of writing.[22] However, our primary data sources (rosters of INGOs and tax records, as reviewed in Chapter 1) vary in how comprehensively they include private foundations.

2.1.2 INGOs' Advantages

INGOs offer at least three advantages over other organizational forms. First, an economic explanation of NGOs focuses on how nonprofits address market failures.[23] Nonprofits are typically more abundant in areas of activity that are harder to contract (i.e., when it is more difficult to stipulate specific, measurable terms that an actor must fulfill).[24] Nonprofits – by virtue of the nondistribution constraint – are traditionally viewed as more trustworthy when it comes to undertaking these activities. Contracting problems are especially acute for many socially oriented *international* activities.[25] Supporters who seek to create social change abroad are rarely able to directly observe the activities of a contracted organization working in a distant location; they must trust, for example, that CARE really is bringing clean water and food to communities in Somalia. Language and cultural barriers exacerbate the distance between supporters and beneficiaries. Given these uncertainties, the reputational advantages of nonprofits may be particularly valuable.

Second, nonprofits address needs that governments may overlook.[26] For example, an individual or foundation may want to support family planning or climate change adaptation overseas in ways that governments and intergovernmental organizations (IGOs) have declined to

[21] Brass (2016, 78).
[22] See Bill and Melinda Gates Foundation, "Offices." Available at www.gatesfoundation.org/about/offices (last accessed June 13, 2023).
[23] Anheier and Ben-Ner (2003); Prakash and Gugerty (2010).
[24] For example, Oster (1995).
[25] Martens et al. (2002); Easterly (2006).
[26] Hansmann (1987).

pursue. Although such funders may have the option to work with domestic NGO partners in a foreign country, INGOs often have better capacity and provide information about their finances and activities that is more accessible to (and easily interpreted by) overseas supporters.[27] Moreover, in the United States, donating to US-based INGOs (but not overseas NGOs) may offer tax advantages.

Third, changes during the second half of the twentieth century have enhanced INGOs' legitimacy in solving market and government failures. For example, IGOs increasingly welcome civil society representatives – often INGOs – as exemplified by Kofi Annan's comment above.[28] INGOs may seem "lighter on their feet" than lumbering bureaucratic agencies,[29] as well as more authoritative than for-profit firms. There has been a recent "backlash" against civil society in some domestic contexts, potentially indicating decreased INGO legitimacy in countries such as Egypt, Ethiopia, and India.[30] Nevertheless, the prevailing ideology in many countries (including the United States) is neoliberalism, which embraces the privatization of public services. This doctrine encourages relying on private actors such as INGOs to implement foreign policy objectives, such as using them to deliver foreign aid.[31] A related perspective on why governments turn to INGOs is that nonstate actors increasingly help states exercise power given prevailing norms.[32]

These three (perceived) advantages of INGOs are as applicable today as they were at the end of the Cold War. Market and government failures have arguably intensified in global issue areas such as climate change and pandemic preparedness. Yet as discussed in Chapter 1, fewer new INGOs have been founded over the last thirty years. The plateau in the growth of new INGOs began in the 1990s (recall Figure 1.1), before the era of INGO restrictions after the Color

27 Oelberger, Lecy, and Shachter (2020).
28 Boli and Thomas (1999); Reimann (2006).
29 Keck and Sikkink (1998, 8).
30 Dupuy, Ron, and Prakash (2016); Bakke, Mitchell, and Smidt (2020); Bromley, Schofer, and Longhofer (2020); Glasius, Schalk, and De Lange (2020); Chaudhry (2022).
31 Dietrich (2016). This is also consistent with Jesse Lecy and Daniel Van Slyke's finding that government funding supports domestic human service nonprofit density in the United States. See Lecy and Slyke (2013).
32 Sending and Neumann (2006).

Revolutions (2003–2005).[33] To explain the puzzle of stagnating INGO growth in the United States and other countries – as well as other important trends in INGO politics – we need to examine INGO population dynamics.

2.2 INGOs and the Fight for Survival

INGOs exist because some individuals want to achieve (what they believe is) an international social good – the conservation of natural resources, the eradication of a global disease, support for democracy or human rights, humanitarian disaster relief, and so on. Like all organizations, INGOs need to survive to achieve their goals. Many (if not most) nascent entrepreneurs are unsuccessful at founding lasting organizations[34]; the most frequent challenges are securing funding and managing the organization's day-to-day operations.[35] INGO death is fairly common in our data; as we discuss in Chapter 3, about one-third of American INGOs have died since the end of the Cold War according to US tax records. Given the significant threat of organizational collapse, successful INGOs must remain focused on how to grow and perpetuate themselves within an environment that is often competitive and uncertain.[36]

Organizational survival requires securing various types of resources. The most important material resource for INGOs is usually funding. INGOs adopt different funding models, with resources potentially coming from many sources, including governments, IGOs, foundations and other INGOs, businesses, individual donors, and revenue on investments. Some INGOs also raise funds by charging fees for services, goods, or membership. Although systematic data on the sources of INGO funding is unavailable,[37] existing research suggests that INGOs typically surrender some degree of autonomy to their donors in

33 Glasius, Schalk, and De Lange (2020, 459).
34 Yang and Aldrich (2017).
35 Andersson (2019).
36 Prakash and Gugerty (2010, 7).
37 In the United States, nonprofit organizations are required to report total revenues to the Internal Revenue Service, but not the source of those revenues. Although some INGOs do make their sources of revenue available by funder type in their annual reports, this type of reporting is highly inconsistent across organizations.

exchange for securing their material support. For example, a Bridgespan study of 144 large American nonprofits in 2003 stated that "most of the nonprofits that we studied report that their programs or operations are restricted as a result of their dominant funding source," providing the example of Population Services International as an organization that "must conduct activities that ... satisfy the interests of important funders."[38] In the Bridgespan study, only 6 percent of the nonprofits had individuals as their primary revenue source, with government as by far the most important funder.[39] Similarly, the global development consulting group Humentum did a survey of eighty one development NGOs based in ten countries that were grantees of large foundations, finding that only 5 percent of these organizations' revenues came from individuals.[40] This same research indicated that the average level of unrestricted income for these groups was 17 percent, with a median of 9 percent, suggesting that most groups are donor-constrained.[41]

It is common to critique the "nonprofit industrial complex" for surrendering its autonomy to the interest of powerful (state) donors.[42] But even INGOs with donation-based funding models are strategically limited by their need to seek resources. For example, Amnesty International is a well-known INGO that advertises that it is "fully independent in setting its strategic goals and priorities" due to securing the vast majority of its resources from small, individual donors.[43] But Amnesty International has relied on government and foundation funding when in financial crisis, suggesting that such a model may be open to negotiation during hard times.[44] And Amnesty International

38 Foster and Fine (2007).
39 Ibid.
40 See Humentum, "Breaking the Starvation Cycle," 2022. Available at https://humentum.org/wp-content/uploads/2022/03/Humentum-ACR-Research-Report-FINAL.pdf (last accessed February 1, 2024).
41 See Humentum, "Breaking the Starvation Cycle," 2022, page 5. Available at https://humentum.org/wp-content/uploads/2022/03/Humentum-ACR-Research-Report-FINAL.pdf (last accessed February 1, 2024).
42 For example, INCITE! (2017).
43 Amnesty International, 2024. "Our Finances." Available at www.amnesty.org/en/about-us/finances-and-pay/ (last accessed February 1, 2024).
44 Srivastava (2022).

is still constrained by the preferences of its members and individual donors. For example, Amnesty was slow to move toward the adoption of "full spectrum" human rights because its members did not support this strategic shift. As Wendy H. Wong writes, "More and more competitors in the business of human rights [have] moved to the frontiers of advocacy, innovating their agendas in much quicker ways than Amnesty can because of its formal inclusion of membership in decision-making."[45]

A small group of INGOs – particularly foundations – has such large endowments that funding concerns may seem irrelevant to their survival calculus. For instance, the Ford Foundation, registered as a 501(c)(3) organization in the United States, supports international human rights programs and has a multi-billion dollar endowment.[46] Yet it still carefully seeks to protect its endowment to promote its longevity and reach; for example, Ford closed its offices in Russia and Vietnam in 2008 after its endowment lost one-third of its value during the 2007–2008 global financial crisis.[47] The BMGF is an unusual case in which its founders have committed the organization to spending all of its assets within twenty years of the founders' deaths.[48]

Many other resources in addition to funding and autonomy are important for INGOs. Some of the more tangible ones include media coverage, policy connections, partnerships with other INGOs, quality staff, volunteers, individual participants, and access to overseas countries. The availability of these resources is also often marked by competition and uncertainty. For example, Greenpeace International is a well-known, well-funded organization that relies primarily on individual donations to support its work, granting the organization and its national affiliates unusual levels of autonomy. But Greenpeace also

45 Wong (2012, 85).
46 Wong, Levi, and Deutsch (2017); Gonzalez-Ocantos and Álvaro Morcillo Laiz (2023).
47 "Ford Foundation to Close Offices in Russia, Vietnam," *Philanthropy News Digest*, May 1, 2009. Available at https://philanthropynewsdigest.org/news/ford-foundation-to-close-offices-in-russia-vietnam (last accessed June 13, 2023).
48 Bill and Melinda Gates Foundation, "Foundation Trust." Available at www.gatesfoundation.org/about/financials/foundation-trust (last accessed June 13, 2023).

extensively relies on resources such as its ability to mobilize individuals and gain public attention for its campaigns, often competing with other groups. As Nina Hall describes, internal analysis at Greenpeace after the 2009 Copenhagen Climate Summit indicated that the group felt it was no longer competitive in online mobilization spaces due to the rise of new digital advocacy groups.[49] This conclusion prompted the organization to subsequently scale up its use of web-based tools.[50]

Less tangible qualities are also essential for INGOs' survival. For example, reputation management is key for INGOs; they pursue various strategies, including subjecting themselves to external verification and forming accountability clubs.[51] Having credibility allows an INGO to establish itself as an expert on a given issue and become an authority to which other actors in world politics defer.[52] These qualities make INGOs more attractive to potential funders, partners, and other supporters, which helps them secure more material resources. The importance of a good reputation is why recent legitimacy crises, like Oxfam's sexual exploitation scandals in Haiti in 2018[53] and the Democratic Republic of Congo in 2021,[54] are so worrisome for INGO leaders.[55] According to the 2018 Edelman Trust Barometer, which surveyed the public in twenty eight countries, only 53 percent of respondents across twenty eight countries reported trust in NGOs, roughly the same as those who reported trust in business.[56]

49 Hall (2022, 53).
50 See also Mobilisation Lab, "Our Roots." Available at https://mobilisationlab.org/about/our-roots/ (last accessed January 10, 2024).
51 Gourevitch and Lake (2012); Gent et al. (2015).
52 Green (2013).
53 Courtney Columbus, "After Oxfam's Sex Scandal: Shocking Revelations, a Scramble for Solutions," Goats and Soda, *National Public Radio*, March 16, 2018. Available at www.npr.org/sections/goatsandsoda/2018/03/16/591191365/after-oxfams-sex-scandal-shocking-revelations-a-scramble-for-solutions (last accessed December 22, 2022).
54 James Lansdale, "Oxfam: UK Halts Funding Over New Sexual Exploitation Claims," BBC, April 7, 2021. Available at www.bbc.com/news/health-56670162 (last accessed December 22, 2022).
55 Deloffre and Schmitz (2019); Scurlock, Dolšak, and Prakash (2020).
56 Edelman, "2018 Edelman Trust Barometer," page 5. Available at www.edelman.com/sites/g/files/aatuss191/files/2018-10/2018_Edelman_Trust_Barometer_Global_Report_FEB.pdf (last accessed March 5, 2023).

Pursuing survival over other goals may encourage an organization to seek "vanilla victories"[57] or "tame" programs rather than more ambitious social change.[58] Many high-level INGO practitioners we interviewed for this book bemoaned the extent of competition in their issue area and its effect on programming. Someone in the peace and security field remarked, for example, "Funding cycles and the cut-throat nature of funding actually can divide organizations and distract people from being able to do their jobs, at least for us internally."[59]

However, most (though certainly not all) INGO practitioners do not believe their focus on survival conflicts with their pursuit of social goods. According to a study that conducted 152 in-depth interviews with top staff at INGOs, for example, "Funding concerns are highly salient to [I]NGO leaders, but they primarily constrain the distribution and magnitude of principled activity rather than crowd out or undermine it."[60] And some practitioners view the need to fight for survival as motivating their organizations to work more effectively toward their missions. As an executive at a humanitarian INGO explained to us in a focus group:

> [T]here's definitely competition … but I would categorize it as friendly competition or I was using the word "frenemies," because we compete for the same pools of funding, sometimes we win, sometimes we lose, but we also work in consortia … I see this as positive because it does mean that you have to be on the cutting edge, you have to not rest in your laurels, you have to constantly be bringing the best thinking, the best approach, the best minds to the table, so I'm in favor.[61]

Several other participants in the same focus group concurred. An executive at a peace and security INGO said, "I agree by and large; it [competition] can create efficiencies, generate … new ideas."[62]

In summary, INGO survival is an end in and of itself, but it is also a core strategy for achieving an international social good through a nonprofit organization.[63] The theory that we develop in what follows

[57] Stroup and Wong (2017).
[58] Bush (2015).
[59] Focus group conducted via Zoom, October 7, 2022.
[60] Mitchell and Schmitz (2014, 489).
[61] Focus group conducted via Zoom, October 13, 2022.
[62] Ibid.
[63] Prakash and Gugerty (2010, 7).

thus takes INGO survival as a core motivator that can help explain key decisions about when to enter the market, how much to specialize, and where to work. We acknowledge that, of course, not all INGOs are equally committed to organizational survival in practice. For example, the founder of a conservation INGO with whom we spoke for this project observed, "I think the best thing for us – and for a lot of international NGOs – would be to put ourselves out of business … Eventually the international community should depart."[64] Yet this viewpoint (consistent with the interviewee's remarks) normally concerns the long term, during which INGO leaders ultimately hope to solve the difficult social problems on which their organizations work. In the short and medium terms, however, INGOs generally focus on survival. Most of the deaths of seemingly successful INGOs of which we are aware (e.g., the International Helsinki Federation for Human Rights and the Academy for Educational Development [later just known as AED]) are related to financial mismanagement or other scandals.[65]

2.3 How the Population Environment Shapes INGOs

To understand INGO behavior in the context of an underlying quest to survive, we next consider the environments in which INGOs operate. We theorize how population density as well as other population-level dynamics shape INGOs' choices. We use this theoretical framework to develop hypotheses about three key decisions made by INGO entrepreneurs and leaders – whether to found new organizations, how to develop their mission statements, and where to work. These choices have received limited attention in the extensive literature on INGOs,

[64] Interview, Johanna Barry, Founder, Galapagos Conservancy, by telephone, September 28, 2016.

[65] On the former, see Claire Bigg, "Helsinki Federation Shuts Down After Fraud Scandal," Radio Free Europe, December 12, 2007. Available at www.rferl.org/a/1079257.html (last accessed July 28, 2023). On AED, see Ken Delianian, "U.S. Bans Contractor from Further Aid Programs," *Los Angeles Times*, December 8, 2010. Available at www.latimes.com/archives/la-xpm-2010-dec-08-la-fg-pakistan-fraud-charges-20101209-story.html (last accessed July 6, 2023).

but questions of organizational emergence, structure, and strategy are crucial for understanding the role of INGOs in world politics.[66]

2.3.1 *Theorizing the Population Environment*

Following other research, we define an organizational *population* as the set of groups that share common structures, patterns of activity, and normative orders within a particular geographic region or regulatory system.[67] This concept draws on sociological research on organizational ecologies, which studies trends in entire populations of organizations. This tradition employs ideas from biology that were first developed to understand changes over time in populations of species. Although the field of international relations (IR) has only recently recognized the importance of organizational populations,[68] the population concept overlaps with more familiar IR concepts used in taxonomies of organizations. For example, similar to industries, organizational populations typically provide a common type of good or service, broadly defined.[69] Populations also share a common normative order, similar to how John D. McCarthy and Mayer N. Zald define a social movement industry as "all of the [social movement organizations] with relatively similar goals"[70] or how Margaret E. Keck and Kathryn Sikkink define a transnational advocacy networks as "organized to promote causes, principled ideas, and norms."[71] And similar to fields, which "constitute a recognized area of institutional life," organizational populations are social arenas.[72]

Defining INGO Populations

We use two criteria to classify organizations into specific populations: geography and issue area. All the populations we study comprise

66 Prakash and Gugerty (2010, 4).
67 Hannan and Freeman (1977, 935).
68 Valuable contributions to the nascent literature include Dupuy, Ron, and Prakash (2015), Abbott, Green, and Keohane (2016), Eilstrup-Sangiovanni (2020), Green and Hadden (2021), Morin (2020), and Lake (2021).
69 Meyer and Scott (1983); DiMaggio and Anheier (1990).
70 McCarthy and Zald (1977, 1213).
71 Keck and Sikkink (1998, 8).
72 DiMaggio and Powell (1983, 148). On defining fields, see also Fligstein and McAdam (2012) and Sending (2015).

INGOs. "INGO" is a meta-category for different substantive populations of organizations that share a relatively similar structure. Within this meta-category, we might, for example, seek to understand populations such as American environmental conservation INGOs or French humanitarian INGOs.

To elaborate, first, we define populations based on the geographic region in which they are located. In Chapters 3–5, we delineate populations by the country in which the organization is headquartered, focusing on those that are headquartered in the United States. Although the actions of INGOs from one country may influence those from another (and often do so by design), there are stark national differences in INGO practices that are related to cross-national variation in regulations, resources, and political opportunities.[73] As discussed in Chapter 1, much of the book's analysis focuses on American INGOs which constitute a distinct market. The push to "decolonize" INGOs, which prompted Oxfam to move its headquarters from the United Kingdom to Kenya in 2017, may start to decouple organizations' headquarters from their resource bases. Yet at present, this example remains more of an outlier than the norm.

In Chapter 5, which examines organizations' geographic siting decisions, we also define INGO populations based on the country in which they work. In doing so, we acknowledge that INGOs often share common structures, patterns of activity, and normative orders when they are co-located in the same national environment. For example, all American INGOs that work in Bangladesh could also be considered as a population in our analysis.

Second, when possible, we also define populations based on the main issues on which organizations work. Many such issue areas are clear. Mercy Corps, for example, is commonly recognized as a humanitarian INGO, and Greenpeace as an environmental one. Organizations may also be classified as part of different populations because they take opposing stances on the same issue, such as to promote the expansion of legal rights for gay, lesbian, bisexual, and transgender people or to oppose them.[74] But there is room for reasonable dispute in

73 Stroup (2012).
74 Ayoub and Stoeckl (2024a).

classifying issue areas,[75] including because organizations sometimes work on more than one issue area.[76] There is also potential for organizations to move in and out of issue areas strategically. Because the definitions of what constitutes "similar" products and services are socially constructed, different readers may arrive at slightly different classifications than those we deploy in this book.

For example, US-headquartered organizations that work internationally to advance the liberal principles of human rights and democracy mostly belong to distinct populations.[77] The human rights INGO population includes leading groups such as Amnesty International USA and Human Rights Watch, whereas the civil society and democracy one includes groups such as the Carter Center and Freedom House. All of these groups arguably share some common goals and provide some similar services. For example, groups in both populations report on abuses related to democracy and human rights, which are closely related ideals dating back to at least the Universal Declaration of Human Rights, which encompasses democratic elections. Despite these shared tactics and values, practitioners commonly identify with either the "human rights" or the "democracy promotion" organizational population on the basis of how they think NGOs should relate to the state.

Our empirical chapters use several approaches to define issue areas. For our quantitative analyses in Chapters 3–5, we generally classify organizations according to their main issue area as given in government records and INGO registries. In our other sections, we use practitioners' self-classifications as given in surveys and interviews.[78]

Population Density and Other Characteristics

A key feature of the population environment is *density*, which we define as the number of organizations within a population.[79] This is the traditional definition used by organizational ecologists, and

[75] Fyall, Moore, and Gugerty (2018); Plummer, Hughes, and Smith (2020); Santamarina, Lecy, and van Holm (2023).
[76] Hadden (2014); Barnett (2018).
[77] Bush and Stroup (2023).
[78] The Online Appendix contains more information about these coding decisions with respect to American INGOs. See Bush and Hadden (2025a).
[79] Hannan and Carroll (1992, 5).

it has gained acceptance within IR among some scholars studying population-level patterns among NGOs and IGOs.[80]

An alternative approach to conceptualizing density is to look at the "extent and complexity of governance activities within a population of organizations," divided by "the resources available for that population."[81] This approach makes particular sense for studying organizations such as large, formal IGOs, which are much fewer in number than INGOs and may take up a substantial portion of a population's resource and issue space. For example, the UN now covers a broader range of activities within "international peace and security" than it did when it was founded, meaning it has taken on more governance activities even though it has remained a single organization.

Although we see the merits of this alternative conceptualization of density, we adopt the traditional definition. It has the advantage of being more amenable to precise measurement given the potential for ambiguity when identifying the extent and complexity of activities for a population of organizations. More importantly, we believe it offers the most appropriate theoretical fit given our population definition, which generally focuses on INGOs headquartered in a single country that work in a particular issue area. The more finite set of structures and patterns of activity that characterize INGOs (especially those with geographic and issue area commonalities) relative to institutions in global governance writ large, such as the World Bank or UN, increases our confidence that the number of organizations captures density in a meaningful way.

Environments that are densely populated with organizations – including INGOs, but also trade unions, newspapers, breweries, and so on.[82] – are different from those that are less populated. During periods of low population density, organizations depend on each other to convince audiences that a new organizational form, such as an INGO, is a legitimate and effective way to achieve a common goal. Organizations can easily position themselves near the market center, which tends to be resource rich. By contrast, periods of high population density are

[80] Cooley and Ron (2002); Dupuy, Ron, and Prakash (2015); Eilstrup-Sangiovanni (2020); Green and Hadden (2021).
[81] Abbott, Green, and Keohane (2016, 258).
[82] Hannan and Carroll (1992).

characterized by competition. When there are many organizations, further increases in density tend to contribute only a little to the overall field's benefits but intensify the fight for resources. This increase in competition eventually slows the growth in the population and creates incentives to seek less crowded resource spaces. Given that INGOs may have different funding models (as discussed above), some may question whether increasing INGO density always brings more competition. Indeed, large and successful INGOs often specialize in one type of funding, which may limit their direct competition with other groups going after different sources of revenue.[83] INGOs can potentially try to partition the market – reducing some direct resource competition – by evolving different forms of resource acquisition (e.g., by some competing for government grants and others going after individual donations). But we argue that these large organizations are still often in direct competition for other types of resources, including media coverage, policy connections, staff, volunteers, and authority. This competition may constrain their choices about what issues to work on, how to do so, and where to do so. And even if large, established organizations engage in effective resource partitioning, new entrepreneurs will still have to compete with the incumbents, with important implications for their decisions about whether to found and how to do so.

Each population has a "tipping point" at which it makes sense to treat other organizations as threats as opposed to potential partners. Once past this tipping point, analysis commonly refers to environments as being "saturated" in that new organizations typically cannot enter without detracting from the resources available to existing groups.[84] The point of saturation can occur for at least two reasons. First, the scale of existing INGO activity may be sufficient to address the level of need. In the example of the Asian Tsunami, the scale of INGO activity was greater than the need of beneficiaries in some areas, pointing to the fact that the population was saturated.

Second, the number of INGOs in a population may fully absorb all available (and potentially available) resources for that sector. This dynamic sometimes occurs due to natural population growth, but it also can happen because of major donors shifting their priorities.

[83] Foster and Fine (2007).
[84] Carroll and Khessina (2005).

For example, the Open Society Foundations (OSF), announced a major restructuring in 2021 (followed by another in 2023) that involved a more exclusive focus on particular countries and issue areas; the shift left grantees in issue areas like global health and refugees surprised to no longer be eligible (given pressing need) and adrift.[85] Illustrating the size of the shift, news reports indicate that OSF "set aside an enormous $400 million for what amounted to severance payments to organizations around the world, and more than 150 foundation employees took buyouts as part of the restructuring."[86] Government donors can also shift their priority countries and issues in ways that disrupt the population environment and create a tipping point. Other resources in addition to funding are also often in flux; media and policy attention to health, for example, crowded out many issues during the Covid-19 pandemic.

Our study also explores how *concentration* affects INGOs. Following the approach of the US Economic Census, we conceptualize concentrated populations as ones in which a large portion of resources are controlled by a small number of actors.[87] They also tend to be more competitive and are thus prone to similar dynamics as dense populations. But certain types of organizations are well-suited to survive in them. As we discuss further, specialist organizations are often successful at identifying favorable niches in which they can secure resources despite the overall dominance of a small number of organizations.

2.3.2 Crowded Out: How Population Density Affects INGOs

Our theoretical framework aims to explain three significant decisions: (1) whether to found an INGO, (2) how much to specialize, and (3) where to work globally.

[85] Thalia Beaty, "George Soros' Open Society Foundations Intend to Cut Programs in Europe, Worrying Grantees," *Associated Press*, August 25, 2023. Available at https://apnews.com/article/george-soros-open-society-cuts-osf-d876ac44a899389e704f5482fa323da5 (last accessed August 27, 2023).

[86] Nicholas Kulish, "George Soros Is Making Changes at His Foundation While He Still Can," *The New York Times*, September 21, 2021. Available at www.nytimes.com/2021/09/12/business/george-soros-philanthropy-open-society-foundation.html (last accessed June 14, 2023).

[87] See US Census Bureau. 2024. "Concentration Ratio." Available at https://data.census.gov/all?q=Concentration+Ratio (last accessed March 20, 2024).

Foundings

In deciding whether to found an INGO, an entrepreneur must consider the likelihood that a new organization will be able to survive. We expect the availability of resources (both material and other) to be of particular importance. Yet it is not simply the total amount of resources available that matters, but also how many other organizations a new INGO must compete with for those resources. In other words, density shapes the likelihood of survival and thus decisions about whether to found a new INGO.

The extent of mutual support within a population tends to increase with density but at a decreasing rate. In low-density populations, existing INGOs will accept or even welcome new INGOs, which creates more propitious conditions for new organizations to be founded. Examples of cooperative behavior include providing funding to a new INGO, partnering with it on a program, welcoming it into an existing network, and deferring to or recognizing its authority. When there are only a few organizations, creating a new one benefits the field as a whole; thus existing organizations are more likely to accept – if not welcome – new entrants. Yet in high-density environments, existing INGOs fight the entry of new INGOs, which discourages INGO foundings. Competitive behaviors toward new INGOs are roughly the mirror image of cooperative ones; they include seeking out the same funding sources, refusing to partner with them, excluding them from relevant networks, policing the population's boundary to exclude new issues, and criticizing or otherwise attempting to delegitimize new INGOs.

Competition tends to grow with population density, but at an increasing rate. Our theory therefore assumes that, all else equal, a rise in density boosts competition. Occasionally, a new organization will bring new resources with it (thus the competition does not immediately intensify despite the increase in density). Yet eventually we expect the population to evolve to reflect its new carrying capacity and for the competition to return to previous levels. When there are few organizations in a population, the founding of a new organization creates additional competitive pressures, but these are less intense than when the field is already saturated with organizations that perform similar functions and seek similar resources. Combining these two general tendencies suggests the hypothesis – which we test in Chapter 3 – that foundings will initially increase with organizational density, and then decrease with density, along an inverted u-shaped curve. Potential INGO entrepreneurs anticipate the likelihood of supportive vs. competitive behaviors by drawing on their prior experience in a field (if any) and researching the population environment, and then decide accordingly whether to found a new group. In dense environments, new INGO entrepreneurs can be crowded out.

Although it is difficult to identify examples of organizations that were never created, we suspect that these dynamics apply widely across sectors of INGO activity. And as we discuss in Chapter 6, we expect that density in the INGO sector will push would-be founders away from entrepreneurship in many cases and to form new types of organizations in other cases. For example, GiveDirectly, a prominent direct giving organization, was created to address some of the perceived deficiencies associated with the INGO organizational form.[88] As co-founder Michael Faye stated in an interview,

> There's a chain, from governments to international agencies, to country offices, to local NGOs, which fund, design and implement programmes [sic]. As you move through that process there's less and less freedom in decision-making, and less and less money available. There's still a need for NGOs ... But I'm arguing that we should spend less time and money on guesswork about what the poor need and just let them make the decisions themselves.[89]

Mission Breadth

INGO leaders must also define their organization's mission. Since nonprofit organizations do not generate economic returns for shareholders like a for-profit firm, their mission statements define the criteria that internal and external audiences use to evaluate their performance. Mission statements are thus an important arena in which INGOs seek to establish their authority.[90] They also delineate the pool of potential resources for which the organization might compete.

88 Give Directly, "How to Understand GiveDirectly's Financials," November 7, 2022. Available at www.givedirectly.org/financials/ (last accessed June 8, 2023).

89 "Interview: Michael Faye of GiveDirectly," *Alliance Magazine*, September 5, 2017. Available at www.alliancemagazine.org/interview/interview-michael-faye-givedirectly/ (last accessed April 5, 2024).

90 Shibaike et al. (2023).

Mission statements can be either broad or narrow in their scope. In our conceptualization, a generalist mission is broad in both the types of programming it envisions and an organization's geographic reach. Having a broad mission can help reach the widest possible audience, attract the largest range of funders, and make an INGO more likely to achieve a position of high status within its population. At the same time, specialization can allow INGOs to establish their expertise in a particular issue. Recognizing these dynamics, the IR literature on mission creep and specialization in global governance theorizes these phenomena as resulting from *intra*organizational dynamics, such as how autonomous an organization is or whether it is dominated by professionals.[91]

We shift our theoretical focus to the *inter*organizational dynamics that support specialization and are created by the INGO population environment. In dense populations, mission specialism will be more advantageous than mission generalism. Specialists are more likely to be able to locate an underserved niche in which they can survive and thrive by avoiding direct competition. Thus, new INGOs in dense populations have incentives to specialize and are often crowded out of the market center.

Likewise, in concentrated populations, specialized INGOs do not threaten dominant actors' positions or resources – and may even support them by providing useful services or complementary tactics. This phenomenon is known as resource partitioning, whereby specialist organizations coexist happily within the same overall concentrated population as generalists by offering distinctive approaches or products and therefore relying on separate resources.[92] New generalist INGOs are more threatening to existing generalist INGOs and may experience entry deterrence and competition as a result.[93] Of course, new specialist INGOs will pose a risk to existing specialists if they threaten their turfs and can therefore experience the same types of competition. Yet INGO entrepreneurs can anticipate these responses from existing specialist INGOs and select an appropriate organizational strategy. In Chapter 4, we test the resulting hypotheses that both

[91] Barnett and Finnemore (2004); Johnson (2014).
[92] Carroll (1985); Eilstrup-Sangiovanni (2019); Morin (2020).
[93] Hannan and Freeman (1977).

density and concentration increase the likelihood of new organizations having specialized missions.

The American global health INGO population exhibits these dynamics. The generalist mission of the INGO PATH ("to advance health equity through innovation and partnerships") allowed it to substantially expand its operations but in a way that was organic to the mission when the Bill and Melinda Gates Foundation arrived on the scene in 2000 with substantial new resources.[94] PATH ultimately became one of the foundation's largest beneficiaries and expanded its work dramatically on malaria, HIV/AIDS, maternal health, and other priority areas for the BMGF.[95] A more specialized global health INGO working on diseases of less interest to BMGF would not have been able to take advantage of this new funding source. Thus, PATH benefited from its generalist mission in the aftermath of a dramatic and unexpected shift in the resource environment for global health INGOs.

Geographic Location

Finally, INGO entrepreneurs must decide where in the world they will work. Having a physical presence in a country is often needed to affect political outcomes and helps INGOs provide necessary services and diffuse norms in support of their missions.[96]

Large generalist INGOs could (in principle and resources permitting) have offices wherever there is a need for their programs. In contrast, small grassroots INGOs may often choose to work in only one country. For example, many such organizations in the United States are created by returning Peace Corps volunteers who wish to continue providing assistance to a community in which they worked.[97] But other organizations' geographic foci are not determined from the start, since a mission to promote conservation or eradicate a tropical disease could be pursued in many settings. INGO leaders must therefore decide where to concentrate their efforts, since even large organizations cannot maintain operations everywhere in the world. Grassroots INGOs

94 See PATH, "Mission and Strategy." Available at www.path.org/about/mission-and-strategy/ (last accessed June 15, 2023).

95 Harman (2016, 353–354).

96 For example, Murdie and Bhasin (2011); Meernik et al. (2012); Murdie and Hicks (2013); Dörfler and Heinzel (2023).

97 Schnable (2021, 54).

may eventually confront these choices too, such as when considering whether to expand or shift their locations based on an assessment of where there is a need for their work or how to respond to changing political and economic circumstances.

Similar to our argument about foundings, we expect low-density country settings to attract INGOs. In such settings, INGOs cooperate with each other in various ways, and initial increases in density can even make such cooperation more likely. For example, international staff can help each other by sharing information about local laws and customs or where to live. Initial increases in the number of expatriate INGO staffers promote the flow of information and facilitate the creation of institutions and events where such learning can occur. In some contexts, there are very few local professionals perceived to be available to staff INGO projects. The presence of more INGOs in a country draws the attention of the local workforce and may encourage more people to develop the skills needed to work at INGOs. For these reasons, initial increases in density encourage more INGOs to work in a country.

However, countries can eventually become saturated with INGOs, creating competition over financial resources, staff, and even office space and housing. The Asian Tsunami case that opened Chapter 1 is a good example of some of the negative dynamics that can occur in such an environment even when funding is plentiful. Since many government and other funding sources are earmarked for particular countries, funding competition may be especially fierce when too many INGOs are competing for the same grants and contracts. Thus, when overall density is relatively high, further increases in INGO density in a country will discourage organizations from working there, crowding out some INGOs. We thus expect an inverted u-shaped relationship between density and geographic choice, and test this hypothesis in Chapter 5.

Some observers have cited Haiti as an example of this dynamic, calling it a "republic of NGOs."[98] Indeed, an environment that is already saturated with INGOs is a less desirable place for organizations to work given the high levels of competition that ensue, even if that country's needs are great (as is the case with Haiti) and its environment is

[98] Kristoff and Panarelli (2010).

attractive to INGOs in other ways. We recognize that high levels of density may not be enough to deter all types of INGOs from beginning work in a country; for example, humanitarian INGOs feel strong pressure to work in countries experiencing natural disasters even if they are already crowded. Our argument is that such environments will, however, be more competitive and thus additional INGOs will be less likely to choose to work there, all else equal.

2.4 Conclusion

The theoretical approach developed in this chapter advances our understanding of INGOs in four ways. First, our theory applies to INGOs *generally* and without a specific focus on INGO tactics, issue areas, or size.[99] By considering INGOs as an organizational form, we develop theory to explain surprising empirical patterns that previous scholars have not noted – for example that the founding of new INGOs has stagnated.

Second, we offer a theory of INGO *choices*. Despite a strong interest in INGOs, much of the IR literature has concentrated on understanding their *effects* on other actors. For example, previous scholars have sought to demonstrate that – or explore the conditions under which – INGOs affect state policies, social practices, international norms, global attention, and so on.[100] We join other scholars who have shifted the focus to INGOs' decisions and behaviors, such as their decisions about how and when to network with other organizations and which issues to adopt.[101] However, we explore new dependent variables – INGO foundings, mission scope, and geographic location – that are theoretically prior to most of the research questions explored in previous studies. These outcomes are important in their own right, as INGOs cannot affect other political outcomes if they do not exist or work on a particular topic in a particular location.

99 These foci can yield important insights but have also been cited as impediments to knowledge accumulation in the literature on INGOs. See Brass et al. (2018).

100 Keck and Sikkink (1998); Clark (2001); Price (2003); Ron, Ramos, and Rodgers (2005); Wong (2012); Murdie (2014a).

101 Carpenter (2007); Murdie (2014b); Stroup (2012); Hadden and Jasny (2018); Jurkovich (2020).

Third, our theory shifts the focus to the INGO *population*. IR studies have generally neglected populations as units of analysis, instead focusing on advocacy networks,[102] campaigns,[103] and large INGOs.[104] Part of the reluctance to study populations may be the difficulty of acquiring population-level data. Yet it is possible to build appropriate population-level datasets, as we show in subsequent chapters. Our theory draws attention to how density-dependent processes may operate among other actors in global governance. Past work has identified growth in many populations, including IGOs' emanations, international financial institutions, regional and subnational organizations, informal IGOs, private transnational regulatory organizations, industry coalitions, and private security organizations.[105] If these populations are becoming crowded, then they may be more competitive, which has implications for the future of global governance. For example, Phillip Y. Lipscy argues that the multilateral development space has become highly competitive due to the presence of a large number of actors, leading to calls for reform at the World Bank.[106] Our theory can thus contribute to broader research on population dynamics within global governance.[107]

Finally, our focus on INGO populations builds on and melds naturally with insights from organizational ecology, which is increasingly applied to IR. We integrate these insights about the importance of density as well as other population traits like concentration into a theory that seeks to explain variation in INGO choices. We theorize that INGO preferences are neither uniformly cooperative nor competitive; instead, these approaches are both *strategies* derived from INGOs' overriding motivation to survive, which interacts with strategic environments that sometimes favor mutual support and adjustment and at other times favor competition. Our approach thus helps reconcile previously conflicting findings in the literature on INGOs over whether cooperation or competition is more common.

102 Keck and Sikkink (1998); Carpenter (2011); Murdie (2014b).
103 Price (1998); Busby (2010).
104 Barnett (2005); Stroup (2012); Wong (2012); Stroup and Wong (2016).
105 Haufler (2010); Hooghe, Marks, and Schakel (2010); Green (2013); Vabulas and Snidal (2013); Johnson (2014); Avant (2016); Clark (2024).
106 Lipscy (2017).
107 See also Finnemore (2014, 223).