

Foreign aid and NGOs

by Jutta Teigeler

There are about 300 voluntary international development agencies registered across Canada, and many organizations with headquarters in Montreal, Ottawa or Toronto have local branches in small town and rural areas. They have pronounced themselves on many foreign policy issues, and they are becoming increasingly professional and successful in their lobbying efforts. Yet they have been slow to gain public recognition as a real or imaginary force in the Canadian policy-making process on the federal and provincial levels.

Characteristics of Canadian NGOs

The term "NGO" was originally coined by the United Nations. Today many NGO people feel that the term is restrictive and some are increasingly using the term "CVO" or even "CIVO" (Canadian international voluntary organization). The diversity of Canadian NGOs according to mission, resources, definition of development, field of intervention and political orientation virtually defies categorization. Certain NGOs operate only in specific sectors, such as health, while others have multisectoral programs. Some are well established and are linked to larger social organizations with broad memberships and substantial independent financial resources, while others are small, community-based and operate on shoestring budgets. Some are mainly fundraisers for their overseas programs, while others devote their resources to producing resource materials and staging educational events about global issues. More than 200 receive subsidies from the federal government.

With respect of their influence on the formulation of Canadian foreign policy, NGOs have been broadly categorized according to the following criteria:

Group 1, with NGOs that rarely take stances on political issues or produce development education literature which criticizes Canadian development policy (including agencies such as Foster Parents of Canada and World University Services of Canada).

Group 2, with a relatively small number of secular development organizations which focus their efforts on shaping Canadian policies on a few specific issues or geographic regions (including agencies such as Inter Pares or the South Pacific People's Foundation).

Group 3, comprising the major churches, that are carrying out substantive advocacy work and pro-

ducing development education material sometimes highly critical of official Canadian foreign aid policy (including agencies such as the Canadian Catholic Organization for Development and Peace and the International Defense Fund for Southern Africa).

Innovation, flexibility, lack of human and financial resources and a streak of anarchy assure that work in the international voluntary sector never becomes boring. Typically, a new NGO is created by a group of people inspired by a dynamic, charismatic leader with a dream, contacts, know-how and lots of energy. This individual may eventually withdraw or be "replaced" as the organization matures, institutionalizes and defines its ideological base. These changes in direction are responsible for the colorful reputation of some NGOs as hotbeds for political intrigue and power struggles.

In a typical NGO the policy-making Board members are composed of community volunteers, while paid workers operate the programs of the agency. Nigel Martin, Executive Director of the Canadian Council for International Cooperation (CCIC), an umbrella organization coordinating the activities of about 120 registered Canadian international charities, maintains that "community-based volunteers alone assure the legitimacy of the NGO within its community and therefore its accountability to that community." NGOs also choose their projects in this spirit of "people's participation."

Sources of funding

NGOs rely to a large extent upon voluntary donations from the public which they solicit largely by appeals to the heart rather than to the head. Government subsidies are another important source of funding. Most NGOs receive matching grants (government-to-private) on a 1:1 ration, but it can be 3:1, and, in special cases, an NGO can receive up to 90 percent in governmental funding for projects it executes for government as part of a larger bilateral agreement.

Most NGOs now stress global interdependence and increasingly advocate political activity for change. They no longer provide mainly relief assistance, but instead prefer

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