

protecting human rights, opening up channels of communication and participation, providing training grounds for activists and promoting pluralism" (Edwards/Hulme 1994: 2; emphasis added).<sup>6</sup> On this basis, there is a tendency in the literature to depict the donor-NGO relationship in a negative light, suggesting that NGOs' values and strategies will *inevitably* be compromised once they become entangled with government financial assistance. Not everyone agrees, however. According to Commins, receiving additional funds offers the possibility of expanding NGOs' scope of operations and therefore their ability to help people without necessarily compromising quality and accountability (1997).<sup>7</sup>

In this context, the purpose of this paper is to examine the extent to which the concerns highlighted in the mainstream literature are justified with respect to CIDA's financial support of two differently sized Canadian NGOs – CARE Canada and the International Centre for the Advancement of Community Based Rehabilitation (ICACBR).<sup>8</sup> A case study approach has been employed because of the tendency in the mainstream literature to generalize, both in terms of the characteristics of governments and donor agencies, as well as in terms of NGOs themselves. Consequently, many of the observations in this literature are *anecdotal* and treat NGOs as homogenous and aggregate entities.

CARE Canada and ICACBR are the focus of this study because both non-profit organizations have received substantial grants from CIDA to undertake projects in Bosnia-Herzegovina (BiH) following the end of the war in December 1995. The stakes for all NGOs in BiH are high because of the explicit role assigned to "civilian organizations and agencies" in Annex 10 of *The General Framework Agreement for Peace in Bosnia and Herzegovina* (also known as the Dayton Accord). In other words, agencies such as CARE and ICACBR have been given an *officially sanctioned* responsibility for emergency relief and reconstruction, as well as for repairing the social, economic and political divisions created by the war.

The structure of this paper is as follows. First, I will introduce the three primary criticisms of donor-funded NGOs that are presented in the literature. The second section will briefly address several institutional adaptations introduced by CIDA in the 1990s and then

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<sup>6</sup> Others frame the contribution of NGOs in a slightly different way. For instance, Bush argues that NGOs are ideally suited for peacebuilding tasks since they "typically occupy a strategically pivotal position in conflict situations, located as they are between societal and state actors" (1996: 254).

<sup>7</sup> Writing about World Vision International, Commins argues that "it is possible to be operationally accountable to governments in terms of the use of funds and yet remain accountable to low income communities where the NGO is carrying out programmes" (1997: 143). Furthermore, Wils (1994: 75) argues that there is "not necessarily a trade-off between scale and effectiveness. This applies both to the social and political effects of large-scale programs and organizations, especially big NGOs that combine multiplier and access strategies [i.e. scaling up through the creation of NGO networks and community groups] with empowerment."

<sup>8</sup> CARE Canada and ICACBR have been chosen to contrast a relatively 'large' and a 'small' NGO, distinguished by the total number of personnel, annual expenditures, the number of countries in which the NGO is active, and whether or not it is part of a larger organizational infrastructure. Thus, while CARE Canada has 52 employees and is operational in 14 countries, ICACBR has 15 employees and is operational in 11 countries. Furthermore, CARE Canada is one of several national branches beneath CARE International, whereas ICACBR is a Canadian NGO. A final difference is that CARE Canada does not have a large research and advocacy role, whereas ICACBR is affiliated with a university research institution (Queen's University) and has advocacy as one of its explicit objectives.