THE INTERFACE BETWEEN "AID" DONORS AND RECIPIENTS

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A Research Report submitted to the Faculty of Business Administration, University of the Witwatersrand, Johannesburg, in partial fulfilment of the requirements for the Degree of Master of Management.

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DECLARATION

I declare that this Research Report is my own unaided work. It is being submitted in partial fulfilment of the requirements for the Degree of Master of Management in the University of the Witwatersrand, Johannesburg.

It has not been submitted before for any degree or examination in any other university.

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Name of Candidate

On this 30th Day of June 1991.

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ABSTRACT

This research report is a descriptive study of the interface between donors of aid and recipients of the aid in South Africa. It examines a range of relations that exist between donors, particularly business donors, and recipients. The possibilities for developing a mutually beneficial relationship between donors and recipients are examined as well as the real preferences of donors and recipients. The report focuses on the question whether aid may actually diminish self-reliance among recipients.

The statistical tools used in this study are factor analysis, the t-Test and the median.

The findings of the study are that aid does diminish self-reliance. Relationships between donors and recipients are strained by the fact that neither fully accepts the legitimacy of the other. This is particularly true concerning the motives of both parties. The rapport between donor and recipients is found to be a major factor contributing to amicable relationships. Church funds as compared to other sources of funding are most preferred by both donors and recipients. Strong negative perceptions exist about the role of business in "community empowerment" activities.

Based primarily on the works of Mosley, (1987); Galtung, O'Brien and Preiswerk, (1990) and other theorists in this field, the study establishes some of the crucial items involved in the donor and recipient relationship. In this context therefore, as one of the exploratory studies in this field, and in the absence of any previous empirical work, the research report contributes significantly to knowledge about donors and recipients particularly insofar as to how these relationships could be improved.

CHAPTER 1

THE INTERFACE BETWEEN "AID" DONORS AND RECIPIENTS

1. INTRODUCTION

Since 1948 the implementation of apartheid, with its consequent effects on the South African population, has combined with other factors to create widespread poverty in the country. Homelessness, unemployment, (particularly youth unemployment) and a grave deficiency in educational and health facilities remain as some of the major problems that face us.

The degree of inequality that exists between the haves and the have-nots, between races and between classes of society is a striking feature of South African society. Wilson Francis and Ramphele Mamphela, (1988) suggest that 20 percent of the population owns 75 percent of the wealth, compared with 62 percent in Brazil and 30 percent in the United States. Sinclair Michael, (1990) suggests further that

> **"The factor which distinguishes South Africa from other countries is the extent to which the impoverishment of the majority black population is the consequence of deliberate government policy and the ochestrated actions of the White minority. The pervasiveness of institutionalised racism in South Africa is unparalleled.**

> **The res lt is that without opportunity   advancement or avenues of resources, the powerlessness and poverty of the black majority is more absolute and more personally degrading than in societies where the poor at least retain a measure of personal dignity."**

Since 2 February 1990 the prospect of the demise of apartheid has forced the major players in the society to look beyond apartheid as the sole cause of poverty and inequality.

This perspective recognises that South Africa being a developing country, albeit a strategic economic region for the rest of Africa and particularly Southern Africa, shares the major features of underdevelopment experienced elsewhere. Over 60% of South Africa's population is under the age of 2 Population growth is more than 2% per annum. Unemployment is over 20% and as much as 65% in some regions of the country. The inflation rate is a d ble digit figure and is amongst the highest in the world. The recent Gulf crisis has thwarted some of the major efforts to control inflation.

Business and politicians have had differences of opinion about the best way to curb inflation, generate wealth and bring about equality (Schlemmer Lawrence; 1990) The once popular ANC slogan of **"Nationalisation"** as the only means available to bring about equality has not met with any great enthusiasm from business. In fact, there has been painstaking efforts to counter any suggestions of nationalisation as a viable means of bringing equality. At a conference of the South African Institute for Fund-raising, Anglo American's Clem Sunter, made reference to the fact that nationalisation can be likened to slicing up a dead horse so that everybody should have a share. In his view this would not work to create equality, but would rather lead to extreme poverty and starvation. What was needed, he suggested, was to create opportunities for everybody to participate effectively in the development process based on a market economy.

On the other hand, Feinstein Andrew J, (1990) in a key-note speech at a Gencor CSR Conference cites Fuad Cassim, an ANC economic advisor as saying;

> **"The future government will lead the change for economic growth .... we will use redistribution to meet social needs, create new demands, and reduce social conflict due to differences in material possession... We would like to do this in co-operation with the business sector, but if that co-operation is not forthcoming, the government will not shirk its responsibility in this regard."**

In this context, Feinstein, (1990) also suggests that the corporate sector have to come out from behind the Friedmanite dogma that "the Business of Business is Business", and recognise the need to constitute itself as a constituency in its own right. Business must do this to ensure its rightful place in the post-apartheid scene. CSR he suggests;

> **"Would seem to be the one obvious area in which business can head off the nationalisation debates and win the legitimacy that it lacks at present with the key political players of the future."**

For many years, apartheid has been blamed for under-development and business has been seen as being close to and supportive of apartheid structures. This is inspite of suggestions by Schlemmer, (1990) that business has been less than successful in the sixties and seventies in [illegible]ing appeals for the rationalisation of [illegible]tion or for the integration of technical training or the liberalisation of immigration policy to offset the skill shortages business predicted or experienced.

The indictment against apartheid had elicited a variety of international responses to persuade the South African government to change its policies. Amongst some of these measures have been sanctions, disinvestment and divestment.

In 1986, the United States Congress passed the Comprehensive Anti-Apartheid Act (C.A.A.A.) which appropriated in excess of US$ 40 million in economic support funds (approximately R120 million at the time) for the financial year 1987 to constitute itself as a constituency in its own right. Business must do this to ensure its rightful place in the post-apartheid scene. CSR he suggests;

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Prior to this, the European Code of Conduct and the Sullivan Code of Employment Practice also existed. These efforts required of European and American businesses operating in South Africa to advance primarily the position of their Black workers. This heralded the era of fair employment practices, the eradication of racism in the work place, the advancement of Black employees and the resultant affirmative action programmes, the ushering in of equal opportunity companies. Quality of work life programmes and Corporate Social Responsibility became the major theme of this era. (Financial Mail, 1989)

The existence of poverty, the availability of funding and the anathema of apartheid seemed to open a flood of philanthropic activity around such issues as education, homelessness and job creation.

The community development sector also gained a new momentum. Corporations, governments, philanthropic organisations, churches and the labour movements gained added vitality. This vitality and growth brought about new debates and new relationships on issues of funding, including the discussion on the legitimacy or illegitimacy of certain sources of funding.

More recently, controversies arose regarding the R2 billion fund (later named the Independent Development Trust) which the State has put into the custody of Mr Jan Steyn.

On the one hand a number of people in the Black community indicated a reluctance to participate in the scheme yet others were reportedly guardedly in favour of participating in the management of this Fund so as to have a measure of control on where and how the funds are allocated. Recently this Trust has unveiled its first project being the building of primary schools in the Eastern Cape, an area of great deprivation with unemployment close to 70%. (Saturday Star, 1 December 1990)

These controversies are reminiscent of the 1976 era when the business community established The Urban Foundation. Charges were made to the effect that business was protecting its interests and creating a buffer class of blacks or even the fact that it was counteracting the militancy of the working class.

More recently the Chairman of Liberty Life injected a further R100 million towards development efforts.

It is against this background of greatly increased funding from international and domestic sources and the rapid growth of non-governmental organisations and projects that this study of the

Interface between **"Aid"** donors and recipients should be viewed.

1.2 The Research Problem and Proposition

In South Africa there exists an exceptionally large number and a wide variety of community or service organisations, referred to as Non-Governmental Organisations (NGO's). These organisations deal with a variety of socio-economic issues, ranging from changes in government policy through to the eradication of ill-health and other social ills and problems.

In a study on **'The Future of the Non-profit Voluntary Sector in South Africa'**, Lee and Buntman, (1989) suggested that there are more than 7000 separate non-governmental organisations in South Africa, with the possibility that over 5000 regional operations or branches across the country also exist within this sector.

These organisations are involved in activities such as the creation of employment for the un- and underemployed, informal and formal education at all levels, uprooting hunger, encouraging small business development and fighting legal injustice, as in the struggles for deregulation of businesses and white residential areas. Lee Robin H and Buntman Fran, (1989) suggest a classification of 47 groupings of activity for the more than 7000 existing groups.

Micou & Mckinstry, (1990a) recently concluded a quantitative survey in which she identified over 1 633 individual initiatives in the area of skills training alone, which she classified into 91 categories. These initiatives were mainly non-formal, non-governmental and not-for-profit.

A majority of the organisations providing these services proclaim a central notion and have an ideological affinity. This centres around the concept of "self-reliance", or independence from the donor. In a persuasive note for US grant-makers, Sinclair, (1986) endorses this approach when he suggests that donors must;

> **"Be guided by the needs and aspirations of black South Africans, allow blacks to manage the initiatives from the outset, address the basic causes of black disadvantage, make a long-term commitment; attempt to harness resources other than money, such as computer and agricultural equipment, training and technical expertise to ensure the effectiveness and long-term impact of the initiative."**

Schlemmer, (1990) cites Bethlehem who he suggests, has thought a great deal about these issues as saying that;

> "Businessmen should work creatively with socialists in the community ... to promote co-operatives and perhaps even help them by seconding management."

Further, Schlemmer, (1990) is of the opinion that by creating ownership trusts for black co-directors and managers, business might jointly attempt to create and help to manage black corporate development on a scale capable of producing a critical mass in the short-term.

Government departments, South African and foreign business and other foreign agencies, including church organisations, continue to provide funding to these organisations, to assist them in the hope that ultimately the recipient organisations will become self-reliant. Business, which is one of the leading actors in this activity also often speak of avoiding dependency and promoting self-reliance. (O'Dowd Michael, 1982).

However, despite rhetoric on both sides, doubt exists as to the real effect of "aid" on recipient organisations.

Kobus Visagie, (1990) Manager of the Gencor Development Trust, in his invitation and opening remarks at the Gencor CSR Conference said;

> **"The perceived duplication of effort and wastage of precious resources on low priority projects by individual companies are both limiting the effectiveness of C.S.R. on national level and fragmenting business influence as a pressure group - politically and socially. Calls for nationalisation are enhanced by the apparent lack of co-ordination in private sector spending in the South African society. Therefore, the need for united business intervention in both the CSR and political spheres has never been more pressing."**

He further suggested that given recent political developments CSR is potentially the most effective guarantee of business's own long-term interest in a post-apartheid South Africa.

Given such rhetoric from both recipients and donors it would seem that the "Aid" relationship is characterised by tension and conflict. For this reason, this study will explore the central question, **"Does Aid promote or diminish self-reliance in the Recipients?"** Starting from the conflicting statements, and observable contradictions that exist in the donor and recipient relationships amongst NGO's, this study aims to explore;

(1) A set of relationships that exist between the recipients of funds and the providers of funding, (especially the private sector) for development programmes, within the context of the theory of self-reliance and community control on the one hand and the reality of dependence creation on the other.

(2) The extent to which funding helps or hinders the attainment of objectives as perceived and set by the projects and programmes themselves. Do these objectives conflict with the objectives of the funders?

(3) The real preferences of funders and community service organisation (NGO's) respectively, so as to provide a basis for a more mutually beneficial relationship between funders and the recipients of funds. These observations could be of practical use in a future South Africa.

In this context we can state as a proposition that, the capacity to achieve effective "community empowerment" (as advocated by the self-reliance theory) is dependent on non-governmental organisations, business and government co-operating to bring about effective

development at the local, regional and national levels.

1.3 The Significance of the Study

The events that have occurred since 2 February 1990 have set a new stage and defined the emergence of a new relationship with the South African Government by community organisations, businesses and the international community.

For the first time since the National Party took power in 1948, the South African head of state has been received with approval by the heads of state of the United Kingdom, some European countries and the United States. The once high tempo of sanctions is beginning to diminish in the world scene. On the 15 December 1990, the European community announced the lifting of the ban on new investments in South Africa. This occurred just after the ANC Consultative Conference had resolved that the international community must maintain sanctions.

Increased efforts to galvanise funding locally and internationally have become the order of the day. Various causes are advanced that require urgent funding: the return of exiles, economic development and other similar issues are on the agenda in many business boardrooms, aid agencies and NGO's.

Very recently the Deputy President of the ANC was denied $25 million by Japan, which reportedly preferred to fund **"development activities"** rather than give money to politicians. (Sowetan, 30 October 1990)

This happened after the ANC leader had already gained substantial support in countries such as Indonesia, Australia and others.

The Kagiso Trust, one of the major conduits of European assistance to the victims of apartheid, recently announced the phasing out of political and legal assistance programmes in favour of development initiatives. The Trust announced a budget in excess of R90 million which will be channelled to development assistance. (Business Day, 26 October 1990)

Many projects, NGO's, Aid Agencies and Foreign Affairs Ministries are visiting or have visited South Africa recently to review the situation or alternatively are reshaping their priorities, levels of funding and criteria for funding towards development activity.

In the course of this, commitment has strengthened to aid the poor, to cater for the un- and underemployed, particularly the youth, and to accelerate development programmes.

Against this background, this descriptive and exploratory study into the real preferences, motives and objectives of donors and recipients alike will be of assistance to all parties concerned. The "**public declaration of interests**" by both donors (particularly business) and recipients will assist in working towards effective social progress.

It is conceivable that NGO's will play an increasingly significant role in the determination of governmental priorities which should have regard to the real development and empowerment issues facing target communities. The study will assist in the clarification of these issues and may contribute to the effective use of real, substantial financial resources, coming directly from a legitimate government to be established in the near future.

1.4 Delimitation of the Field of Study

Based in the United States, a South African, Sinclair, (1986), conducted 76 personal interviews with people involved in community development and institutionally associated with community development in South Africa. These included blacks running organisations such as the South African Committee for Higher Education (SACHED), the Self Help Associates for Development Economics (SHADE), the Churches, the Get Ahead Foundation and others. It also included 7 white people associated with development activities, including Operation Hunger. Based on this study, another conducted by himself and the work of others, Sinclair, (1988) suggests that;

> **"Despite the ideological distaste with which blacks view the global activities of the United States, the reality is that there is no comparable alternative source of material assistance for Community Development. This fact is an additional source of discomfort and a major influence on the seemingly begrudging attitude towards American assistance."**

Similar observations have been made by many other observers about the reluctance of community organisations to accept funding from South African business. [Lee and Buntman, (1989)]

In the American context, Micou, (1990b) identified more than 55 South African organisations providing educational assistance to South Africans. Micou A McKinstry and Draper, (1990) identified 61 organisations providing assistance to South African exiles and refugees. Micou A

McKinstry, (1989) further identified 15 US related Corporate Trusts in South Africa and a significant number of US Church-related funding organisations for South Africa. In this report it is stated that;

> "From interviews conducted, some of the mission programmes in the US are maintaining their financial support of educational programmes in South Africa, specifically theological education and work ... other mission directors are more politicised and are calling for more aggressive forms of church action on the role of financial institutions and corporations in South Africa."

In a snapshot survey conducted by the Financial Mail, (1989) involving foreign, locally controlled English-and-Afrikaans-dominated companies, the publication concludes:

> "There is a definite trend towards greater consultation with communities. There is also a trend to encouraging self-help programmes and those that empower people to take actions to improve their quality of life."

Running contrary to this view, Olasky, (1987) suggests that the "love of mankind" (philanthropy) plays a relatively small part in most company giving. Contributions are made for very practical reasons including, corporate executive personal importance, peer pressures, spousal involvement, ideological considerations or simple public relations. He further suggests that personal, ideological and utilitarian considerations are the crucial variable in giving. Development and self-reliance activities are often not high in the real corporate agenda. It must in fairness be said that this is an unusually negative view, balanced by many other positive motivations. Clearly however a difference of opinion exists concerning the real motivation of business in providing financial assistance to development agencies.

The perceived economic efficiency of grant recipients is also important. No company wants to pipe money to organisations with buckets so leaky that resultant spills become a public embarrassment.

A wide variety of European sponsored activities exist within South Africa, such as the Kagiso Trust, the Churches and European-based corporations such as B.P., Shell, and the initial signatories of the European Code of Conduct.

Co-existent with the large number of funding organisations in South Africa or assisting South Africans to ameliorate their social problems there is obviously a wide range of related community development programmes and service organisations. Sinclair and Weinstein, (1988) identify a number of these. So does the Financial Mail, the study by Lee and Buntman, (1989) and other sources.

The existence of large numbers of both donors and recipients is not all positive news. If, as Sinclair, (1986) points out, blacks are caught up in ideological contradictions and debates regarding sources of funds, this may lead to what he terms **"bad-mouthing"** (Sinclair and Weinstein, 1988) amongst community organisations. Then little or no effective development will be achieved despite the massive amounts of funding that will be made available from various sources, including business. The varied reactions in the black community to the R2 billion Independent Development Trust remind us again of these ideological contradictions.

Of course, this issue has been investigated widely in other countries such as the USA and many European countries. [Cassen R and Associates, 1987; Guess M George, 1987; Mosley Paul, 1987; Lappe' Moore Frances, Collins Joseph and Kinley David, 1981; Hayter Theresa and Watson Catherine, 1985]. This study will use international evidence where appropriate to draw attention to similar dynamics in South Africa.

From the stated contributions in the field it is obvious that more empirical research is required to determine the nature of a set of relationships that exist between the providers and recipients of funds in South Africa. The research indicates that only the identification of funders and recipients has so far been explored, but not the nature or quality of the set of relationships between them. Without a study of these relationships, priorities, preferences and real motives, foreign aid and CSR initiatives may well continue to be channelled through leaking buckets full of holes.

In the conclusion to their study of NGO's in South Africa, Lee R H and Buntman F, (1989) state;

> **"An area that needs further analysis and research is corporate donations policy. Very often, there are differences between the stated policies of companies and their actual donations spending."**

The present study pursues this theme, by attempting empirically to reveal the relationship between donors and recipients, especially as regards the issue of "self-

reliance" of the recipient, as this is perceived by both parties. The study does not purport to offer **"solutions"** for this relationship, but rather through factor analysis of indepth interviews to generate propositions that can be further investigated.

CHAPTER 2

LITERATURE REVIEW

A survey of the literature on the subject of this report revealed two major factors. Firstly, a large portion of the literature and research on **"aid"** and **"philanthropy"** concentrates on the levels of national governments and/or bilateral governmental agreements. **"Bilateral"** levels refers to governments of donor countries giving aid directly to governments of recipient countries. In many instances this is also done through multilateral government relations - where donor governments have established NGO's or aid agencies such as the International Monetary Fund (I.M.F.) and or the World Bank to transfer aid to recipient countries through the parastatal organs of the recipient countries.

Secondly, in most research on this subject which deals conceptually or empirically with issues of relationships and the impact of aid, South Africa does not appear, or at least it is not counted in the last decade. The literature therefore does not touch on South Africa other than occasional discussions and papers primarily focussing on the abolition of apartheid. This is in part a consequence of the academic boycott, as well as the relatively recent appearance of South Africa as a large scale recipient of indirect aid.

On self-reliance and community participation, the ideas of Galtung J, O'Brien P and Preiswerk R, (1980), as well as Kotze D A, (1983); Midgley J, Hall A, Hardiman M and Narine D, (1986) and Korten D, (1987) provide helpful insights.

For the discussion on aid, the literature survey draws heavily on the work done by Mosley Paul, (1987), as well as Cassen and Associates, (1987), who seem to provide very helpful concepts to the understanding of this subject matter.

1. **SELF-RELIANCE**

Non-governmental organisations involved in development programmes or what is popularly being referred to as the **"transformation of society"** or, alternatively **"community empowerment"** programmes, tend to lay emphasis on the need for ultimate self-reliance. This is in part an influence of development theory that has been propagated through the well-known father of self-reliance - Julius Nyerere with respect to the Ujamaa approach and African socialism. (Many South African programmes have tended to look towards countries such as Zimbabwe and Tanzania for inspiration.) The strong identification with socialism by many development programmes may also have been responsible for this influence.

In part, grant-makers or donor agencies tend to make the need for self-reliance a standard criterion for consideration of grants to recipients. A conviction about and affinity to democracy also has a bearing on the way in which development programmes structure themselves.

In this section we consider the theoretical implications of self-reliance, its practice and outcomes.

Grosclaude C, (1980) in Galtung, et al; (1980), page 301 suggests;

> **"One tremendous advantage with the term "self-reliance" is its openness. The term has a certain nucleus of content, but it is up to all of us to give it more precise connotations. (In fact, that would be the only self-reliant way of going about defining the term 'self-reliance')."**

This view about self-reliance seems to suggest that being self-reliant depends on oneself. The central question that must be asked then in this context is, how does a concept seen differently by parties engaging in a relationship - as in Donor and Recipients - govern that relationship? Is it feasible to talk of self-reliance when in fact each party involved in the relationship sees it differently?

The views of Galtung, et al; (1980) suggest several issues for consideration. In his discussion of self-reliance concepts, practices and rationale, Galtung, et al; (1980) makes the point that self-reliance is not merely an abstract recipe or a way of organising an economy with heavy emphasis on the use of local factors; rather, it is:

> **"A very determined struggle against any kind of centre-periphery formation with the ultimate goal of arriving at a world in which each part is a centre."**

In this context Galtung, et al; (1980) would suggest that self-reliance should encompass the breaking of old relationships in order to build new ones. The centre and the periphery must be brought together on a more equal footing.

The **"centre"** in this context is the **haves**, while the **periphery** refers to the **have-nots**. Galtung, et al; (1980) emphasises that the relationships of the developed countries with the developing countries may be defined in these terms: the **"haves"** and the **"have-nots"**, the **"centre"** and the **"periphery"**. He maintains that the problem the world faces is one of mal-development and not under-development. In this context therefore it would be imperative for each locus of activity to be self-reliant and in that way relate on an equal footing with any other locus of activity.

In Galtung's, et al; (1980) view, the essential ingredients for self-reliance include power and penetration, fearlessness and invulnerability. A local populace pursuing self-reliance in any given situation needs to have control over their own needs and the resources with which to satisfy those needs. In turn, the mobilisation and utilisation of resources needs creativity and innovation. These should lead to the ability to withstand manipulation and to increased capabilities on the part of the local populace. The control of own needs and the resources through which these needs are met should lead to less alienation and to ideological balance within that local community. There should be solidarity with others at the same level. Galtung, et al; (1980) implies that the "periphery" - or the "have nots" - need to pledge solidarity with each other so as to effectively relate with the "centre" - (the "haves") - on an equal footing.

Galtung's, et al; (1980) views are reminiscent of the philosophy of Black consciousness. Wilson and Ramphele, (1988) for instance, within the context of providing a framework for thinking about issues involved in eradicating poverty suggest that;

> **"Black consciousness by its very nature helped to free Black South Africans psychologically from the oppressive slave-mentality of apartheid and the claustrophobia of White liberals in the 1980's. Self-respect and self-reliance replaced attempts to become incorporated into well-meaning, White-dominated institutions. Instead it began for the first time to create independent community programmes which sought to live out these ideals in practice."**

Kotze, (1983) refers to this idea as expounded by black consciousness as **"communalism"**, evidenced by the movement setting up community development projects to inculcate black norms and values which stressed the inherent goodness of being black. Within the context of what he defines as the culture of poverty Kotze, (1983) also refers to **"self-reliance"** as a second development strategy, the first being **"dissociation"**. Self-reliance in his view is a less radical version of dissociation. Dissociation emphasises indigenous values, community service, economic and cultural independence requiring radical changes in domestic and international relations.

Almost on a continuum Kotze, (1983) refers to a third strategy of development, which he refers to as an **"alternative way of life"**. This encompasses amongst other things the voluntary isolation of groups within society.

Community Development Programmes often refer to some or all of the aspects suggested by Kotze, (1983) within the context of self-help and self-reliance. These ideas are closely related to those advanced by Galtung, et al; (1980).

Tickner O, (1980) in Galtung, et al; (1980) (pgs 58-79), comparing Rosseau's concept of self-reliance with contemporary theorists, asserts that in Rosseau's thinking, national self-reliance was to be achieved through self-sufficient economic organisation, the moulding of a strong national character and appropriate political institutions whose forms were dependent on geographic size.

The ideas presented by Grosclaude, (1980); Galtung, et al; (1980); Tickner, (1980); Kotze, (1983); Wilson and Ramphele, (1988) on the issues of self-reliance have major implications for community development programmes based upon the concept of self-reliance.

In terms of these views it must be noted that whilst these programmes have a significant input to make in society, they are only micro-level initiatives. It is in this context therefore that Midgley, et al; (1986) views must be taken seriously.

In his consideration of the issues of social development and local self-reliance within the context of community participation, Midgley, et al; (1986) is of the opinion that most proponents of community participation seem to neglect that the state is today a major provider of social development services and as a policy-maker, it largely determines how social development programmes will evolve. Lee and Buntman, (1989) for instance, in their research on the future of voluntary organisations in the non-profit sector, refer to the South African legal framework within which these organisations operate. It has the power to shape and determine the nature of community participation in many Third World countries. Midgley, et al; (1986) argues for the need to harmonise state and community relations in the promotion of social development.

Almost in contradistinction to Midgley, et al; (1986) views, Cobbet M, (1987) argues that in order for community development programmes to gai control of their own destiny, full participation by group members in increasing internal problem-solving capacities is essential. In Cobbet's, (1987) view the participation of the powerful must have restricted value in community development projects and should never be dominant otherwise the project will lose its raison d'etre and community participation will decline. The influence of the powerful and their participation must be monitored.

Korten D, (1987) is more flexible. He refers to the concept of **"Community Management"**. In this concept, the elements of self-reliance suggested by Cobbet, (1987); Galtung, et al; (1980); Tickner, (1980); and others are represented.

Korten, (1987) refers to Community Management as involving a concern with community control and the management of productive resources, which goes well beyond a more conventional concern with participation in the planning and implementation of externally controlled development projects. He refers to the concept of generative power where every individual has a maximum opportunity to be an influential member of an active and productive community. In Korten's, (1987) view a position of power that is dependent on the weakness of another individual is excluded.

CONCLUSION

The views presented by Korten, (1987); Galtung et al; (1980); Kotze, (1983); Cobbet, (1987); Wilson and Ramphele, (1988); Tickner, (1980), seem to be prevalent amongst recipient NGOs and donors. Often there is disagreement about the essence of these concepts in development. Difficulties exist also regarding the extent to which these sentiments can be or are operationalised. Even though there is a tendency in Galtung's, et al; (1980) view to concentrate almost exclusively on the macro-level, the pressures created by apartheid have forced the strong emergence of the concept of self-reliance at the community level. Kotze, (1983); Wilson and Ramphele, (1988); and Cobbet's, (1987) views are indicative of this trend.

With the emergence of a probable democratic government in South Africa, Midgley, et al; (1986) views will have to be taken more seriously. This to a large extent is concomitant with our proposition that the propensity for effective community development is dependent on effective co-operation between NGO's, business and government.

Business, with its giving programmes, often referred to as **Corporate Social Responsibility,** can be seen as part of the **"centre"** in Galtung's, et al; (1980) terms. Foreign Aid and other donors of what is traditionally referred to as philanthropy also assume the role of **"haves"**.

Sinclair, (1986) refers to organisations espousing self-reliance as **"pockets of opportunity"** through which donors can encourage the empowerment process. The study by Lee and Buntman, (1989) suggests that rather than referring to these groups [illegible] their activities as pockets of opportunities they should be seen in fact as opportunities for empowerment of communities through the non-profit sector.

This study will attempt to determine whether there is agreement between recipients and donors about the essential factors that promote self-reliance. It will also establish how the experience of donor and recipient relationships reinforces, compromises and or nullifies the notion of self-reliance.

2. AID, PHILANTHROPY AND CORPORATE SOCIAL RESPONSIBILITY

Community Development Programmes or Empowerment programmes as discussed in **Chapter 1**, deal with a variety of socially, economically and sometimes legally disadvantaged groups. For this reason, most of these activities rely on funding external to their own. The concept of the haves and the have-nots, the periphery and the centre as posited by Galtung, et al; (1980) again plays a significant role here.

Invariably the private sector, foreign governments, and a variety of philanthropic charities have been engaged in the growth, maintenance and survival of the Community Development Sector.

2.1 Definitions

2.1.1 Aid

General agreement seems to exist that Aid refers to money transferred on concessional terms by governments of rich countries to governments of poor countries [Mosley, (1987)]. Cassen, (1987) emphasising the same notion, suggests:

> **"the fundamental idea of aid is a transfer of resources on concessional terms - on terms that are more generous and 'softer' than loans obtainable in the world's capital markets."**

The literature review on Mosley (1987) and Cassen and Associates (1987), tends to suggest that Aid is formal. It is provided and regulated by governments through their own Aid agencies or multilateral institutions. It is governed by the enactment of laws for instance, the US Foreign Assistance Act of 1961. Its origin is vested in the political interest of the donor country. A degree of compassion may exist as evidenced in the tax contributions made by the population of the donor country. However, as aid is primarily determined by the motives of the donor country, it is perceived as an arbitrary and unreliable support for genuine self-reliance.

2.1.2 Philanthropy

Payton R, (1988) whilst making references to similarities between foreign aid and philanthropy, suggests that there is a significant difference in the two concepts. He asserts that philanthropy encompasses acts of mercy to relieve suffering and acts of community concern to enhance the quality of life and to ensure a better future for the general public.

Payton, (1988) emphasises further, that philanthropy has become a third force, an **"independent sector"**, co-existing with the private and public sectors of the economy.

Novak Michael, (1988) in Payton, (1988) (pgs 11-25), suggests that philanthropy is voluntarily provided. Its common thread with Aid is that there is a sense of public-spiritedness and the love of mankind by those who have to those who have not. Philanthropy is voluntary giving for public purposes. It is independent from government initiatives, though operating within established legal frameworks. According to Payton (1980), philanthropic people mobilise themselves and others around moral rather than political or economic purposes. Philanthropy is flexible. Unlike aid, it does not have to wait for appropriations by law, meeting only those needs defined by the law through the law. It is more open and sensitive to community needs. The public-spiritedness of philanthropy presumably makes the meeting of needs easier, but possibly also less systematic and effective.

Olasky M, (1987) submits a dictionary meaning of the concept of philanthropy - **"The Love of Mankind"**. Sinclair Michael and Weinstein J, (1988) provide no definition of the concept except to link philanthropy with bequests of grant-making companies as "charity" that began in the U.S. and which extended later to international levels.

2.1.3 Corporate Social Responsibility

There is wide-ranging debate within the private sector about the meaning of the term Corporate Social Responsibility. Reference is made to Corporate Social Investment as being preferable to Corporate Social Responsibility. [Rantla M, (1986); Epstein Edwin M, (1989) and Feinstein Andrew J, (1990)], suggest the use of the term Corporate Social Responsiveness since business needs to be proactive in society. Suffice it to suggest that while no formal agreement exists as to its meaning there is widespread agreement regarding its objectives and priorities.

In an investigation of CSR in South Africa the Financial Mail Survey (1989) concluded:

> **"Corporate Social Responsibility or Investment is a vague term, covering old-style charity to business lobbying on political issues. But most companies accept that its an essential aspect of doing**

> business here. For some ... the past continues, its contributing to the building of a post-apartheid society. For others, its being a good citizen."

For donors, aid, philanthropy and corporate social responsibility or corporate social investment seem to be different at least in theory. Community Development Recipient Programmes or NGO's do not seem to make these distinctions. For this reason we shall consider each of these terms so as to see where the different points of emphasis lie. The present study will also reflect on how the recipients perceive each of these sources of funds and the extent of their impact in meeting the empowerment process as defined by recipients and donors. This is significant as it invariably defines the nature and quality of relationships that donors and recipients will maintain.

CONCLUSION

The views of Mosley, (1987); Cassen et al, (1987); Nova , (1988); Payton, (1988); Epstein, (1989); and others seem to make a distinction with respect to the sources and purposes of funds that encourage or promote community empowerment.

Community Development Programmes (NGO's) at all levels engage with aid, philanthropy and corporate social investment funds. Preferences exist amongst NGO's about which funds are more likely to promote self-reliance and community empowerment. The extent to which the self-interest of the different sources of funds are perceived is likely to define the quality and nature of the relationship between donors and recipients.

This study seeks to explore these relationships so as to suggest that the definition and matching of self-interest by both the donor and recipients will lead to the mutual enhancement of the empowerment process as defined by both parties involved in a donor-recipient relationship.

2.2 The Motives and Objectives of Aid

There is a wide range of opinion about the real motives and objectives of donors. This is irrespective of whether donors represent aid, philanthropy and or corporate social investment. However, agreement exists that this activity in fact constitutes **"big business"** in today's world. [Mosley, (1987); Cassen, (1987)] Lee and Buntman (1989) estimate that by 1988 an amount close to R2 billion per annum was being provided through various channels to South African NGO's. They also, fairly, conclude that during the 1980's, the **"non-profit sector has grown faster than the economy as a whole".** Since 1988, this sum has probably increased by increased funding from the USA [Baker (1989)] and from Europe [Renshaw (1990)]. In addition, in 1989 Liberty Life allocated a total of R100 million to its corporate social investment programmes. In 1990, the Independent Development Trust was established with a capital base of R2 billion (of which R160 million had been allocated by the end of 1990). Corporate expenditure was estimated at R200 million for 1989. In addition, the Kagiso Trust will expend R90 million in 1991 and substantial funds are available through the Canada Dialogue Fund. In announcing a partial lifting of sanctions early in December 1990, the European community also committed itself to substantial increases in funding for development projects in 1991.

Mosley Paul, (1987) estimated that development assistance funds from the western governments constituted $35 billion in 1985. Cassen, (1987) estimated $28 billion in 1984. Those figures exclude South Africa. Effectively though even if

South Africa has not been counted as one of the largest recipients of aid, it is obvious that the anathema of apartheid has provided, however small by international standards, some form of aid money.

Mosley, (1987) upon whom I heavily draw, suggests that overseas aid is a by-product of decolonisation. He suggests that the expression **'overseas aid'** is not found in newspapers or official documents until after the Second World War. However he points out that since the 19th Century it has been common practice for governments to transfer money on concessional terms to the governments of their colonies under the label **"grant in aid", 'budgetary subsidy'** or some such term.

Mosley, (1987) further suggests that very frequently **"aid"** of this sort has to be kept going longer than planned because the colony's budgets had been thrown into deficit by unexpected expenditures arising from the suppression of revolts by the indigenous people. Grants in aid by colonial authorities to their colonies fulfilled the function of propping up the bottom end of the international capital market. The word development was not part of the international vocabulary at that time.

After consideration of various factors Mosley, (1987) suggests that aid is not well correlated with development:

> **"There appears to be no statistically significant correlation in any post-war period, either positive or negative between inflows of development aid and the growth rate of GNP in developing countries when other causal influences on growth are taken into account."**

Though Mosley's, (1987) discussion primarily focuses on government relations, it is not inconceivable that similar processes operate for community level programmes receiving foreign or corporate financial assistance.

The political imperatives for aid as motivation for involvement in development activity are in recent times well illustrated by Sinclair and Weinstein, (1988) and Baker, (1989) in respect of the U.S. Government Comprehensive Anti-Apartheid Act. (C.A.A.A.) This Act, for instance, provides amongst other things the need to support US policy initiatives in South Africa so as to build bridges between the United States and the legally disadvantaged. The promotion of non-violent political and social change to end apartheid through South African institutions working towards this objective was central to the C.A.A.A.

The European Community criteria for the special programme for the Victims of Apartheid dealt primarily with the fact that programmes that were to receive support needed to be non-racial, democratic, non-governmental and subscribe to the general idea of uniting people of different cultural, racial, and ethnic backgrounds. This source also seems to have political imperatives.

Hellinger S, Hellinger D and O'Regan F M, (1988) in discussing the Politics of Aid within the context of U.S. Foreign Policy, suggest that its significance lies in its policy leverage. They assert;

> **"As a tool of foreign policy-making, it has been used consistently by the State Department through the Agency for International Development (AID)."**

Hellinger, et al; (1988) further criticise the lobbyists for aid for popularising cliches such as "aid for the **"poorest of the poor", "basic human needs", "employment generation", "rural development"** and **"interdependence"**. They argue that such cliches are only used as political manoeuvres to direct aid where the lobbyists want it to go. They argue that aid is not neutral. Its impact is a function of the institutions that utilise it and the circumstances in which they will operate. If the appropriate institutions cannot be funded or if they cannot operate freely, the poor will generally be served best by no aid at all. This may be an extreme reaction to the practicalities of aid, but it does illustrate the significance of the extent to which donor motives operate in determining the flow of aid.

In a similarly scathing attack on the Aid community and citing the F.A.O. (Food and Agricultural Organisation) and other aid agencies of the U.N., Marcus Linear, (1985) argues that aid agencies tend to have inappropriate standards and values, usually in conflict with the dictates of the community they serve. He argues that aid agencies do not plan with their **"target constituencies"**. Usually, they argue, aid organisations work for the benefit of their own countries, with agri-business, commercial banks and others benefitting more than the countries they are said to be serving.

Guess M George, (1987) views U.S. Foreign Aid as a highly politicised domestic programme conceived and applied through a host of large institutions subject to federal laws and administrative rules.

Recipient's interests are often ignored in both planning and implementation because their needs cannot be defined consistently with U.S. bureaucratic routines.

He concludes that under these conditions it is not surprising that U.S. foreign aid is often ineffective; the wonder is that it ever succeeds by any criteria.

Elsewhere, Guess, (1987) emphasises the fact that often institutional mistrust between the recipient and donor occurs where expectations are several layers removed from either recipient or donor country. This leads to highly bureaucraticised programmes with many unintended consequences that lead to recipient-donor dependency and produce eventual "ward" status, as seen in countries such as the Philipines. Put differently, foreign aid tends to generate host dependency on complex projects with often unintended consequences for both donors and recipients.

Viewed in the strict sense of the fundamental concept of aid as a transfer of resources on concessional terms - terms that are more generous or softer than loans obtainable in the world's capital markets - Cassen and Associates, (1986) give a more positive view of aid. They suggest that;

> "most critics of aid are typically far from familiar with the enormous spectrum of aid activities, they often start from a political premise which determines their conclusion even before contemplation of such evidence as they examine."

In studying aid relationships using strict criteria such as the G.N.P. of the countries that receive aid and those that give aid to specific measurements of effectiveness, they conclude that in large parts, aid works. Countries such as Brazil, Korea and others are cited as examples.

They however note the conditions underwhich aid has not worked. These conditions obtain where, on the donor's side, excessive commercial or political motives are operating. Other factors include situations in which the donor is less interested in development than in sale of equipment or in the political gain from supporting certain regimes, ill-designed projects not taking into account the technical skills needed for the project, in attention to local circumstances and/or failure to profit from available experience, lack of communication between one agency to another as regards approaches that have failed in the past; and incentives to individuals in the agencies simply to get loans made.

On the recipient's side, some of the factors leading to aid not working include: the policy environment in which the recipients operate; administrative deficiencies in the recipient countries; political and commercial motives; attachment to prestige projects with low developmental priority; advanced and unsuitable technology; declining technical assistance that is really needed; lack of matching counterpart finances due to heavily strained local budgets; lack of co-ordination of aid by donors; and inadequate financial management. As for the absolute categorisation of exactly who is responsible for the failure of aid, they conclude it is a **"grey area"**.

Lappe' et al; (1981) conclude that aid has a tendency to reinforce power relationships and fails to help the poor to which the aid is intended. They write;

> **"The promotion of this wrong diagnosis permits many well-intentioned persons to be used by the real beneficiaries of foreign aid - multi-national corporations and their third-world partners - who are the most trenchant lobbyists for foreign aid."**

Mosley, (1987) argues that there are cases where aid has been used to affect policies of recipient countries, but that this is not indicative of current aid practice. Hayter and Watson, (1985) reinforce Hellinger, et al; (1988) and suggest that World Bank loans to developing countries are significantly anti-development.

Cassen, (1987) argues [in contradistinction to [Sinclair and Weinstein (1988); Hellinger, et al; (1988); Lappe' et al, (1981); Marcus (1985); Hayter and Watson, (1985);] that development aid, once viewed as an instrument of the cold war, is now scarcely able to carry out that role. Mosley, (1987) further suggests after study of support by the developing countries with respect to aid giving countries in the U.N. General Assembly, that it cannot be argued that support in the U.N. General Assembly is the kind of political influence which donors are trying to exert. He suggests that;

> **"Western donors have been accused of using the conditions attached to their aid as a means of forcing non-aligned developing countries with mixed economies away from socialism and public ownership towards free market economies."**

Guess, (1987) seemingly in support of Mosley, (1987) and Cassen, (1987) suggests that foreign aid is firstly erroneously credited with foreign policy success, as development projects fail and underdevelopment may be increasing. Secondly, that foreign aid is unjustly blamed for foreign policy failures.

It is clear that the evidence of the beneficial effects of foreign aid is open to different interpretations. It seems fair to say that no country has solved the problem of allocating aid purely to self-reliant development. The issue addressed by this report remains highly relevant.

The private business sector through its Corporate Social Investment Programmes as well as its Corporate Social Responsiveness Programmes often gets involved in development, presumably to be pro-active. Epstein, (1989) suggests that within the U.S., in the mid 1970's, a strategic and managerial concept of Corporate Social Responsiveness was introduced.

This concept was more anticipatory and pro-active in identifying social problems within the community. Through this concept business has found means for action, rather than redefining the ends of such action. Corporate Social Responsiveness is now primarily a "strategic management" issue, as is environmental scanning, social auditing and accounting and the development of corporate codes of conduct.

Feinstein, (1990) in his opening address of the Gencor Development Corporate Social Responsibility Summit suggests that the role of Corporate Social Responsibility is an attempt by business to fulfil a company's responsibility to the broader society in which it operates. He further suggests that the true purpose of Corporate Social Responsibility is to assist in the maintenance of a socio-political environment that is optimal to the practice of profitable business.

In their introductory remarks to the Social Responsibility Survey, F.S.A - Contact Limited (1990) suggest that the views of Mr Harry Oppenheimer are probably representative of many South African business organisations.

They cite him as saying;

> "The purpose of the Anglo American Corporation is to make a profit for the shareholders but to do so in such a way as to make a lasting contribution to the communities in which it operates."

They further cite Gavin Reilly of Anglo American Corporation as maintaining that this type of vol'intary expenditure is

> **"An investment in the future well-being of our society and of our country and must, in the long-term, be of benefit to our business."**

These views of the private sector imply an enlightened self-interest in that the kind of social investment engaged in is structured to guarantee the future of the **"corporation"**. [Bloom Tony, (1985) in Leap J. and B. Baskin, (1985), pgs 131-140]. It guarantees the future survival and profitability of the business.

CONCLUSION

If the relationship between donors and recipients is to be productive, then it must be mutually beneficial. For this to happen, there needs to be respect for one another's objectives and motives.

One of the significant debates amongst NGO's in the past years has been the incidence of **"bad-mouthing"**. (Sinclair and Weinstein, 1988). Accusations were levelled at the different intentions and motives of donors. These accusations work against the self-reliance objectives of the NGO's themselves. Donors likewise have not publicly declared their own objectives in getting involved in this "empowerment" activity.

This study seeks to identify which sources of funding are most credible to recipients. The matching of needs and mutual respect of donors and recipients for each other are paramount in successful donor-recipient relationships. To a large extent the motives and objectives of donors determine the extent to which certain funds are perceived to be acceptable or not acceptable.

2.3 Donor-Recipient Relations

From our discussion of the central notion of self-reliance which development activities should pursue in the eradication of poverty, we have established a number of principles.

These principles could be summarised as in Korten, (1987). They are: empowerment, both distributive and generative; full participation in decision-making processes; accountability, non-dependence upon outside help and community control. These criteria are implicitly and explicitly supported also by Sinclair, (1988) and Midgley, et al; (1986).

The tension between these sentiments and the views of Olasky, (1987), namely that corporate contributions are often made for personal, ideological and utilitarian reasons, provides an interesting backdrop from which to study the relationships that exist between donors and recipients in South Africa.

Antrobus P, (1987) illuminates this issue further by pointing to facts such as the complex process of obtaining financing for NGO's for development. Her discussion includes issues such as the sources of funding (against the background of political realities and ideological conflicts of the day); institutional procedures, priorities and practices of donor agencies; the constraints created by the relatively short-term nature of most funding; and the problem of vulnerability and dependency of NGO's whose main source of finance are external to the country. Pardon M, (1987) in exploring the future agenda of recipient organisations and donor organisations (which he calls respectively NGDO's (Non-Governmental Development Organisations), GRO's (Grassroot Organisations) and IDC's (Institutional Development Co-operatives) points out that their relationships are far from harmonious. In fact, they are expressed in a set of tensions and forces which on the one hand, lead to attempts to modify these contexts and on the other hand efforts to maintain the existing order of things, if not to legitimise it. These tensions are related to the often contradictory interests of power groups and governments. They are also related to the different points of view of the NGO personnel on priorities, regional concerns and preferences and even their personal backgrounds and ideological opinions.

Nyoni S, (1987) captures these contradictions well when she states:

> **"Most development agencies are centres of power which try to help others change. But they do not themselves change. They aim at creating awareness among people yet they are not themselves aware of their negative impact on those they claim to serve. They claim to help people change their situation through participation, democracy and self-help and yet many are non-participatory, non-democratic and dependent on outside help for survival."**

Nyoni, (1987) argues that if indigenous NGO's are to be true to the changes they claim to represent, they have to have organisational structures which take seriously the population they serve. They have to be democratic, participatory and self-reliant themselves, as well as promoting these values in the society they serve. In turn, this raises issues within the organisation of balancing democratic participation with the effective management of funds.

While Nyoni, (1987) aptly states the case for self-reliance and democracy amongst NGO's, Midgley, et al; (1986) points to the existing contradictions of this position. He argues that contemporary writings on community participation are distinguished more by lofty sentiments than by achievements. The difficulties of achieving effective community participation are not always recognised. Above all, he argues that the literature on the subject has not dealt adequately with the issue of the role of the state in community participation. Since the state now dominates the lives and affairs of its citizens to an extent previously unknown, advocates of community participation cannot ignore the activities of the state in social development. Practice internationally shows that effective development often entails co-operation between the state and NGO's. Business also often plays a significant role in this relationship.

In a rather dramatic description of the aid relationship, Mosley, (1987) describes the impact of aid as being different for the Finance Ministry in Tanzania or Nepal from what it appears to be in Washington D.C.

He suggests that in the past a clear perception of the aid process has been made difficult by the tendency to regard one or either party as the sole controller of the manner in which aid is used.

He suggests that whilst donors have their own conflicts and controversies at the different levels of implementation, the recipient governments also face a number of disadvantages. These include amongst others, uncertainty of prices; quantities of natural resources which themselves change without warning; droughts, floods and other disasters; lack of data; and political uncertainties due to frequent coup' d'etats.

Mosley, (1987) also indicates that often recipients accept funds that are not adequate to cover recurrent costs, because donors are eager to disburse money on capital items which cannot be effectively employed without additional inputs for recurrent costs. He wonders why this practice is still followed by recipient countries. The problem of multiple donors in similar projects is also significant. It impacts negatively on the recipient as it increases administrative overload, allows for technological proliferation, undermines co-ordination of cost and benefit, and leads to institutional destruction in some cases as well as the problem of conflicting conditionalities in the aid packages. All these are stressful factors in the aid relationship. On the other hand, there are obvious disadvantages if a recipient depends on one source of funds alone.

Once again, from a recipient point of view, the successful use of aid to encourage self-reliant development is problematic. The existing literature also indicates that empirical information on this topic is sparse. However, the literature does enable attention to be focussed on critical issues.

CONCLUSION

As set out in the available literature, the interface between donors and recipients, whether at government level or through private agencies, is fraught with problems and tensions. These uneasy relationships arise from the lack of public acknowledgement by both parties of the legitimacy of the motives and objectives of the other party.

This study seeks to explore whether a harmonious relationship can in fact be encouraged between donors and recipients. It also establishes the extent to which donors and recipients respect each other. Theory suggests that this cannot be an easy relationship. Vigorous co-operation, however, is a major pre-requisite if, in fact, community empowerment is to occur. The need for co-existence, tolerance of each other and the acceptance of the legitimacy of donor and recipient self-interest can produce a better and more harmonious relationship between donors and recipients.

The literature review presented in this chapter assists to elicit variables and themes to study donor and recipient relationships.

CHAPTER 3

RESEARCH METHODOLOGY AND DESIGN

The literature review presented in Chapter 2 of this study logically led to the survey design described hereunder.

1. SURVEY DESIGN

The Survey Design chosen for this study had to be suitable for the following objectives:

(a) exploring a set of relationships that exists between donors and recipients;

(b) exploring the extent to which funding hinders or helps the attainment of objectives as perceived by recipients and;

(c) establishing preferences for donors and recipients so as to provide a basis for mutually beneficial relationships between donors and recipients.

Within the scope of the project and guided by previous studies, it was appropriate to choose a survey design in which interviewees were concentrated mainly in the Pretoria, Witwatersrand - Vereeniging (PWV) area, which is the hub of economic activity in South Africa. Both the recipients and the donors have their head quarters or national offices mainly within this area.

The study is ex-post facto.

2. SAMPLING

Due to the large number of potential interviewees from both the recipients and donors, cluster sampling was chosen as the appropriate sampling method for this study. (Groebnar David F and Shannon Patric W, 1989)

The criterion for selection in the sample included the following:

2.1 Donors

The following categories of donors were selected:

Foreign Governments, Foreign Corporate Related Trusts, Foreign Government Agencies and Business.

The interviewees from the donor organisations were mainly individuals with experience of donor-recipient relationships. They were mainly Executive Directors of the donor agencies, Administrators of Corporate Social Investment Programmes within the Business Sector; and Grant Officers-cum-Project Managers of Aid organisations. These accounted for 18 of the total sample of 44 donors and recipients. A List of Interviewees is given in Appendix 1.

2.2 Recipients

Garilao E D, (1987) suggests that NGO's can be divided into three main categories:

(i) Strategic Groups

These are groups that are directly involved at the grassroots level, confronting issues of poverty, homelessness, ill health, unemployment and other social ills. These groups include members who are themselves victims of poverty, homelessness and unemployment.

(ii) Sector and/or Service Groups

These are groups formed to assist the grassroot groups through the empowerment process. They themselves are not directly affected by the problems but are close enough to the problem to offer valuable services. These include those organisations that provide education, training, research and other organising efforts to support the grassroot groups.

(iii) Institutional Groups

These are groups that have grown into institutions where they no longer deal with the grassroots but work through intermediaries to provide services and research. They may become themselves operations that work at the highest levels with issues of policy reform and provide funding to strategic and service groups.

The study by Lee and Buntman, (1989), categorises groups in the NGO sector in terms of activity. As already mentioned, these activities cover 47 spheres, including Adult Education, Rural Development, youth work, health, crises services, service clubs and organisations to mention but a few. The classification is preliminary and more work is being undertaken to solidify this classification.

Micou, (1990a) classifies non-governmental skill training initiatives available in South Africa into 91 classifications.

For the purpose of this research 26 recipient organisations were selected, representing the most important categories of NGO activity in South Africa. The sample was heterogeneous and meets two criteria:

(a) it includes NGOs operating at different levels, as identified by Garilao's classification.

(b) it includes NGOs that are engaged in different activities as identified by Lee and Buntman, (1989), Micou, (1990a), and Sinclair, (1990).

The organisations sampled all receive funding from multiple sources, and particularly from business. All recipient organisations uphold the concept of "self-reliance" and thus experience the tension at the interface of their own organisation with donors.

3. QUESTIONNAIRE DESIGN

3.1 Interview Schedule

In order to arrive at cogent conclusions about this vast and fluid area of research, an interview schedule/questionnaire was chosen as being more appropriate than a mailed questionnaire.

The choice of the interview schedule/questionnaire was based on the following factors:

(a) The Nature of the Study Itself

Corporate Social Responsibility has been the topic of much research lately and it was important to distinguish the present study from others already conducted. This made it necessary that a face-to-face interview be conducted.

One respondent in fact nearly refused the writer an interview because he thought that academics were excessively investigating CSR. On confirmation of the appointment, the respondent gave more time than was required, as he showed keen interest in the subject being investigated.

(b) **Suspicion by Recipients**

Many recipients in the NGO sector are suspicious of researchers. They believe that information collected will be used against them in many respects. For example, will the information be used to discriminate against them, or will it be used for other reasons not consistent with the recipient's needs? Personal contact and face-to-face interviews are required to obtain reliable data in these circumstances.

Walters Shirley, (1989) also identified this problem in her study of voluntary associations in Cape T

(c) **Misinterpretations**

In order to avoid misinterpretation of questions, an interview schedule/questionnaire is the better option as the researcher can clarify questions that are not clear to the respondent. This has the advantage that it tests what the researcher wants to test. The disadvantage to this approach is that it potentially increases the subjective element of the researcher. However, on balance, avoiding misinterpretation is the more important criterion.

(d) <u>Size of Sample and Response Rate</u>

The sample of 44 respondents was a manageable size for the research. The convenience of the fact that most respondents are located within reach was also an influencing criterion. This also implied that the response rate would be guaranteed at 100% of those selected for the research interviews.

(e) <u>Credibility of Research</u>

The researcher has worked for 14 years in the NGO field and is well known to most of the interviewees. There was a minimal "credibility gap", as can be seen in the number and variety of respondents in Appendix 1.

3.2 Derivation of Variables

To derive variables for measurement, the literature on the topic was reviewed. (See Chapter Two) This revealed the basic questions to be tested and the themes to be included in the research problems and propositions. Two processes were followed in the construction of the interview schedule/questionnaire. These were:

(a) **A Pilot Questionnaire and**

(b) **The Final Interview Questionnaire.**

(a) <u>**Pilot Interview Questionnaire**</u>

An open-ended Interview Questionnaire was designed and tested with 4 recipients and 4 donor organisations. After 2 interviews with donors and 2 interviews with recipients, the responses were repetitive. The questions posed in the open-ended interview schedule were derived from the literature. These assisted with the derivation of variables for the final structured interview schedule. **The Pilot Interview/Questionnaire is included as Appendix 2.**

(b) <u>**Structured Interview Schedule (Questionnaire)**</u>

The final structured interview schedule/questionnaire was again tested for consistency and reliability, as well as construct and content validity. This was done through repiloting the schedule with another 4 respondents. Two experts in the field of questionnaire design were consulted to comment on the questionnaire and offer alternative suggestions. [Robinson-Byrum Beverly and Womeldorff J David, (1990) in Pfiffer J Williams, pgs 153-162.] Since factor analysis was going to be the statistical tool for analysis, the structured interview took the form of statements using an ascending scale 1-5. The Five Point Scale is a standard Likert Scale and is commonly used. The Likert Scale is appropriate for ordinal data. This data is assumed to behave as interval data for factor analysis. **The Final Interview Schedule is included as Appendix 3.**

4. STATISTICAL ANALYSIS

4.1 Factor Analysis

Factor Analysis was selected to assist with the interpretation of the research.

Factor Analysis is an important multivariate technique. It comprises a set of techniques that reduce and simplify data. It is aimed primarily at exploring data and generating hypotheses. [Bailey K D, (1987); Green P E, and Tull D S, (1978)]

Factor Analysis works through a process of extracting factors. These factors are rotated. The resulting factor pattern may fit existing theory or may be used to produce new theory. Naming or labelling the major factors then occurs. The rotations can be orthogonal or oblique where the resulting factors are correlated or not correlated, respectively. (Comrey Andrew L, 1978)

The following steps can be said to be standard in a Factor Analysis exercise:

(a) Selection of variables.
(b) Computation of the matrix of correlation among the variable.
(c) Extraction of unrotated factors.
(d) Rotating such factors and
(e) Interpreting the rotated factor matrix.

In any one set of questions to generate factors, there needs to be more than 5 variables. Factor Analysis shares some techniques and similarities with regression analysis, discriminant analysis, cluster analysis and multidimensional scaling. Varimax rotation yielding orthogonal factor loadings has been applied here.

The NCCS Computer Package undertakes the complicated calculations involved in factor analysis and was used in this case to assist with data analysis.

The present study is amenable to factor analysis because:

(a) the area of research is a growing field, where exploratory studies are increasing;

(b) being essentially a descriptive study, it hoped to generate other propositions which can be later tested in further research.

(c) There is a wide variety of data which assumedly can be classified and renamed so as to reduce confusion between donors and recipients. A possibility exists that the study will point to common trends in conceptualising certain factors. This will validate existing theory on the subject.

(d) The data in our questionnaire design is nominal in some respects, but includes interval data.

4.2 t-Test

In order that preferences and priorities between donors and recipients could be compared, a t-Test was applied to compare whether significant differences exist between donors and recipients in respect of the factors that emerged on the variables tested. These are rotated factor loadings. This enables us then to generate a number of other propositions and hypothesis. Factor analysis yields interval data, which is a primary requirement for a t-Test.

A significance level of 5% was applied in testing two samples of donors and recipients. These samples were less than 30; i.e. 18 Donors and 26 Recipients. A t-Test is appropriate for small samples. The variances are assumed to be equal and where they are not equal, a correction factor was applied.

4.3 The Median

The median was used to determine which of the variables in the interview schedule/questionnaire were regarded as most or least important. This approach assisted us further to understand whether donors and recipients put different emphasis on the variables tested. It is assumed that this approach will enable the parties involved in the relationship to understand their sources of differences and/or similarities.

CHAPTER 4

RESEARCH RESULTS

In this chapter the results of the study are presented and interpreted, in relation to the interview schedule/questionnaire in Appendix 3. The variables for the questionnaire were derived from the literature review as earlier indicated in Chapter 2.

The interpretation of the results was based upon statistical analysis, which incorporates:

(a) **Fa[illegible]or analysis**, where the constructs have been condensed into underlying, independent **"themes"**.

[illegible] est appropriate for small samples, that is, [illegible] ss than 30 was applied to test whether [illegible] ny significant differences between donors and recipients. In this study donors numbered 18 and recipients [illegible]. A significance level of 5% was used to test the statistical difference between donors and recipients of the factors generated through factor analysis.

(c) **The median** was used to determine which of the variables in the interview schedule/questionnaire were regarded as most or least important.

In this context therefore it would be important for the purposes of clarity to restate the aims of the study. The study aimed to examine:

(a) A set of relationships that exist between the recipients of funds and the providers of funding (especially the private sector) for development programmes within the context of the theory of self-reliance and community control on the one hand and the reality of dependence-creation on the other.

(b) The extent to which funding helps or hinders the attainment of objectives perceived and set by the recipients. Do these objectives conflict with the objectives of the funders?

(c) The real preferences of funders and community service organisations respectively in South Africa. This issue was explored in order to provide a basis for a more mutually beneficial relationship between funders and the recipients of funds.

1. PRESENTATION OF DATA

1.1 Demographic Data

This data was derived from questions 1 - 4.

1.1.1 Names of Organisations and Titles of Respondents

The names of the organisations and the respective positions of interviewees are given in Appendix 1. These include 18 donors and 26 recipients. Amongst the donors, 3 were executive directors of trusts, 8 were managers of corporate social responsibility programmes, 1 was a black business leader and 4 were field and grant officers of aid agencies, 1 was a board member of a trust and another was an executive director of a business foundation. This spread of interviewees amongst donors assisted in getting a much more valid and reliable view of the variables that were being studied.

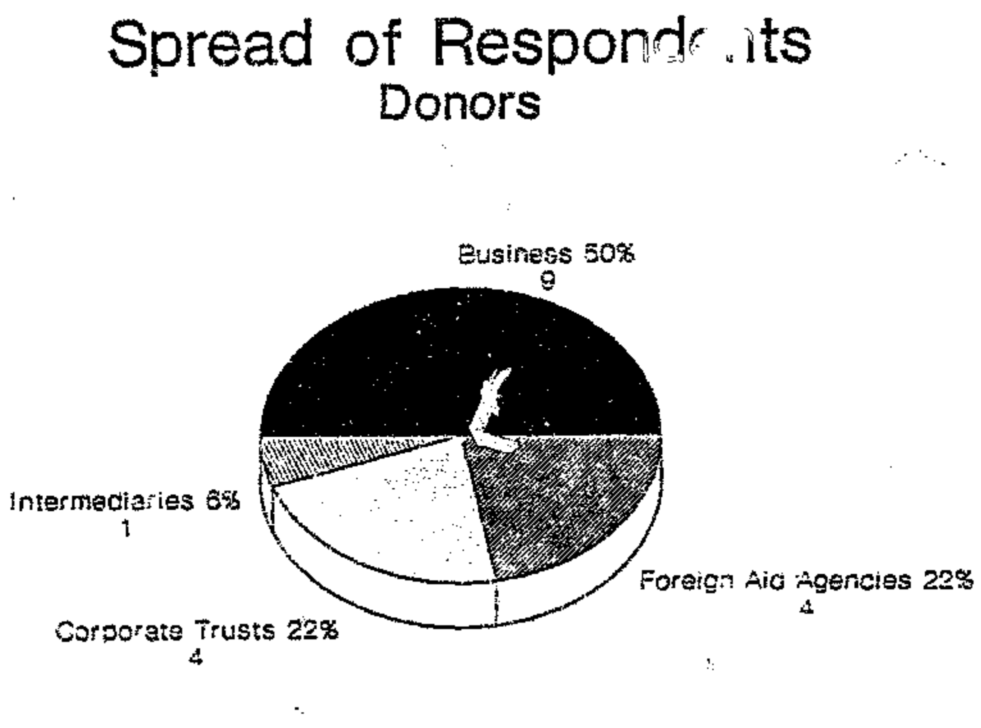
Amongst the 26 recipients 15 were executive directors of the programmes they run, 3 were field staff, 5 were administrators, 2 were general secretaries of the two major labour union federations in the country while the final interviewee was the Deputy General Secretary of a major ecumenical organisation.

1.1.2 Spread of Respondents

The spread of respondents in our sample are presented in Tables 1 (a) and (b).

Table 1 (a)

Donors	
Business	9
Foreign Aid Agencies	4
Corporate Trusts	4
Intermediaries	1
Total	18



Aid Interface Figure I

The percentage representation of the sample of donors is depicted in the pie chart marked Aid Interface Figure I. This indicates that 50% of the donor sample was represented by business whilst 22% was represented by foreign aid agencies and corporate trusts respectively. The distinction between corporate trusts and business is based on the fact that a number of companies particularly those who disinvested subsequently established trusts to carry out social investment programmes. (Duncan, 1989) Intermediaries who provide funding but also engage in community development constituted 6% of the sample. Intermediaries are those agencies founded by business and are referred to as foundations.

Recipients

The sample of recipients as already indicated included 26 organisations. These are presented in Table 1 (b).

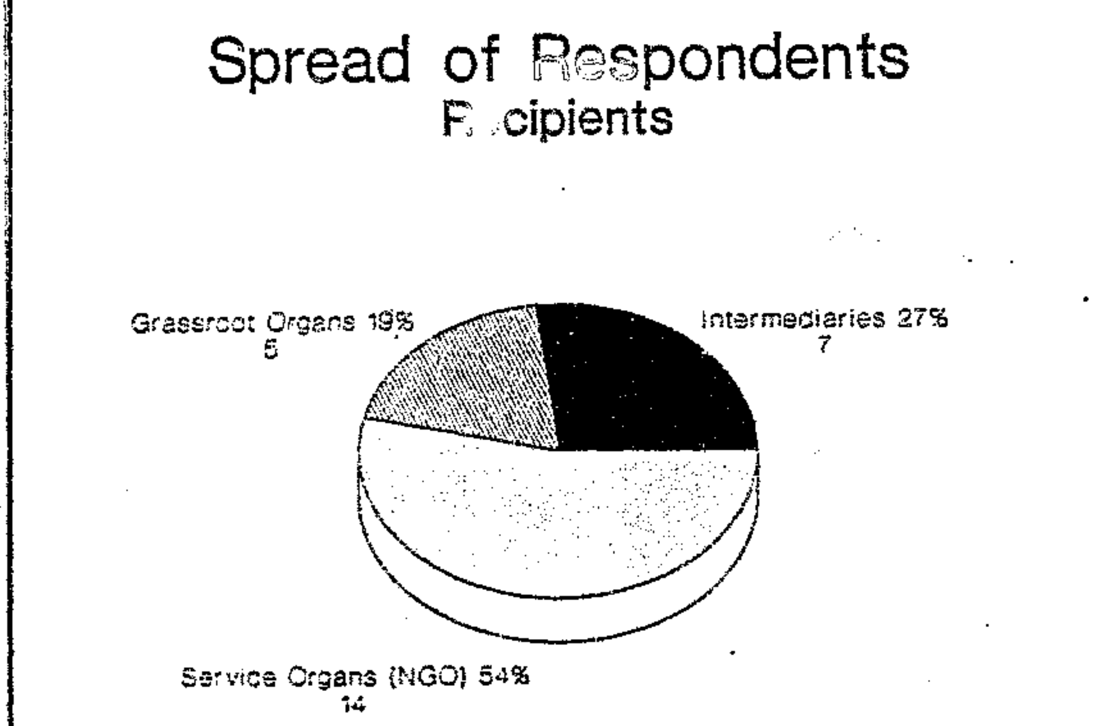
Table 1 (b)

Recipients

Intermediaries	**7**
Grassroot Organisations	**5**
NGO's Service Organisations	**14**
Total	**26**

The percentage representation of recipients is indicated in the Pie Chart marked Aid Interface II.

The classification of recipient organisations is based primarily on Garilao, (1988). Studies by Sinclair, (1986), (1989) and (1990) and those by Micou, (1990a); Lee and Buntman, (1989) have also helped to clarify this aspect.



Aid Interface Figure II

In this sample of recipients, 19% represented grassroot organisations, that is those that are directly affected by the problem. 27% were intermediaries - those who assist groups with funding but are themselves working on significant changes in addressing the social ills of society. 54% were service agencies, which service other programmes, mainly grassroot organisations with training, organising or some such activity which we will refer to when we present data on donor and recipient activities.

1.1.3 Nature of Activities engaged in by Donors and Recipients

In order that an understanding of how wide the scope of donors and recipient activities are, an estimate of the area of activities in which they are involved is presented. This spread of activities enabled us to form a clearer idea about which areas are receiving attention from donors and which are receiving attention from recipients. It is probable that the extent to which a gap exists in the areas of focus by donors or recipients could contribute to the misunderstandings or the understanding that exists among donors and recipients.

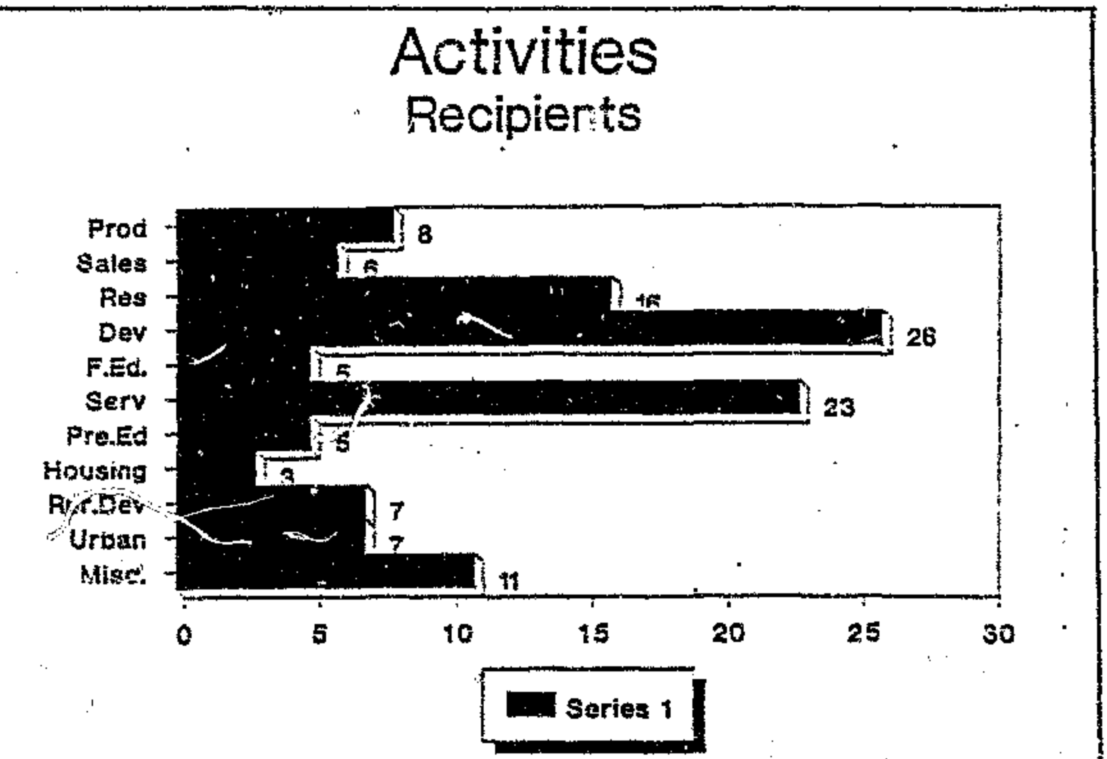
In this context therefore, Table 1.1 depicts an estimate of activities that grant recipients are engaged in. Table 1.2 indicates the activities funded by donors.

Table 1.1 : Nature of Activities Performed by Grant Recipients

Development, Training & Education	26
Servicing of Other Programmes	23
Research Activities	16
Miscellaneous Activities	11
Production and Manufacturing	8
Rural Development Projects	7
Urbanisation Projects	7
Selling of Goods	6
Formal Education	5

Pre-School Education	5
Housing Programmes	3
Total estimate of Activities Covered	122

The stepped bar chart marked Aid Interface Figure III presents the number of activities engaged in by recipients. It also indicates that each recipient could be involved in more than one of the activities indicated.



Aid Interface Figure III

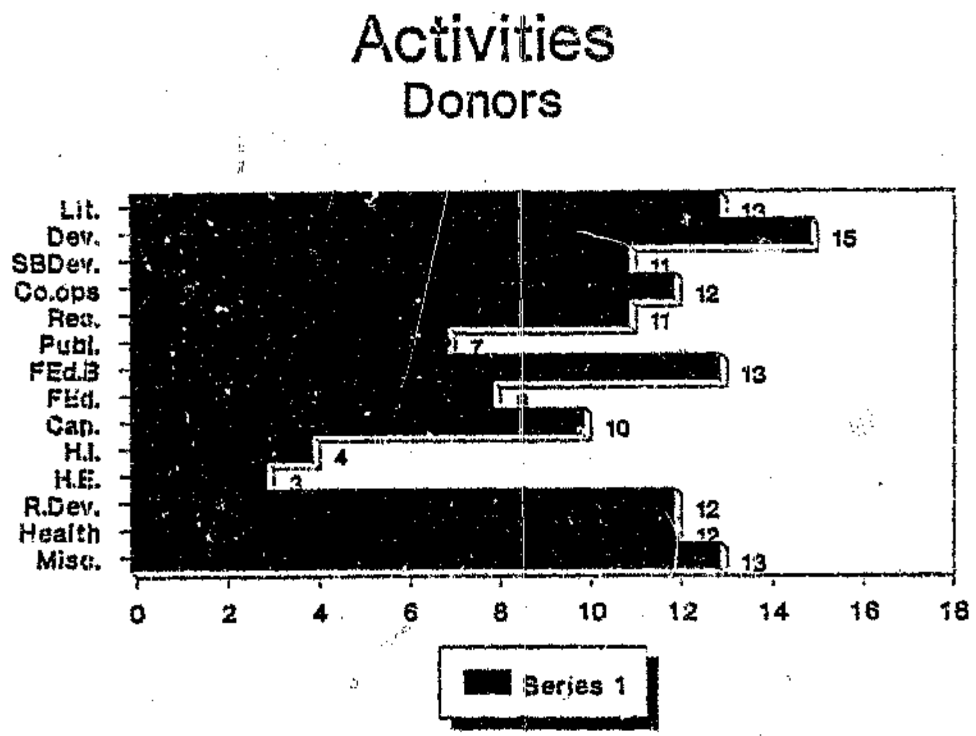
The grant recipients interviewed identified a total of 122 community development areas in which they operated. Some recipients indicated that they may be involved in more than one activity. For example a recipient may be involved in development, education and training activities whilst at the same time they might be involved in research activities.

Table 1.2 : Nature of Activities Funded by Donors

Development, Education and Training	15
Literacy Projects	13
Miscellaneous Activities	13
Formal Education Projects including Bursaries	13
Co-operative Development Venture Projects	12
Rural Development Projects	12
Health and Welfare	12
Small Business Development	11
Research Projects	11
Capital including Buildings and Equipment	10
Formal Education excluding Bursaries	8
Publications and Media projects	7
Housing Programmes excluding Infra-structure	4
Housing Programmes including Infra-structure	3
Total Estimate	**156**

A total of 156 activities in which donors claimed to be involved is shown in Table 2.2. Once again donors indicated that they d not fund only one activity but may fund more than one type of activity amongst those indicated in this table.

The stepped bar graph marked Aid Interface Figure IV presents the frequency of donor funded activities.



Aid Interface Figure IV

A comparison of recipient activities and donor funded activities indicates that recipients are highly involved in development training and education programmes. A frequency of 26 is counted followed by servicing of other programmes with a frequency of 23. Research activities have a frequency of 16. Four of the recipients interviewed were involved in housing programmes. This has a frequency count of 3.

Donors on the other hand seem to have a far more equal spread in the funding of activities. Development, education and training however receives a high priority followed by literacy, formal education projects and other activities. Again housing programmes seem to receive low priority from donors, a fact similar to that of recipients.

Two conclusions can be arrived at from this aspect of the research. The first is that it shows current trends among the respondents. These indicate that development education and training are the major activities engaged in by both donors and recipients. Housing programmes seem to receive low priority, even though theoretically housing forms part and parcel of the development activity. A restricting factor with regard to housing could be the cost of housing and the fact that many respondents indicated that inspite of the fact that housing is important, it is primarily the responsibility of government. Business respondents indicated that they were involved in housing mainly through their quality of work life programmes, which are mainly in-house operations directed at employees of the company rather than being motivated by social responsibility or philanthropy.

Secondly, it can be deduced that it is not clear whether it is the donors or recipients who determine priority areas of activity. The fact that donors are seen to have a more evenly spread response than recipients in terms of activities is indicative of this fact.

2. PRIORITIES

As opposed to simply identifying a wide range of activities in which donors and recipients were involved, it was also important to establish which areas of activities should be receiving priority funding. Again this would establish trends and differences amongst donors and recipients which have implications to their relationships.

The respondents were required to identify priority areas of funding using a standard Likert scale where 1 was **not important** and 5 indicated that the activity was **most important** in the views of the respondents.

21 items were rated and subsequently rank-ordered. Appendix 4, Table 3 indicated the number of and percentages of responses by both donors and recipients on each item of the scale. Table 2.1 (a) and Table 2.1 (b) indicate the

medians and rank orders of both donors and recipients on these 21 items.

The 21 items are themselves an indication of the activities identified in 1.1 and 1.2 above.

Table 2.1 (a) : Donor Ratings of Priority Areas of Funding

Item		Donor Rating	Rank No
1.	Preschool Education Programmes	4.81	1
2.	Community Development Programmes	4.75	2
3.	Management Training	4.21	3
4.	Tertiary Education	4.17	4*
5.	Rural Development	4.17	4*
6.	Human Rights & Justice Issues	4.06	6*
7.	Primary School Programmes	4.06	6*
8.	Small Business Development Programmes	4.00	8
9.	High School Education Programmes	3.86	9
10.	Youth Programmes	3.80	10
11.	Literacy Programmes	3.70	11
12.	Labour Development Programmes	3.64	12
13.	Health and Welfare	3.61	13
14.	Community Co-operative Ventures	3.50	14*
15.	Community Related Research Programmes	3.50	14*
16.	Housing Programmes	3.36	16
17.	Political Awareness Programmes	3.30	17
18.	Urbanisation Programmes	3.10	18
19.	Art & Cultural Programmes	2.83	19*
20.	Relief Programmes	2.83	19*
21.	Academic Research Programmes	2.50	21

n = 18

N = 44 n1 = 18 n2 = 26

* Indicates a tie in the ranking

Table 2.1 (b) Recipient Ratings of Priority Areas for Funding

Item	Recipient Rating	Rank No
1. Community Development Programmes	4.50	1
2. Preschool Education Programmes	4.39	2
3. Housing Programmes	4.36	3
4. Rural Development Programmes	4.32	4
5. Primary School Programmes	4.14	5
6. Community Related Research	4.07	6
7. Management Training	4.03	7
8. Youth Programmes	4.00	8
9. Literacy Programmes	3.95	9
10. Health and Welfare	3.94	10
11. Community Co-operative Ventures	3.93	11*
12. High School Programmes	3.93	11*
13. Human Rights & Justice	3.92	13
14. Tertiary Programmes	3.70	14*
15. Labour Development Programmes	3.70	14*
16. Urbanisation Programmes	3.59	16
17. Political Awareness Programmes	3.50	17
18. Academic Research Programmes	3.38	18
19. Small Business Development	3.25	19
20. Art & Cultural Programmes	2.92	20
21. Relief Programmes	2.72	21

n = 26

N = 44 where n1 = 18 and n2 = 26

A comparison of donors and recipient ratings as well as rank orders indicates that donors see pre-school, education programmes, community development programmes, management training, tertiary education and rural development programmes as the top 5 that should receive priority funding. These items received a median rating of 4.81, 4.75, 4.21, 4.17 and 4.17 respectively. These are close to 5 on the Likert scale. Rural development and tertiary education are tied in order of priority.

Low priority programmes for funding are art and cultural programmes, (2,83), relief programmes, (2,83), and academic research programmes. These are ranked 19 and 21 respectively. A tie for relief programmes and academic research was found.

Programmes that were seen as very important for funding amongst donors were human rights and justice programmes, primary school programmes, small business, high school, youth, labour development, health and welfare, community co-operative ventures and community related research activities. These received a rating of 4.06, 4.06, 4.00, 3.86, 3.80, 3.70, 3.64, 3.66, 3.50, and 3.50 in that order and were ranked from 6 - 14 with community co-operative ventures and community related research tied at rank 14. Human rights and primary school programmes tied at rank 6.

Housing programmes, political awareness programmes and urbanisation programmes were seen as somewhat important by donors. They received a lukewarm response in respect of priority funding, and were rated 3.36, 3.30 and 3.10.

We note that amongst donors high priority areas for funding are clear. These are preschool education and community development programmes. Many donors interviewed indicated that even though these are priority areas for funding for them, other areas are also important.

On the other hand recipients rated community development programmes, pres-school education, housing programmes, rural development and primary school programmes as the top five priority areas for funding. These received a rating of 4.50, 4.39, 4.36, 4.32 and 4.14. The three least important areas for funding amongst recipients are small business development programmes, art and culture and relief programmes each receiving a rating of 3.25, 2.92, and 2.72.

Community related research, management training, youth programmes, literacy programmes, health and welfare, community co-operative ventures, high school programmes and human rights and justice programmes in that order are regarded as very important by recipients.

The research indicates, using rank orders, that community development and preschool education programmes are regarded by both donors and recipients as high priorities for funding. The median scores indicates that recipients did not rate the top 5 items as strongly as the donors. The donors are more direct about which areas they fund.

A number of other differences in the ratings exists between donors and recipients. Management training is ranked No 3 by donors whilst recipients ranked this as No 7. Tertiary education is ranked No 14 by recipients whilst donors rank this as No 4. Small business development is ranked No 8 by donors whilst recipients ranked this item low at No 19. Housing programmes are another notable difference. Donors rate this item at No 16 whilst recipients rate this item at No 3. The median ratings for this item though are 3.36 by donors and 4.36 by recipients signifying that housing is very important for recipients whilst it is only somewhat important for donors.

Suffice it to say that there are notable differences between donors and recipients on some activities as priority areas of funding whilst there is agreement on others.

It is probable that these differences in priority for funding contribute to the variability in relationships between donors and recipients and the extent to which self-reliance is achieved or not achieved.

3. CRITERIA

Donors and recipients often enter a relationship around a number of criteria. These criteria are often made known by donors in their publications and brochures and are implied in the way in which they select programmes for funding. Recipients also select donors on the basis of criteria that they have consciously or unconsciously defined. These are largely reflected in the preambles, constitutions or even in the nature of the project activity itself.

For the purposes of this study, a number of variables were selected from the pilot interviewees for inclusion in the interview schedule/questionnaire as variables that needed to be tested.

Again the establishment of criteria for entering into a relationship between donors and recipients is an important element in donor and recipient relationships.

Two processes in this regard have been followed in the study. The first, was to determine through the Likert scale which criteria both recipients and donors regarded as most important and which were regarded as not important. The scale was from 1 - 5, with 1 indicating the criteria as not important and 5 indicating that the criteria were most important.

Secondly, a factor analysis was performed to reduce the criteria to a minimum so as to explain them in relation to the theory. This is done either to confirm existing theory on this subject or to generate propositions that can further be investigated in other research.

A similar process has been followed in respect of donor and recipient objectives, motives, relationships and the issues of self-reliance, control mechanisms, administration and accountability.

In each of these cases where factor analysis is performed, a t-Test was conducted on the resulting factor scores so as to establish whether a statistically significant difference exists between donors and recipients in the way they view these items.

This approach is important if we are to explore the dynamics that are imperative in defining the extent to which donors and recipients will co-operate, mutually co-exist and benefit in the process of community empowerment.

3.1 Median Ratings and Rank Orders of Criteria

In Table 3.1 (a) donor median ratings and the rank orders of criteria are shown.

Table 3.1 (b) shows the median ratings and the rank orders of recipients.

Table 3.1 (a) : Donor Ratings of Criteria

Item	Donor Ratings	Rank Order
1. Relevance to community needs	4.94	1
2. Direct support to community	4.40	2
3. Multiplier effect	4.25	3
4. Non-racial make-up	4.25	4
5. Long-term self-sufficiency	4.20	5
6. Competent staff	4.20	6
7. Cost effectiveness	4.17	7
8. Non-governmental	3.50	8
9. Abolition of apartheid	3.50	8
10. Relatively inexpensive	2.93	10

Table 3.1 (b) : Recipient Ratings of Criteria

Item	Recipient Ratings	Rank Order
1. Relevance to community needs	4.85	1
2. Competent staff	4.78	2
3. Direct support to community	4.50	3
4. Project cost effectiveness	4.50	4
5. Long-term self-sufficiency	4.23	5
6. Abolition of apartheid	4.10	6
7. Multiplier effect	4.04	7
8. Non-governmental	3.75	8
9. Relatively inexpensive	3.36	9
10. Non-racial make-up	2.83	10

A comparison of the criteria by both donors and recipients indicates strong agreement on the selection of the projects for funding on the basis that each project should have relevance to community needs.

The fact that it should provide direct support to the community as in relieving unemployment, ill-health, or providing a significant service also indicates strong agreement between donors and recipients, who ranked this criteria as number 2 and number 3 respectively. The median rating of 4.50 by recipients indicates a strong agreement, reinforced by donors with a median rating of 4.40.

The fact that the availability of competent staff in the project is ranked high amongst recipients at No 2 and 6 by donors indicates another difference between donors and recipients.

The abolition of apartheid as a criterion is rated as somewhat important by donors whereas recipients rated this criterion in the very important category.

Donors rate the fact that the project must be non-racial in its make-up as No 4 whereas recipients regarded this aspect as the least important. A clear difference of perspective exists in this regard. Many donors have recognised that even though this was what they would look for it is the context of working towards a non-racial society that makes this criterion important. They noted however that a significant number of the programmes are based in black communities and address largely the difficulties in these areas. Recipients on the other hand indicated that even though they are working towards a non-racial society the essence of their programmes are focussed on the plight of the affected and disenfranchised and these are essentially black people.

Both donors and recipients agree that the criterion of the projects being relatively inexpensive was not important.

The very important criteria for both donors and recipients were indicated as the fact that:

(1) **The project must be self-sufficient in the long-term.** Both the donors and recipients ranked this item as No 5.

(2) **The project must be cost effective.** Donors ranked this item as No 7 with a median rating of 4.17 which indicated that it was very important. Recipients on the other hand ranked this item as No 4 and rated it at 4.50 indicating that it was most important for them.

(3) **The project must have a multiplier effect.** Donors ranked this as item 3 and rated it at 4.25 meaning that it is very important. Even though recipients ranked this item No 7 it was also rated 4.04 which puts it in the same category of very important identified by donors. Again, there is no significant difference on this item between donors and recipients.

(4) **The fact that the project should contribute towards the abolition of apartheid** was seen as very important by donors rating it at 3.50 but

also as least important in rank order. It was ranked No 6 out of 10 items. Recipients ranked this item as No 6 and rated it at 4.10 putting it in the category of very important. Clearly there is no difference of opinion in this regard when using descriptive statistics.

(5) The fact that the project must be non-governmental in nature was rated 3.50 and 3.75 by donors and recipients respectively. This indicated that this criteria was very important by both donors and recipients. During the interviews, respondents indicated that some programmes such as education, health and welfare and housing are arguably within the government's sphere and that recognition must be given to the fact that these type of programmes are largely state funded.

3.2 Factor Analysis of Criteria

A number of the factors that emerged from the factor analysis, the important labels or names that emerge as subsuming other variables measuring criteria are tabled. The eigen values indicate the extent of the significance of the factors. The factors are explained by the percentage of cumulative variance for each factor generated.

Factors	Labels	% of Cumulative Variance	Eigenvalues
Factor 1	Multiplier Effect	23.61	2.3605
Factor 2	Community		

	Relevance	38.84	1.5234
Factor 3	Cost Effectiveness	52.55	1.3713

INTERPRETATION OF FACTORS

FACTOR 1 : MULTIPLIER EFFECT

The following constructs load heavily onto this first factor.

Construct	Rotated Factor Loadings
Multiplier Effect Potential	.6824
Long-term - Self-sufficiency	.6241
Inexpensive Programme	.6889
Competent Programme Staff	.6690

Using a t-Test to compare whether there is a statistically significant difference between how donors perceive the issue of multiplier effect in the aid interface, it was found that the probability value was .2234 using a significance level of .05, we conclude that there is no significant difference between how recipients and donors perceive the matter of multiplier effect in entering a relationship in community development activities

Table 3.2.1 indicates the t-Test results of the factors 1, 2 and 3 tested. For the purposes of clarity, the t-Tests for other factors of the study are included in Appendix 6 of this study.

Table 3.2.1

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Communality
Q6.1	0.[illegible]776	-.1580	-.6846	0.5707
Q6.2	-.2076	-.7216	-.3793	0.7259
Q6.3	0.6824	-.3227	0.0080	0.5699
Q6.4	0.6241	-.1589	-.0083	0.4148
Q6.5	0.1820	-.7059	0.1230	0.5465
Q6.6	0.0347	-.5773	0.1494	0.3627
Q6.7	0.4235	-.0692	0.5686	0.5075
Q6.8	0.0607	-.3583	0.6902	0.6084
Q6.9	0.6889	0.0570	-.0473	0.4800
Q6.10	0.6690	0.1065	0.0992	0.4687

```
------------------------------------------T-Tests------------------------------------------
Date  Time          13-08-1990  14:28:48
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Description       Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: Q11
Group:                  Q13 = 1                        Q13 = 2
Count - Mean            18            -.2343232        26             .1622242
95% C.L. of Mean       -.8024977       .3338514      -.1910225        .5154709
Std.Dev - Std.Error    1.14232         .2692654       .8746384        .1715307

                     ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.        -1.303758       0.1994          -1.[illegible]2757     0.2234
Degrees of Freedom                     42                              31.64088
Diff. - Std. Error     -.3965474       .3041573        -.3965474      .3293428
95% C.L. of Diff.      -1.01036        .217265         -1.047072      .2539769

F-ratio testing group variances        1.707257     Prob. Level     0.1093

                       |-2.545485          95% Conf. Limit Plots          1.525516
Q13=1                  |                   <---------x--------->
Q13=2                  |                            <-----x----->

                       |-2.545485               Line Plots                1.525516
Q13=1                  |1....1.........1.........2.12......2....3....1......1..1.1..1
Q13=2                  |.....1..........1..........1.1.11.21.21.1.2.2..31..1..1..112
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Description      Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: Q132
Group:                  Q13 = 1                       Q13 = 2
Count - Mean            18           -.3272236        26            .2265443
95% C.I. of Mean        -.6334029    -2.105421E-02    -.2395151     .6926047
Std.Dev - Std.Error     .615836      .1451529         1.153965      .2263112

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.         -1.85673     0.0704           -2.053697     0.0458
Degrees of Freedom                   42                             41.35698
Diff. - Std. Error      -.5537729    .2982517         -.5537729     .2588614
95% C.I. of Diff.       -1.153667    4.812163E-02     -1.096603     -1.094294E-02

F-ratio testing group variances     3.511198     Prob. Level     0.0048

                   |-1.191443          95% Conf. Limit Plots          3.670975
Q13=1              |       <---a--->
Q13=2              |            <-------a----->

                   |-1.191443               Line Plots                3.670975
Q13=1              |1..111121.1...21...2..1.1......................................
Q13=2              |11.12.2...21211.1.1111..1...1...1....1...1...............1


------------------------------------T-Tests------------------------------------
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Description      Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: Q133
Group:                  Q13 = 1                       Q13 = 2
Count - Mean            18           -7.242232E-02    26            5.024575E-02
95% C.I. of Mean        -.5225156    .3776519         -.3841508     .4844423
Std.Dev - Std.Error     .9052949     .2133801         1.075313      .2108872

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.         -.3958295    0.6942           -.4085634     0.6849
Degrees of Freedom                   42                             42.422
Diff. - Std. Error      -.1226781    .3096729         -.1226781     .3000074
95% C.I. of Diff.       -.7475235    .5022673         -.7280014     .4828452

F-ratio testing group variances     1.410891     Prob. Level     0.2337

                   |-2.156607          95% Conf. Limit Plots          1.655925
Q13=1              |                       <--------a------->
Q13=2              |                          <--------a------>

                   |-2.156607               Line Plots                1.655925
Q13=1              |...1.......1....1...11....111.2.....2......1..21.1..1......
Q13=2              |1..1..1.1.......1.......2.2...1.1...1...12..12.11.23.......1
```

This factor is called the "Multiplier Effect" factor since it correlates highly with the notion of empowerment. It is submitted that if and when community empowerment programmes have competent staff the likelihood of the programme becoming self-sufficient is high. It is also probable that the programme can then be inexpensive in the long-term. The long-term community benefit and the spread of resources are based upon competence. We can postulate that; **the employment of competent staff is a community empowerment process in itself since it should theoretically lead to long-term self-sufficiency and the replication of resources and benefits to society.**

FACTOR 2 : COMMUNITY RELEVANCE

The following constructs load heavily onto the second factor.

Construct	Rotated Factor Loadings
Relevance to Community Needs	.7216
Direct support to Community	.7059
Non-racial make-up of project	.5773

The test of significance at the .05 significant level indicates a probability value of .0458. This is closer to 5% and tells us that there is a statistically significant difference between the recipients and donors regarding their perceptions of this construct.

This factor is named **"Community Relevance"** due to the fact that the issue of providing direct support to the community in terms of job-creation, limiting social [illegible] generally leads to community participation. The issue of non-racialism is reminiscent of the major drive and criterion that most programmes are pursuing. It is a measure of relevance with respect to empowering communities to move towards a democratic non-racial South Africa and is thus not surprising.

FACTOR 3 : COST EFFECTIVENESS

The following constructs load heavily onto this factor.

Construct	Rotated Factor Loadings
The project must be cost-effective	**.6846**
The project must be non governmental	**.5686**
The project must have a political objective to end apartheid	**.6902**

This factor is called **"Cost Effectivess"**. Studies by the World Bank, Garliao (1987), indicate that non-governmental organisations by far are able to reach a wide spectrum of people, easier, quicker and more cost-effectively compared to government institutions.

For many donors as well as recipients, cost-effectiveness is paramount as a criterion for funding.

The notion that the project in order for it to be cost-effective must have a political objective to end apartheid signifies a strong concern amongst the respondents about the costly nature of apartheid hence the wide number of activities engaged in by many NGO's to fight social ills, paramount of which is apartheid.

Again, a comparison of donors and recipients using a t-Test at the significance level of .05 indicates that there was no significant difference between donors and recipients. The T-value on this theme is .6849 which is higher than .05.

4. OBJECTIVES

A number of variables were elicited that indicate donor and recipient objectives. The assumption in this instance is that donors have objectives which they want to achieve by giving aid. Recipien likewise have their own objectives. Both parties engaged in the relationship tend to express these in a number of ways. At a pilot stage of the research some recipients indicated for instance that donors foster their objectives through carefully prepared packages, and by being prescriptive.

As a way of fostering financial management skills in recipients some donors would not give financial aid to groups until they can prove a capability to handle funding.

Donors and recipients both accuse one another about not knowing enough about the objectives of their counterparts.

The level of assistance that recipients request from donors and the long-term or short-term nature of funding can serve to enhance or undermine the objectives set by the recipients and subsequently inhibit self-reliance.

A number of objectives were generated through the pilot interviews. These are rated on a Likert scale and ranked for both donors and recipients. The results given in Tables 4.1 (a) and (b) indicate a considerable similarity of opinion in this regard between donors and recipients.

Table 4.1 (a) : Donor Ratings and Rank Order of Objectives

Item	Donor Ratings	Rank No
1. Projects accept funding offered by donors even if funding is not sufficient for achievement of objectives	4.39	1
2. Projects should not be given large amounts of money until they have proven their capacities	4.25	2

3.	Projects must understand that donors are governed by different regulations and policies	4.25	2*
4.	Projects must have multiple sources of funding	4.13	4
5.	Projects don't understand donor priorities	3.92	5
6.	Donors do not understand what is involved on the ground	3.88	6
7.	Long-term programme funding is more preferable than short-term funding	3.83	7
8.	Projects seek funding beyond their capacity to implement	3.30	8
9.	Projects meeting grant conditions secure ongoing support	3.00	9
10.	Donors are prescriptive	2.88	10
11.	Donors come with package deals	2.79	11

Table 4.1 (b) : Recipient Ratings and Rank Order of Objectives

	Item	Recipient Ratings	Rank No
1.	Long-term programme funding is more preferable than short-term	4.69	1
2.	Projects should not be given large amounts of money until they have proven their capacities	4.38	2
3.	Projects must have multiple sources of funding	4.30	3
4.	Projects must understand that donors are governed by different regulations and policies	4.12	4
5.	Projects accept funding offered by donors even if funding is not sufficient for achievement of objectives	4.10	5
6.	Projects don't understand donor priorities	4.06	6
7.	Donors do not understand what is involved on the ground	3.83	7
8.	Projects meeting grant conditions secures ongoing support	3.50	8

9.	Projects seek funding beyond their capacity to implement	3.14	9
10.	Donors are prescriptive	3.08	10
11.	Donors come with package deals	3.06	11

N = 44 where n1 = 18 and n2 = 26

In this case the respondents needed to express the extent of their disagreement and strong agreement with the statements made. The results reveal the following.

(a) That there was agreement that projects accept funding even if that funding is not sufficient to achieve the project objectives. Donors rated this item at 4.39 whereas recipients rated it at 4.10 indicating an agreement on this variable.

(b) Agreement also existed on the fact that projects should not be given large amounts of money until they have proven their capacities. Donors rated this item at 4.25 whereas recipients rated it at 4.38. There is a close alignment on this issue.

Overall, there is a close alignment between donors and recipients on objectives, the notable difference being the statement that long-term programme funding is preferable to short-term funding. Donors rated this item at 3.83 when recipients rated it at 4.69. Donor agreement was not as strong as that of the recipients. This aspect of the research will be further analysed in Chapter 5 in terms of the theory on the subject. It is probably informed by the experience that donors have in this regard, particularly in relation to the practice of short-term funding preferred by donors.

Factor	Labels	% of Cumulative Variance	Eigenvalues
Factor 1	Donor Imposition	26.04	2.8648
Factor 2	Donor Imperatives	15.4[illegible]	1.7035
Factor 3	Implementation Capacity	11.96	1.3161
Factor 4	Multiple Donor Support	10.22	1.1241

The T-Values indicated that there was no significant difference between how donors or recipients perceived these aspects. The T-probability value at the significance level of .05 is .6238 on this factor. Other factors are discussed later but also show no statistically significant differences.

INTERPRETATION OF FACTORS

FACTOR 1 DONOR IMPOSITION

The following constructs account for this factor.

[illegible]t	Rotated Factor Loadings
Donors don't understand what is happening on the ground	.7432
Recipients acceptance of funding even if the funding is not sufficient for project objectives	-.5580
Projects not to be given large amounts until they are capable of handling funding	-.5593
Donors come with package deals	.7917

This variable is named "Donor Imposition" on recipient objectives.

We can postulate that; where donors do not take the pain to understand the recipient's objectives, and where they indicate, unintentionally perhaps, lack of trust in the recipients' capabilities, relations are bound to be unpalatable. Recipients in their eagerness to receive funding because they rely on external sources to themselves, will not fully achieve their objectives of becoming self-reliant.

FACTOR 2 : DONOR IMPERATIVES

The following constructs account for this factor.

Construct	Rotated Factor Loadings
Frequent Donor Priority Changes	.7254
Donor Regulations and Policies	.7172

This factor is named "Donor Imperatives" since the indication of the factor is that what appears to be important for donors are their priorities and their regulations and policies. This suggests that donors tend to be concerned with their own structures and with maintaining the status quo in their ranks.

FACTOR 3 : IMPLEMENTATION CAPACITY

The following constructs account for this factor.

Construct	Rotated Factor Loadings
Meeting of grant conditions secures ongoing support	-.7530
Projects seek funding beyond their capacity to implement programmes	.6878

This factor is labelled **"Implementation Capacity"** since the meeting of grant conditions and securing ongoing support is probably highly related to the capacity of the project to implement its objectives. We can postulate that; **the levels of request submitted to donors should be related to the capacity of the recipient to implement their programme objectives.**

FACTOR 4 : MULTIPLE DONOR SUPPORT

This factor is labelled **"Multiple Donor Support"** due to the fact that this is a preferred way of operating by many recipients and donors alike. The following constructs account for this factor.

Construct	Rotated Factor Loadings
Projects must have multiple sources of funds	**- .9083**
Programme funding covering a longer time frame is more preferable than short-term funding	**- .5126**

It is suggested here that long-term funding is preferable since it allows for proper planning and forecasting. The reliance on one donor is detrimental to self-reliance and may give the single donor control over a recipient. It would be imperative that recipients seek as many and as varied a donor as is possible. Mosley, (1987) warns against this and suggests that the difficulties that often arise with regard to reporting requirements and time available to recipients to involve themselves in their activities is adversely affected by the conditionalities of different donors. If we link this with our previous findings with regard to Factor 2, donor imperatives, we can see what the difficulties of this approach can be. Many donors have varying interests, reporting requirements and standards. This creates a burden on recipients who often have to build bureaucracies to meet the reporting needs of donors.

In reference to Table 4.1 (a) to determine differences between donors and recipients using the median and ranking, the important fact for donors is that there is agreement that projects tend to accept funding even if that funding is not sufficient to meet their objectives. The fact that projects must not be given large amounts of money until they are capable of handling such funds and the fact that projects must understand donor regulations and policies received strong agreement from donors. That projects must seek multiple sources of funding was also significant for donors.

Recipients agreed with donors in Table 4.1 (b) as indicated, on the fact that projects should not be given large amounts of funding until they are capable of handling such funding and also that they need to have multiple sources of funding.

Whilst donors have rated long-term funding in rank No 7, recipients have ranked this item as priority No 1. Perceptually this might indicate that there are differences between donors and recipients on this issue. Statistically there is no significant difference between donors and recipients on this issue as reflected in the t-Test of these factors with probability values at .6228, .4010, .2896 and .3465 on factors 1,2,3,and 4 respectively. Since scores were less than or greater than the .05 significance level applied.

5. MOTIVES

The factor analysis on motives indicates the major factors extracted and their eigen values. The constructs that account for the labels are indicated with rotated factor loadings as in other cases. Table 5.1 (a) and 5.1 (b) compares the median scores of donors and recipients on motives.

Factor	Construct	% Cumulative Variance	Eigenvalue
Factor 1	Enlightened self-interest	25.71	3.2141
Factor 2	Compassion	20.95	1.8852

INTERPRETATION OF FACTORS

The following constructs account for this factor.

FACTOR 1 : ENLIGHTENED SELF-INTEREST

Construct	Rotated Factor Loadings
Corporate giving is based largely on self-interest	.8805

Corporate investment in community secures the future of the business	.7462
Self-interest above all else is the motive for CSR	.7602
Donor policy framework determines giving	.6235
Foreign aid primarily shapes society for its own interests	.6206
Projects like donors uphold primarily their self-interest	.5794

This factor is named after Bloom's, (1985) explication of why business needs to become involved in communities and show interest in issues in the community. **Business can only co-exist peacefully with the communities within which it operates if it can be seen to be genuinely concerned about what is happening in that community. This is also in the interest of recipient organisations as they uphold their self-interests primarily.** This is indicative of Epstein's, (1989) concept of Corporate Social Responsiveness.

FACTOR 2 : COMPASSION

Construct	Rotated Factor Loadings
Compassion and the Love of Mankind is paramount in the decision to give	.6959
The self-reliance of recipients is primary in determining Aid	.7849
Matching of objectives by donors and recipients	.5767

Enlightened self-interest and the agreement to match self-interests and objectives by donors and recipients is a factor that seems to appeal to both. The rotated loadings on the compassion and the love of mankind do not necessarily suggest that compassion and the love of mankind is paramount in the decision to give. What seems to be more important is enlightened self-interest. The T-Value on this factor is .05 which is equal to the significance level of .05 suggesting that there is statistically, a significant difference between how donors and recipients view this issue. There is no significant difference in Factor 1 at .3366.

Table 5.1 (a) : Donor Ratings of Motives

Item		Donor Ratings	Rank Order
1.	Projects and donors must realise that both have objectives - they must match these	4.68	1
2.	Corporate giving is based largely on self-interest	3.93	2
3.	Political interest to shape society is a primary motivation for foreign aid	3.79	3
4.	Projects like donors primary uphold their self-interest	3.77	4
5.	Engaging in social investment secures the future of the corporation	3.75	5
6.	The self-reliance of recipients is primary in determining aid	3.30	6
7.	Self-interest above all else is the primary motivation for giving	2.70	7
8.	Policy framework determined by the donor is the only driving force for giving	2.70	7
9.	Compassion and the love of mankind is paramount in the decision to give	2.00	9

Table 5.1 (b) : Recipient Ratings of Motives

Item		Recipient Ratings	Rank Order
1.	Corporate giving is based largely on self-interest	4.[illegible]	1
2.	Engaging in social investment, secures the future of the corporation	4.14	2
3.	Projects and donors must realise that both have objectives they must match	3.12	3
4.	Projects like donors primarily uphold their self-interests	3.93	4
5.	Political interest to shape society is the primary motivation of aid	3.75	5
6.	Policy framework determined by the donor is the only driving force for giving	3.41	6
7.	Self-interest above all else is the primary motivation for corporate giving	3.40	7
8.	The self-reliance of recipients is primary in determining aid	2.67	8
9.	Compassion and the love of mankind is paramount in the decision to give	1.86	9

According to Table 5.1 (a) donors strongly agreed that projects and donors must realise that both have objectives which they must match. This was rated on a median of 4.68.

Donors also agree that corporate giving is based largely on self-interest, that political interest to shape society is a primary motivation for foreign aid, that projects like donors primarily uphold their self-interest and that engaging in social investment secures the future of the corporation.

The self-reliance of recipients as being primary for determining aid received a **"somewhat agree"** response from donors.

Donors disagreed that self interest above all else is the primary motivation for giving, that the policy framework determined by the donor is the only driving force for giving. Compassion and the love of mankind being paramount in the decision to give was also rejected by donors.

On the other hand from Table 5.1 (b) it can be seen that recipients agreed - (but not as strongly as donors) - that corporate giving is based largely on self-interest. Recipients also agreed on the fact that engaging in social investment secures the future of the corporation, projects and donors must realise that both have objectives which they must match, that projects like donors uphold primarily their self-interests and that political interest to shape society is the primary motivation of aid.

The proposition that the policy framework determined by the donor is the only driving force for giving and that self-interest above all else is the primary motivation for corporate giving was not enthusiastically agreed upon by recipients.

Disagreement and strong disagreement was found on the fact that the self-reliance of recipients is primary in determining aid and the fact that compassion and the love of mankind is paramount in the decision to give.

Clearly, there is agreement between donors and recipients about the fact that compassion and the love of mankind is not paramount in the decision to give. Agreement also exists between donors and recipients about the primary motivation for aid and corporate giving. This aspect will be dealt with in Chapter 5 as it validated both perceptions held by donors and recipients as well as the literature on the subject.

6. AMICABLE RELATIONSHIPS

On the Likert scale 1-5, the respondents were required to indicate the most important factors responsible for an amicable donor and recipient relationship.

Table 6.1 (a) and Table 6.1 (b) below show the results of this item.

Table 6.1 (a) : Donor Rating of Factors Governing an Amicable Relationship

Item		Donor Ratings	Rank Order
1.	Regular financial and narrative reports	4.25	1
2.	Rapport struck between donor and recipient officers	4.17	2
3.	Compliance with contractual agreements	3.83	3
4.	Ongoing funding	3.50	4
5.	Contractual agreements between donors and recipients	3.10	5
6.	Political popularity of the project	3.10	6

7.	The fact that funding is once off	1.50	7
8.	Donor board representation on recipient project	1.50	8

Table 6.1 (b) : Recipient Rating of Factors Governing An Amicable Relationship

Item		Recipient Ratings	Rank Order
1.	Regular financial and narrative reports	4.57	1
2.	Compliance with contractual agreements	4.33	2
3.	Rapport struck between donors and recipients	4.27	3
4.	Ongoing funding	4.14	4
5.	Contractual agreement between donors and recipients	4.09	5
6.	Political popularity of the project	2.64	6
7.	Donor board representation on recipient project	1.88	7
8.	The fact that funding is once off	1.61	8

It was found that donors thought it very important that regular financial and narrative reports be given and that the rapport struck between donors and recipient officers is responsible for the maintenance of an amicable relationship. Compliance with contractual agreements was somewhat important for donors, as was ongoing funding for the relationship. Contractual agreements between donors and recipients as well as the political popularity of the project were also found to be somewhat important for donors and recipients to maintain an amicable relationship.

Donors believe that once-off funding and donor board representation were not important factors in the donor- recipient relationship.

Recipients on the other hand felt that the following factors were very important in maintaining an amicable relationship between donors and recipients: regular financial and narrative reporting, compliance with contractual agreements, rapport struck between donors and recipients, ongoing funding and contractual agreements between donors and recipients.

As opposed to donors, recipients indicated that the political popularity of the project is the least important factor to govern the relationship.

Like donors, recipients agreed that donor board representation on recipient projects and the fact that funding is once-off were not important factors in the relationship. Through factor analysis the following constructs brought about the ensuing labels/themes.

Factors	**Label**	**% of Cumulative Variance**	**Eigen Values**
Factor 1	**Rapport**	**30.01**	**2,4007**
Factor 2	**Political Popularity**	**17.77**	**1,4219**
Factor 3	**Contractual Agreements**	**14.31**	**1,1446**
Factor 4	**Donor Representation**	**12.59**	**1,0074**

INTERPRETATION OF FACTORS

FACTOR 1 : RAPPORT

The following construct loads hea y on this factor.

Construct	**Rotated Factor Loadings**
Ongoing funding	**.7925**

Rapport struck by officers - donors and recipients	.7090
Regular financial and narrative reports	.7707

This factor is called "Rapport". It is suggested that a good rapport between a donor and a recipient will lead to an amicable relationship. This will further be enhanced and maintained by regular financial and narrative reporting. The likelihood of receiving ongoing support will be high. Many donors and recipients confirmed this view during the interviews.

FACTOR 2 : POLITICAL POPULARITY

The following constructs load heavily on this factor.

Construct	Rotated Factor Loadings
The fact that funding is once-off	.8450
The political popularity of the project	.7351

This factor is called "Political Popularity". Many recipients during the interviews indicated that donors tend to select projects on the basis of the projects political popularity. Whilst donors certainly acknowledged this they did not believe that this contributed in any way towards an amicable relationship between donors and recipients.

FACTOR 3 : CONTRACTUAL AGREEMENTS

The following factors load heavily on this construct.

Construct	Rotated Factor Loadings
Contractual agreements between donors and recipients	.8366

Compliance with contractual agreements by recipients and donors	.8447

It is suggested that the existence of clear contractual agreements between donors and recipients and the compliance with such contractual agreements are imperative in the promotion of amicable donor-recipient relationships.

FACTOR 4 : DONOR REPRESENTATION

There is one construct which accounts for this factor which is self-explanatory. This is called "Donor Representation".

Construct	Rotated Factor Loadings
Donor board member representation on recipient board	.9590

On these factors, the t-test indicated that there is no statistically significant difference between donors and recipients which is represented by a probability T-Value of .1708, .6897, and .4686 in that order at the .05 significance level.

Recipients and donors show that there is a striking similarity in respect of the factors that account for an amicable relationship between donors and recipients. These are the facts of regular financial and narrative reports, compliance with contractual agreements and the rapport struck by the officers of the donor and the recipient.

7. SELF-RELIANCE

Using the Likert scale the respondents were requested to indicate the extent to which they agreed or disagreed with the variables in Table 7.1 (a) and 7.1 (b) below.

Table 7.1 (a) : Donor Ratings of Factors of Self-Reliance

Item	Donor Ratings	Rank No
1. Projects cannot be self-reliant as long as they do not generate their own funds	4.87	1
2. Projects must maintain a partnership relationship with donors	4.25	2
3. Donors must give sufficient funds to allow for self-reliance to emerge over time	3.25	3
4. Self-reliance is not possible due to lack of participation financially by communities	3.17	4
5. Self-reliance is not possible due to fluctuating donor priorities	3.00	5

Table 7.1 (b) : Recipient Ratings of Factors of self-Reliance

Item	Recipient Ratings	Rank Order
1. Donors must give sufficient funds to allow self-reliance to emerge over time	4.42	1
2. Projects must maintain a partnership relationship with donors	4.30	2
3. Projects cannot be self-reliant as long as they do not generate their own funds	4.19	3
4. Self-reliance is not possible	3.79	4

	due to lack of participation financially by communities		
5.	Self-reliance is not possible due to fluctuating donor priorities	3.21	5

Donors agreed that projects cannot be self-reliant as long as they do not generate their own funds, that they must maintain a partnership relationship with donors and that self-reliance is not possible due to lack of participation financially by communities.

Donors also somewhat agree that they must give sufficient funds to allow for self-reliance to emerge over time and that it is not possible to achieve self-reliance due to fluctuating donor priorities.

Recipients believe that donors must give sufficient funds to allow for self-reliance to emerge over time. They agree with donors that a partnership relationship must be maintained and that projects cannot be self-reliant as long as they do not generate their own funds.

There is agreement between donors and recipients on the fact that self-reliance is not possible due to lack of participation financially by communities and that self-reliance is not possible due to donor fluctuating priorities.

Through factor analysis two factors were extracted for the variable on self-reliance.

Factors	Label	% of Cumulative Variance	Eigen Values
Factor 1	Sufficiency of		

	Funds	35.56	1.7781
Factor 2	Generation of own Funds	21.41	1.0704

3.5.1.1 INTERPRETATION OF FACTORS

FACTOR 1 : SUFFICIENCY OF FUNDS

The following constructs load onto this factor.

Constructs	Rotated Factor Loadings
Donors must give sufficient funds to allow for self-reliance to emerge over time	.6371
Self-reliance is not possible due to donor fluctuations	.7344
Self-reliance is not possible due to lack of community participation financially	.7331

This factor is called "Sufficiency of Funds". This suggests that in order for self-reliance to emerge donors need to be patient and also give substantial amounts in order that the project can move towards self-reliance. **The disadvantages of poverty have caused recipients to expect that the empowerment process must of necessity be financed by donors.** The t-Test value at the ,05 significance level shows that there is no significant difference between how donors and recipients perceive this issue, the t-score being .1879 which is greater than 05.

FACTOR 2: GENERATION OF FUNDS

The following constructs account for this factor.

Construct	Rotated Factor Loadings
Projects must maintain a partnership relationship with donors	-.8333

Projects cannot be self-reliant as long as they do not generate their own funds	**-.5837**

This factor is called **"Generation of Funds".** This is essential for self-reliance and the independence of recipients from donors.

It is not understandable in terms of theory why these constructs are grouped together. A partnership relationship is obviously highly desired by both donors and recipients. It is difficult to know how it facilitates self-reliance for which the generation of own funds is paramount. The rotated factor loadings on these constructs are both negative but suggest a positive correlation to the variables under study.

During interviews a substantial number of recipients and donors advocated a partnership relationship. Its meaning and implications from a donor-recipient relationship perspective though is suspect.

Using Table 7.1 (a) and 7.1 (b) we can see how donors and recipients viewed the issue of self-reliance and which factors they strongly agreed were primary for self-reliance to emerge amongst donors.

There is agreement on the part of both donors and recipients on the three essential factors that comprise self-reliance.

The research suggests that donors and recipients prefer to get involved on a partnership basis. The implications for donors to give more funds to cover a long period is also emphasised and needs to be examined.

8. SOURCES OF FUNDS

Five sources of funds were identified. Respondents were then requested to indicate the extent to which they agreed with the statements. The following is an indication of how donors and recipients responded.

8.1 Medians for the acceptance of funds by Donors and Recipients

Table 8.1 (a) : Donor Ratings of the Acceptability of Certain Sources of Funds

Item	Donors	Rank Order
Foreign Aid Funds	4.40	1
SA Private Sector Funds	4.20	2
Foreign Corporate Related Trust Funds	4.10	3
Funds with strings attached	2.00	4
South African Government Funds	1.83	5

Table 8.1 (b) : Recipient Ratings of the Acceptability of Certain Sources of Funds

Item	Recipients	Rank Order
Foreign Aid Funds	4.33	1
SA Private Sector Funds	3.93	2
Foreign Corporate Related Trust Funds	3.64	3
Funds with strings attached	1.31	4

South African Government Funds	1.77	5

These tables show complete agreement between donors and recipients. In the interviews a number of respondents indicated though that the emergence of a **'new and democratic'** government could change their attitude to the South African government funding. Others commented that wherever funding is involved, people will bend the rules.

Both donors and recipients agree that foreign aid was acceptable. Donors unlike recipients, indicated a stronger agreement on the South African private sector funds, and foreign corporate related trusts while recipients somewhat agreed with the acceptability of these funds.

9. RECIPIENT PREFERENCES FOR SOURCES OF FUNDS

The respondents were requested to indicate preferred sources of funds on a standard Likert scale of 1-5. 1 = Not Preferred, 5 = Most Preferred as opposed to which were acceptable.

Table 9.1 (a) : Donor Ratings of Preferred Sources of Funds

Item	Donor Rating	Rank Order
Locally Generated Community Funds	4.50	1
Church Funds	4.38	2
Foreign Foundations Funds	4.25	3
Local Corporate Private Sector	4.04	4

Funds		
Foreign Government Aid Funds	4.00	5
Foreign Corporate Related Funds	3.94	6
Local Foundation Funds	3.50	7
South African Government Funds	1.67	8

Table 9.1 (b) : Recipient Ratings of Preferred Sources of Funds

Item	Recipient Rating	Rank Order
Church Funds	4.50	1
Foreign Foundation Funds	4.27	2
Foreign Aid Government Fund	4.00	3
Locally Generated Community Funds	3.67	4
Foreign Corporate Funds	3.64	5
Local Corporate Private Sector Funds	3.58	6
Local Foundation Funds	3.06	7
South African Government Funds	1.63	8

There is no agreement between both donors and recipients about the top four preferred sources of funding.

Donors ranked the top 4 preferred sources of funding as locally generated community funds, church funds, foreign foundation funds and private sector funds in that order. Recipients on the other hand ranked their top four categories of funds as church funds, foreign foundation funds, foreign government funds and locally generated funds in that order.

Donors ranked locally generated funds as No 1 whilst recipients ranked these funds as No 4 in the order of preference. Church funds were ranked second by donors while recipients ranked this No 1. Foreign foundation funds were ranked No 3 by donors whilst they were ranked No 2 by recipients. Local corporate private sector funds were ranked No 4 by donors whilst they are out of the top 4 priority preferences from the recipients at No 6. In terms of the Likert scale donors generally show stronger preferences than recipients with the exception of church funds as most preferred by recipients and locally generated funds most preferred by donors at the same score of 4.5.

Donors however noted that most people would prefer locally generated community funds since these are less tainted with self-interest. They noted also that though this was the case these funds are not usually available.

Church funds are seen by donors to be religiously motivated and therefore do not carry all the negative connotations of enlightened self-interest.

Donors and recipients alike did not prefer South African state funding for empowerment programmes. Recognition was given however to the fact that in areas such as housing, health and welfare the state is the major source of revenue.

Like donors, recipients see Church funds in the most positive light in terms of enlightened self-interest. The fact that foreign foundation and foreign aid government funds rated high implies a long-standing relationship which "alternative" community programmes have had with these sources of funds. Many recipients have noted that foreign aid and foreign foundations kept the hope alive and sustained alternative programmes during the hard and repressive years of the State to the extent that the State had to effect the infamous Disclosure of Foreign Funding Bill of 1989, initially proposed as the Orderly Politics Bill. Even at that stage, Foreign Governments played a large role in persuading the South African Government to water down this Bill. To this date only two organisations are now declared as Reporting Organisations under this Act.

10. CONTROL MECHANISMS

The respondents were requested to indicate strong agreement or strong disagreement on the factors set out in Tables 10.1 (a) and 10.1 (b).

Table 10.1 (a) : Donor Ratings of Control Mechanisms

Item	Donors Rating	Rank Order
Regular project evaluations should be done to ensure continued funding	4.68	1
Unannounced visits to projects by donors are time consuming for recipients	4.00	2
Financial, narratives and visitations to projects are all that is required to guarantee funding	3.00	3
Donor visits to projects are time consuming for recipients	2.39	4
Narrative and financial reports are all that donors should require to guarantee funding	2.14	5

Table 10.1 (b) : Recipient Ratings of Control Mechanisms

Item	Recipient Rating	Rank Order
Regular project evaluations should be done to ensure continued funding	4.35	1
Narrative, financial and visitations to projects are all that is required to guarantee funding	4.14	2
Narrative, financial and visitations to projects are all that is required to guarantee funding	3.10	3
Unannounced visits to projects by donors are time consuming for recipients	2.50	4
Donor visits to projects are time consuming for recipients	2.09	5

Donors strongly agreed whilst recipients only agreed that regular project evaluations should be done to ensure continued funding. Whilst donors agreed that unannounced visits to projects by donors are time consuming for recipients, recipients disagreed with this proposition.
The agreement expressed by donors and recipients indicated a lukewarm response as to whether financial, narrative reports and visitations to projects are all that is required to guarantee funding.

Both donors and recipients disagree that donor visits to projects are time consuming.

Through factor analysis the following constructs were extracted for control mechanisms.

Factor	Label	% of Cumulative Variance	Eigen Value
Factor 1	Guarantee of Funding	29.61	1.4868
Factor 2	Visitations	21.32	1.0433
Factor 3	Project Evaluation	16.90	1.0106

INTERPRETATION OF FACTORS

The following constructs account for these factors.

FACTOR 1 : GUARANTEE OF FUNDING

Construct	Rotated Factor Loadings
Financial and narrative reports are all that donors should require to guarantee funding	.8078
Narrative, financial and visitations to projects are all that is required to guarantee funding	-.7841

This factor is called "Guarantee of Funding" as both donors and recipients tend to use financial and narrative reports as well as visitations as mechanisms that guarantee future funding for the activities of the recipients.

FACTOR 2 : DONOR VISITATIONS

Construct	Rotated Factor Loadings
Donor visits to projects are time consuming for recipients	.7459
Unannounced visits to projects are time consuming for recipients	.8160

This factor is called **"Donor Visitations"** as donors often visit projects to assess progress and collect prima facie data on the existence of funded projects so that they can establish whether further funding or no funding is required for the project activity funded.

FACTOR 3 : PROJECT EVALUATION

Construct	Rotated Factor Loadings
Regular project evaluations should be done to ensure continued funding	.9810

11. TIME FRAME FOR PROJECT TO BEGIN TO SHOW RESULTS

The respondents were required to indicate the most appropriate time frame within which recipients having received funding were to begin to show results.

Table 11. 1 (a) indicates donor responses and Table 11.1 (b) indicates recipient responses.

Table 11.1 (a) : Donor Responses

Item Years	Donors Frequency	%
0-1	1	6
2-3	9	50
4-5	8	44
		100

n1 = 18

Table 11.1 (b) : Recipient Responses

Item Years	Recipient Frequency	%
0-1	1	4
2-3	16	62
4-5	9	34
		100

n2 = 26

The total sample (N) is 44 being donors (n1) were 18

and recipients (n2) were 26.

12. FREQUENCY OF REPORTING

Respondents were asked to indicate on five items listed below the most appropriate and preferred frequency of reporting by projects to donors.

Every project needs to set realtistic time frames for the achievement of its objectives. Agreement on these time frames is one of the main constraints on the donor-recipient relationship. One of the constraints of the donor/recipient relationship is the expectation created by recipients with regard to assessing properly an effective period that will result in the project setting realistic time-frames for the achievement of set objectives.

Donors, in seeking for quick returns on their investment, are likely to create unrealistic expectations themselves by believing that everything they fund must work well and quickly, without due regard sometimes to the extreme difficulties faced by projects.

In this research agreement is reached by donors and recipients that 2-3 years is the ideal period in which a project can begin to show results. The next preferred time-frame is 4-5 years.

50% of the donors indicated a preference for 2-3 years, while 62% of the recipients indicated this time frame. 44% of the donors indicated 4-5 years as compared to 35% of the recipients. Only 5% of donors and 4% of the recipients chose 0-1 year.

Table 12.1 (a) indicates donor responses and Table 12.1 (b) indicates recipient responses.

Table 12.1 (a) : Donor Responses

	Donors	%
Once a Month	0	0
Quarterly	7	39
Half Yearly	5	28
Once a Year	6	33
At the completion of the project	0	0
Total	18	100

N = 44 where n1 = 18

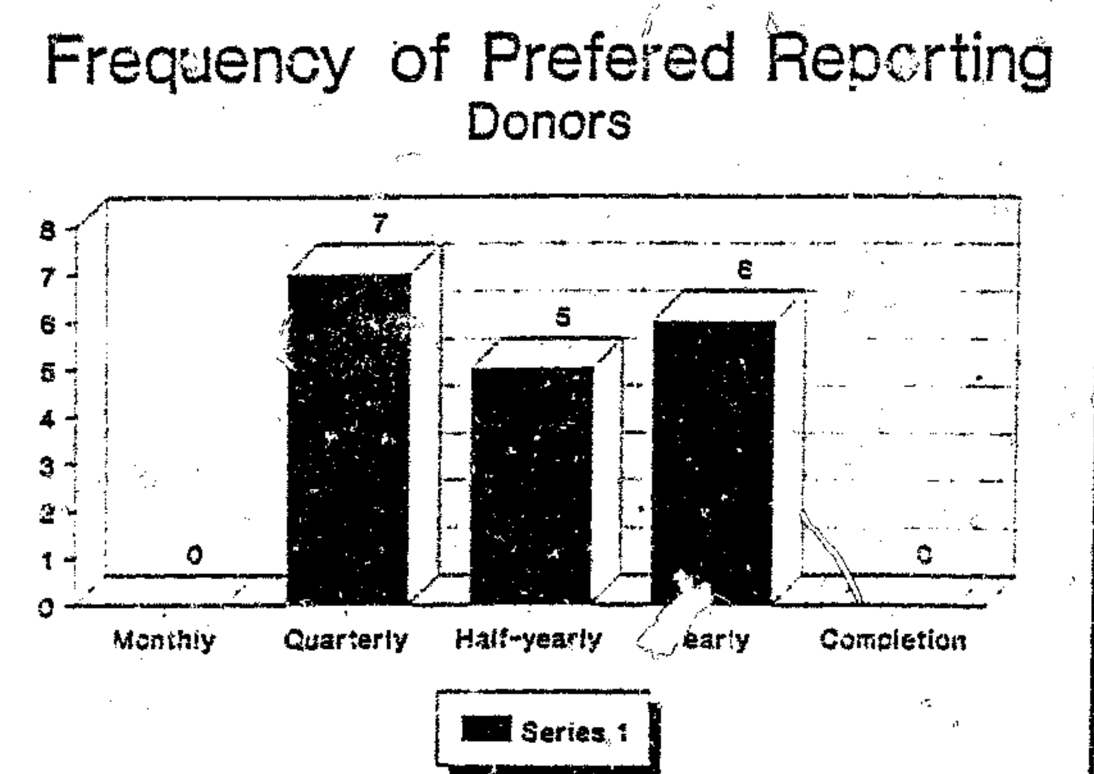
Table 12.1 (b) : Recipient Responses

	Recipients	%
Once a Month	1	4
Quarterly	5	19
Half Yearly	6	23

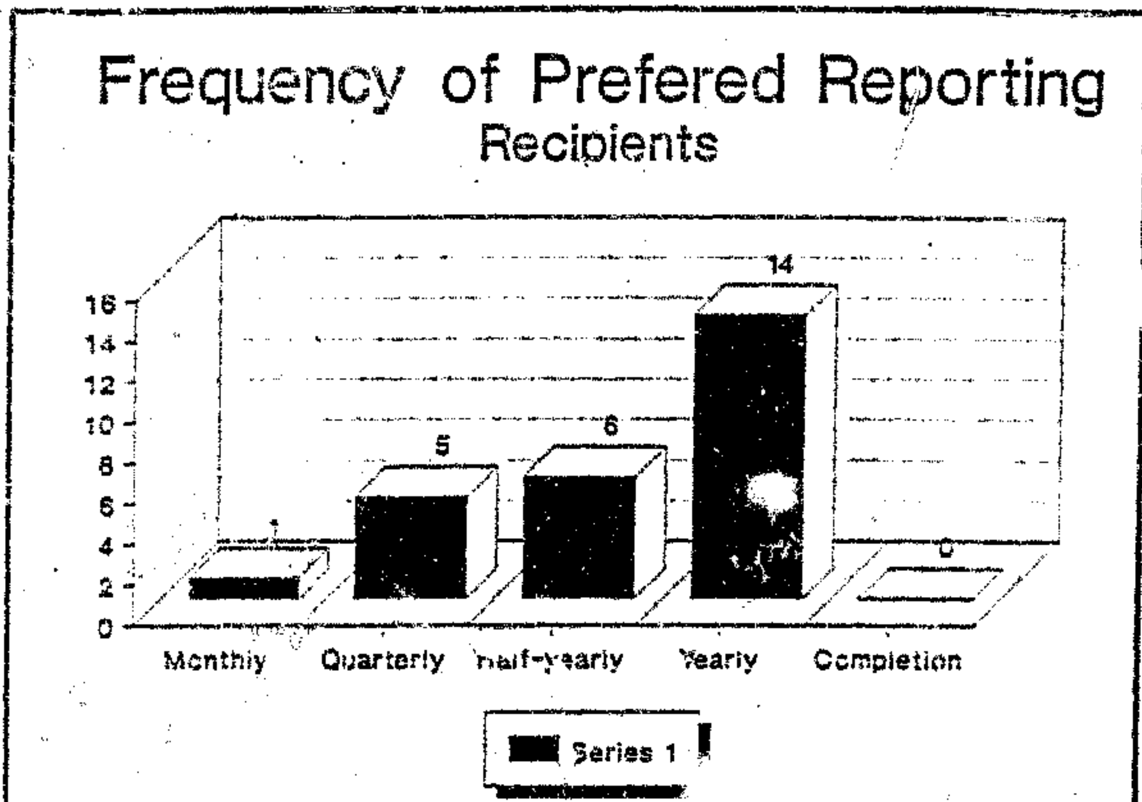
Once a Year	14	54
At the completion of the project	0	0
Total	<u>26</u>	<u>100</u>

N = 44 where n2 = 26

The bar charts marked Aid Interface ...es V and VI respectively indicate the frequency ... reporting preferred by both donors and recipients.



Aid Interface Figure V



Aid Interface Figure VI

The pie chart marked Aid Interface Figure VII indicates that 39% of the donors preferred quarterly reports. 33% preferred yearly reports and only 28% preferred half yearly reports. No donor wanted monthly reporting.

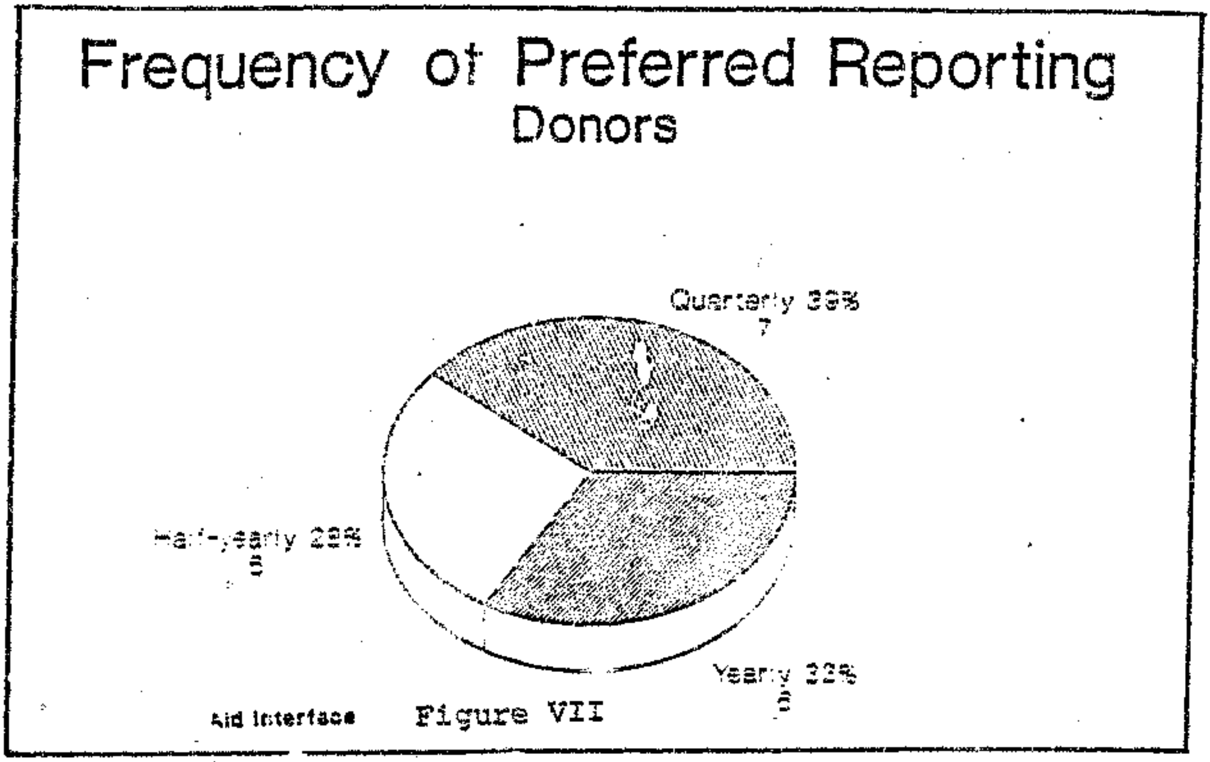


Figure VII

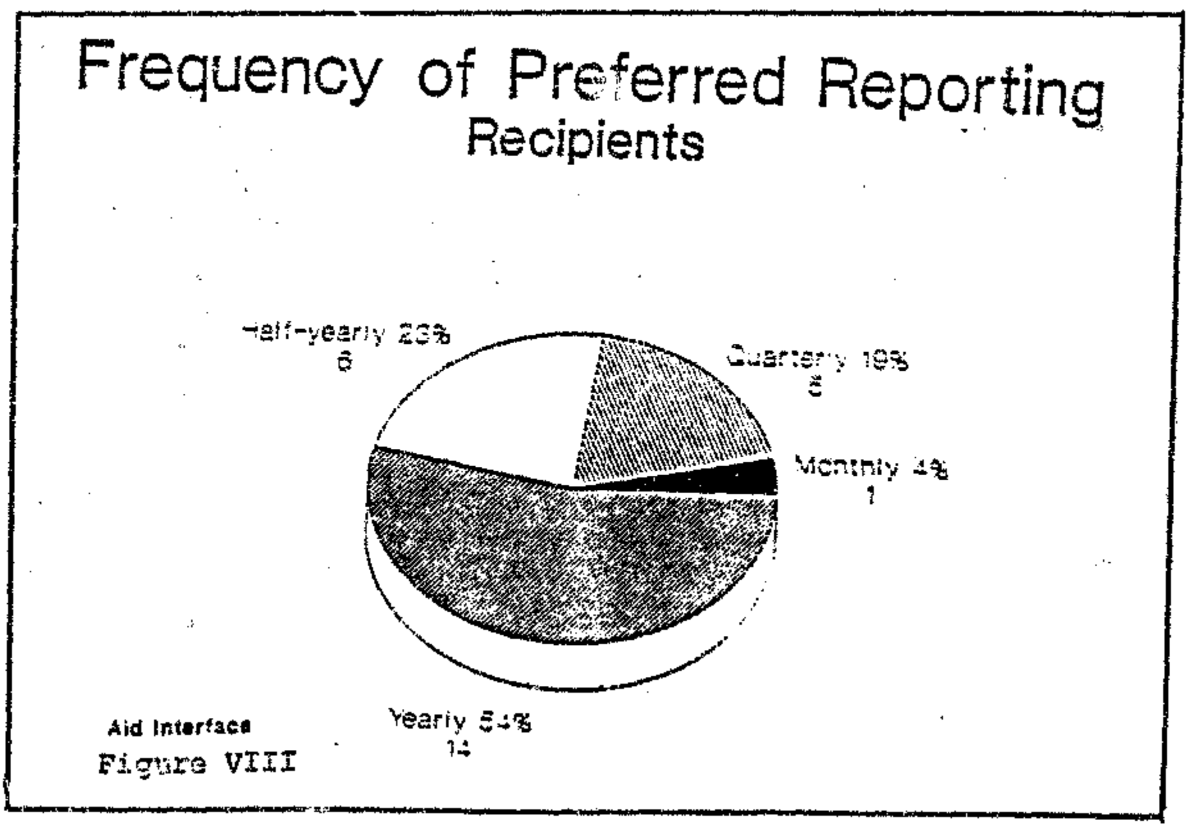


Figure VIII

In contrast to donors more than half of the respondents (included in the pie chart marked Aid Interface Figure VIII) 54%, preferred yearly reporting as opposed to 33% of the donors. 23% of the recipients preferred half yearly reporting which is close to the 28% figure reflected by donors. A wide gap exists between donors and recipients regarding quarterly reporting. 39% of the donors prefer quarterly reporting as compared to only 19% of the recipients.

13. ADMINISTRATION

The respondents were required to indicate on the Likert scale the extent to which they agreed with a number of statements regarding administration. Table 13.1 (a) and Table 13.1 (b) show the ratings of those items by both donors and recipients respectively.

Table 13.1 (a) : Donor Ratings of Administration Issues

Item	Donor Ratings	Rank Order
1. Lack of administrative capacities leads to project failure	4.38	1
2. Many donors are not fond of funding administration costs, but require administration duties to be fulfilled	4.05	2
3. Projects lack administrative capacities	4.00	3
4. Projects lack technical capacities	3.90	4
5. Many donors do not provide for sufficient back-up procedures to advance the administrative capacities of projects	3.86	5

6.	Many donors require a lot of administrative procedures to satisfy their own bureaucratic needs	3.30	6
7.	Projects refuse technical advice because they see the advice as donor taking control	2.93	7
8.	Many donors do not understand that the reporting procedures they require simply take too much time away from project activity	2.50	8

Table 13.1 (b) : Recipient Ratings of Administration Issues

	Item	Recipient Ratings	Rank Order
1.	Lack of administrative capacities leads to project failure	4.57	1
2.	Many donors are not fond of funding administrative costs but require administrative duties to be fulfilled	4.36	2
3.	Many donors do not provide for sufficient back-up procedures to advance the administrative capacities of projects	4.23	3
4.	Projects lack administrative capacities	4.17	4
5.	Projects lack technical capacities	3.81	5
6.	Many donors require a lot of administrative procedures to satisfy their own bureaucratic needs	3.70	6
7.	Projects refuse technical advice because they see the advice as the donor taking control	3.07	7
8.	Many donors do not understand that the reporting procedures they require simply take too much time away from project activity	2.79	8

From these results it can be seen that both donors and recipients agree that the lack of administrative capacities leads to project failure. Recipients show a stronger agreement on this issue than donors.

Agreement also exists with respect to the fact that many donors are not fond of funding administrative costs yet they require administrative duties to be performed, that projects lack administrative capacities and technical capacities and that many donors do not provide sufficient back-up procedures to advance the administrative capacities of projects. Again recipient agreements are stronger than those of donors.

A Factor Analysis on Administration issues was [illegible]rmed. The respondents were requested to [illegible] the extent of their agreement with a number [illegible]ments. These statements are derived from the literature review, as well as from points raised at a number of conferences. The work of Mosley, (1987) again influenced this aspect of the research.

Factor	Label	% of Cumulative Variance	Eigenvalue
Factor 1	Administrative Technical Assistance	23.84	1.9071
Factor 2	Administration and Reporting Conflict	21.96	1.7566
Factor 3	Technical Assistance Dilemma	14.50	1.1601

The t-Test for each factor is as follows: .7079, .1017 and .9917 implying there is no statistically significant difference between how the donors and recipients perceive this issue at the .05 significance level.

INTERPRETATION OF FACTORS

The following constructs account for the aforesaid factors.

FACTOR 1 : ADMINISTRATIVE TECHNICAL ASSISTANCE

Construct	Rotated Factor Loadings
Many donors do not provide for sufficient back-up procedures to advance the administrative capacities of projects	.5958
Projects lack administrative capacities	.6747
Projects lack technical capacity	.8394

This factor is called "Administrative Technical Assistance" based on Mosley's, (1987) work on the study of aid.

FACTOR 2 : ADMINISTRATION AND REPORTING CONFLICT

This factor is called "Administration and Reporting Conflict" again based on Mosley's, (1987) work and that of Cassen and Associates, (1987).

INTERPRETATION OF FACTORS

The following constructs account for this factor.

Construct	Rotated Factor Loadings
Many donors require a lot of administrative procedures to satisfy their own bureaucratic needs	.7012

Many donors do not understand that the reporting procedures they require simply take too much time away from project activity	.5530
Many donors are not fond of funding administration costs, but require administrative duties to be fulfilled	.7526

FACTOR 3 : INTERPRETATION OF FACTORS : THE TECHNICAL ASSISTANCE DILEMMA

This factor is called "The Technical Assistance Dilemma" as indications from the respondents are that donors claim that often recipients refuse technical assistance and lack administrative capacities leading to project failure. On the other hand projects accuse donors of refusing to fund administrative costs but expect administrative duties to be performed. Some recipients indicated during the interviews that donors have a tendency of taking control of projects by seconding expatriates to projects who never transfer their skills and thereby retaining a measure of control over the recipient organisations.

Construct	Rotated Factor Loadings
Projects refuse technical assistance as they see the advice as the donor taking control	.8199
Lack of administrative capacities lead to project failures	.6377

In order to determine which factors were more important for recipients and donors the median scores are computed.

Both donors and recipients have similar items right across the table. There is high agreement on the lack of administrative capacities amongst projects. The implication of this state of affairs to self-reliance and in particular to community control, participation and community management is serious.

14. ACCOUNTABILITY

Again the respondents were required to indicate the extent of their agreement with a number of statements on a Likert scale 1 - 5 as in other instances.

Table 14.1 (a) and Table 14.1 (b) show the results by both donors and recipients respectively.

Table 14.1 (a) : Donor Ratings of Accountability

Item		Donor Ratings	Rank Order
1.	Donors and recipients must be accountable to each other	4.20	1
2.	Recipients must declare to a larger society their donors so as to be accountable to society	3.50	2
3.	Donors must declare to the larger society their recipients so as to be accountable to society	3.00	3*
4.	Recipients should only be accountable to their immediate constituencies	3.00	3*
5.	Recipients have an obligation to declare their funding to the state in order to be accountable	1.88	5

<u>Table 14.1 (b) : Recipient Ratings of Accountability</u>

Item		Recipient Ratings	Rank Order
1.	Donors and recipients must be accountable to each other	4.69	1
2.	Recipients must declare to the larger society their donors so as to be accountable to society	4.13	2
3.	Donors must declare to the larger society their recipients so as to be accountable to society	4.07	3
4.	Recipients should only be accountable to their immediate constituency	2.50	4
5.	Recipients have an obligation to declare their funding to the state in order to be accountable	1.31	5

In this instance both sets of respondents agree that donors and recipients must be accountable to each other, and that recipients must declare to the larger society their donors so as to be accountable to society. Recipients agreements are stronger on these issues than donors.

Whilst donors somewhat agree that they must declare to the larger society their recipients, recipients agreement is stronger on this issue.

Donors somewhat agree that recipients should only be accountable to their immediate constituencies, recipients are inclined to disagree on this issue. Both recipients and donors strongly disagree on the fact that recipients have an obligation to declare funding to the state in order to be accountable.

Many donors indicated, though, that in a normal society some form of accountability to the state would be necessary. Others indicated that state intervention in whatever form and by whatever government i not desirable. They indicated that relations between the private sector and the community are mature enough to be regulated without state control.

The factor analysis on this construct revealed the following.

Factor	Label	% of Cumulative Variance	Eigen Value
Factor 1	Declaration	45.66	2.2832
Factor 2	Joint Accountability	21.67	1.0836
Factor 3	State Interference	20.60	1.0302

There is no statistically significant difference between the donors and recipients view of these factors. This is accounted for by a T-Value of .2061, 3204 and .0405 respectively at the .05 significance level.

FACTOR 1 : DECLARATION

INTERPRETATION OF FACTORS

These factors are accounted for by the following constructs.

Construct	Rotated Factor Loadings
Donors must declare to the larger society their recipients so as to be accountable to society	.9118
Recipients must declare to the larger	.8928

Construct	Rotated Factor Loadings
society their donors so as to be accountable to society	
Recipients should only be accountable to their immediate constituencies	-.7957

This factor is called "Declaration" as the rotated factor loadings suggest.

FACTOR 2 : JOINT ACCOUNTABILITY

This factor is called "Joint Accountability" as both respondents indicated its significance during the interviews. This is also a subject of vigorous debate in recipient and donor organisations and between these parties.

INTERPRETATION OF FACTOR

The following construct account for this factor.

Construct	Rotated Factor Loadings
Donors and Recipients must be accountable to each other	-.9824

FACTOR 3 : STATE INTERFERENCE

This factor is called "State Interference" as it is self-explanatory. Both recipients and donors also refuse state interference and or intervention as indicated which in the preference and acceptability of sources of funding.

INTERPRETATION OF FACTOR

The following construct accounts for this factor.

Construct	Rotated Factor Loadings
Recipients have an obligation to declare their funding to the State in order to be accountable	.9841

15. COMMENTS

Asked to comment generally on the donor/recipient relationships; the role of the private sector in philanthropic activities and that of foreign aid, both recipients and donors had a number of comments to make. A sample of these comments is extracted from both donors and recipients and presented as part of the findings.

15.1 DONORS

15.1.1 Relationships

With respect to this aspect donors commented that joint ventures between recipients and donors are preferred. They felt that recipients lack trust in donors due to lack of knowledge amongst recipients of donors. Donors need to "purify" their reasons for funding and need to divorce funding from their interests.

Others commented that the relationship amongst donors and recipients is governed by a great deal of scepticism and suspicion, deceit and lack of mutual trust. Another commented that the relationship is "prostitutional" based on credibility gaining and no mutual benefitting, the problem of politics contributing to the situation. One donor commented that good relationships between donors and recipients are not known.

Another donor commented that donors tend to be white and the recipients black. Communication she added, between donors and recipients therefore becomes confusing. She continued and asked **"How do companies arrive at strategies and the selection of personnel in CSR?" "There is a lack of clear perceptions"**, she added.

On a more positive note some donors commented that partnerships should be enhanced, technological expertise through transference of skills including secondments if necessary should be encouraged. The enablement of the recipient to be self-sufficient is necessary. Recipients must realise that they must not depend on donors since donors only provide initial help and assistance. Self-reliance is important. No dominating and subservient relationships should be encouraged.

Another donor indicated that the problem with donors is that they are bogged down in paper work. She added that relationships could be improved if visits to projects were done at the field level, recipients increasingly getting assistance through donors in a collaborative manner.

15.1.2 Role of Foreign Aid

The response of donors to the role of foreign aid in philanthropic activities had a positive and a negative response. Foreign aid was perceived to have had a positive impact in maintaining alternative organisations during the peri of substantive repression. It made a positive impact on education and changing unjust laws in the country. Being developmental and essentially philanthropic in its interests though are also to improve political and commercial relationships of the donor country. In this context, one donor commented that "**Foreign aid has had a positive impact. It has maintained alternative organisations during substantive periods of repression. It should continue to maintain pluralism in the country.**"

On the negative side, foreign aid was accused of a number of things by donors. These included the fact that foreign aid was not focussed, does not give out of the goodness of the heart, comes with preconceived ideas of what is right to do, not allowing ferment on the ground, being difficult to interpret, pursuing foreign policy objectives and international relations and not taking community needs seriously. One donor commented that **"There has been high suspicion about foreign aid particularly US funds. Europeans have sponsored mainly protest politics. They should go further into development."** Another donor commented that **"Foreign aid has hidden agendas .... for them politics are more urgent than community needs."**

Other donors warned that in spite of the positive and negative aspects of foreign aid, South Africa needed to recognise that foreign aid will diminish and that the responsibility currently carried out by foreign aid will go to the future South African government and to business. They indicated that governments will in future tend to go bilateral and that there is too much foreign aid at the moment being used for the benefit of individuals rather than communities and creating dependent organisations not thinking strategically for the long-term. In this context, one donor commented that **"Foreign aid is foreign policy, recipients must** understand this and thrash out a deal that suits them." He commented further that more often than not recipients come with unrealistic expectations. He admonished; "strike a deal".

Another donor commented that "Foreign aid is doing a fair bit". Eastern friends he suggested "are still insensitive to country needs. Foreign aid is still narrow, focussing on business interests. They should have visitations of long-term benefits. Westerners have burnt their fingers and have learnt from this situation. They are more positive in their approach which is a result of involvement directly over a period of time".

15.1.3 The Role of the Private Sector

An element of self-criticism was prevalent amongst donors with regard to the role of the private sector. This was particularly evident from the CSR managers who often find themselves caught up in promoting company policies and interests but also have a genuine concern about development activity.

One donor commented that "companies do not seem to understand that the

welfare of the community is in their interest. They do not promote self-reliance. Development must be looked at in relation to the ratio of profit margins that the company makes. The bottom line must be "People Development".

In this context, a number of comments were made to the effect that the private sector is not doing enough inspite of the great need that exists. Many donors saw the private sector as shifting its responsibility to foreign governments. Business is also seen as self-serving, patronising and not understanding what is happening on the ground except what makes business good, taking an insensitive and blase attitude.

Comments were also made that reflect the position that CSR though important is a guilt- appeasing process for the company. It is argued that the workforce must be paid competitive wages and that business must move away from charitable programmes. It is also felt that business involvement in CSR should be governed by the unions through a code of conduct and that business must help their own staff with respect to transportation and housing, as this leads to better relations with staff.

A number of respondents expressed the view that the private sector has failed to address development issues because their CSR programmes are mostly marketing related and that for this purpose business needed to establish their own development foundation.

By and large the feeling that the private sector has concentrated on low priority projects and that CSR is more conscience salving money and not development oriented was prevalent amongst donors.

One donor commented referring to recipients that **"it is usually the best sales person not the best project that gets the money".**

A number of comments reinforced the idea that the private sector must play a more pro-active role as this meets business interests as well as those of the community. Key strategic interests of the private sector are fulfilled in this way.

15.2 Recipients

Close similarities were found between how recipients viewed the donor/recipient relationships in general. Recipients were however mostly critical of the role of both foreign aid and the private sector. They were especially unsympathetic about the role of the private sector in general. Sympathies with foreign aid amongst recipients could be traced in the comments made.

15.2.1 Relationships

Similar sentiments as those of donors were expressed by recipients regarding relationships between donors and recipients. These pointed particularly to the lack of trust between the two parties.

Other comments from recipients emphasised the fact that the relationship was more of a relationship between the **"powerful"** and the **"powerless"**, the **"haves"** and the **"have-nots"** with the powerful dictating terms. One recipient commented for instance that **"since 2nd February donors have come to speak of development. They insist on new requirements without going through a process of consultation."** He added, **"This is not acceptable.**

They impose new sets of criteria without prior consultation." He also added that this kind of action will lead to bedevilled relationships in the future.

Another commented in the same context that **"there is a frustration with donors because of set conditions of grant, for example, no payment of salaries and cars."** Donors should be accommodative, it is necessary for donors to consult and have discussions with recipients, he added. The fact that recipient and donor interests tend to vary creates misunderstanding.

Another recipient commented that there is a tendency by donors not to place a high value on grassroots activity. Projects are not encouraged to be meticulous. There is a cap-in-hand attitude.. "Good" things are not for projects.

Generally recipients expressed very strong sentiments about the fact that there is lack of independence on the part of recipients and that donors call the shots. The fact that donors are prescriptive and do not allow deviations is expressive of a relationship based on power. This increases tensions in the relationship between donors and recipients. Recipients were strong on the fact that donors impose criteria and demands of a political nature. They expressed the fact that packages come with constraints and restrict creativity.

The fact that donors tend to determine their giving on the basis of political alliance and funding people behind certain projects and not the projects themselves was strongly expressed by recipients. To this extent, one prominent recipient commented that: **"The understanding that must exist between donors and recipients is that donors are making a contribution to the struggle of the workers. They must understand that they are contributing towards transformation and democracy. They must respect the rights of recipients to be independent. No strings, no political interference. Priorities must be determined by the recipients."**

15.2.2 <u>Foreign Aid</u>

Recipients expressed a negative feeling about foreign aid. These feelings included a high degree of antagonism about foreign aid, some indicated appreciation for the role of foreign aid whilst others had an indifferent attitude.

The antagonistic views about foreign aid included comments that foreign aid had created dependency, that it subtly controls projects and is done primarily for purposes of controlling the future. Others commented that it was often too short-term. Foreign aid is seen also by recipients as a slave of world developments influenced by priorities all round and being there to influence local conditions, changing and being an extension of foreign policy and providing employment only for nationals of donor countries and as being highly politicised. In this context one recipient commented that **"foreign aid is politically embroiled in factionalism, partyism and sectarianism".** He commented that **"money makes madness, projects must be supported purely on merit; do not imply political strings. Use same standards as in home countries"** he said. Another commented that **"foreign aid is distasteful, is representative of old time penitences instilling their own objectives, unreliable, capricious, have and expect a 'Yes-boss' attitude."**

Still reflecting antagonism about foreign aid, one recipient commented that foreign aid staff (expatriates) do not transfer skills to locals, that foreign aid has created divisions amongst the people and therefore has a negative impact. He suggested that foreign aid should not dictate sides, especially politically and that the struggle of the people must be supported in totality, and that views should not be suppressed through money because the results will be dictatorships through the imposition of another's ideals.

On the positive side, a number of recipients commented that aid has been useful, helpful and has genuine intentions. A comment was made that foreign aid had an impact on the projects of the democratic movement and that these would not have existed without foreign aid. One prominent recipient commented that foreign aid has had separate interventions. He cited the fact that the UK and the USA are suspicious groups. The Nordic countries, he intimated, like Denmark and Finland are acceptable. **"France, Italy and Japan are grey areas"** he said. In this context he commented further that foreign aid has been a counter to violence and the application of sanctions. Support from the Nordic countries he intimated has been great. The difference in listening and attitudinal relationships in these countries is there. He indicated that foreign aid has been a substantial help to the democratic movement, including bilateral grants. It has had an impact at the political, developmental, labour and education projects. It has strengthened internal organisations irrespective of softening self-reliance. The National Education Co-ordination Committee, the Pan Africanist Congress and the United Democratic Front have proved their resiliance and mass-action due to foreign aid.

On the indifferent side, one recipient commented that **"If you can get money from overseas, take it".** Another commented that foreign aid is just a continuing of **"business as usual."**

Reference was also made by a number of recipients that foreign aid is unco-ordinated and that development projects form a shopping list for foreign governments.

5.2.3 Private Sector

Recipient views of the private sector were extremely negative. The private sector is accused largely of being inward looking and pre-occupied with profit-making, self-interest and only concerned with low priority projects or alternatively, programmes that provide tax benefits to the company. These projects are perceived by recipients not to be empowering but conscience soothing to business.

Recipients pointed to the fact that the private sector puts profits before anything else, that it is dead insofar as activity is concerned with regard to empowerment programmes, that business looks for safe areas of operations and is not prepared to take risks and that it is only interested in its political profile. In this context one recipient commented that **"The private sector has had a pathetic role in the past and at present. They have the capacity to influence apartheid but have failed to do so. Business programmes have been ineffective."** Another commented that only union pressure will make business move. He cited the case of the National Union of Mineworkers demands for social investment funds from the mining houses, as a case in which organised workers had made business to move.

Another recipient commented that "The private sector has not been visible in supporting projects. They tend to dwell on charitable or service type operations such as health and education. They have left out empowering activities. They only fund those programmes that they can ostensibly control. The private sector has domesticating policies."

16. CONCLUSION

The foregoing pages of the chapter have tabled the results and interpretations of the research. Similarities and differences in the way in which donors and recipients perceived certain issues have been explored. A point of interest is the fact that on the basis of factor analysis and the t-Tests conducted on the factors generated through the questionnaire there are few differences in how donors and recipients perceive the factors governing their relationships, except in one or two cases.

The median ratings and the rank orders also suggest similar patterns of agreement.

Commentaries by recipients on business and on foreign aid show a high degree of intolerance, anger and general distaste of the role that each of these sectors play in empowerment activities. The view that business is not or has not been helpful comes out strongly from the recipients. Another strong view is that foreign aid has increased dependency and has as its primary purpose foreign policy, political and business objectives.

Donors on the other hand in their commentaries also take a critical view about the role of business. They are also more positive about the role of foreign aid and suggest that recipients lack understanding of their intentions, policies and objectives and that recipients have unrealistic expectations.

In the next chapter these findings will be discussed in relation to the literature reviewed in Chapter 2. Propositions regarding relationships, self-reliance and possible routes for mutual undertakings will be drawn.

CHAPTER 5

DISCUSSION OF RESEARCH RESULTS AND RECOMMENDATIONS FOR FURTHER RESEARCH

Central to this study, is the question whether aid promotes or diminishes self-reliance in recipient organisations. Further, the study aims to explore the nature of a set of relationships that exist between donors and recipients and in that manner suggest the real preferences of donors and recipients. This, in turn, permits an investigation of a mutually beneficial relationship between donors and recipients.

The proposition has also been put that; **"the propensity for effective social progress in community development is dependent upon the NGO, business and government co-operation."** This fact recognises the phenomenal growth in recent years of the NGO sector and also the fact that this sector will continue to play a significant role in promoting effective community development through community empowerment processes. The role of business in this activity suggests that while it has been increasing it has hitherto been piecemeal and unco-ordinated. (Visagie Kobus J, 1990)

The results of this study are primarily descriptive and do not purport to offer solutions to the issues presented but make transparent some of the issues that are involved in this relationship.

Several of the themes relating to the relationship between donors and recipients have been generated through factor analysis. These themes and their related factors and/or variables have also been subjected to descriptive statistics to determine the order of their importance amongst donors and recipients.

The major themes that have emerged from the study are; issues around the **"multiplier effects"** of aid, the relevance to community of recipient and aid activities, donor imposition of criteria and policies on recipients as well as the fact that donor imperatives often prevail over the imperatives of the recipient. Themes relating to the implementation capacities of recipients and the issue of multiple donor support being significant in reducing donor dependence amongst recipients also emerged.

Other themes generated through the study encompass issues of enlightened self-interest being the major motivation for both recipients and donors to engage in a relationship. This applies particularly to business. This theme is however contentious for both donors and recipients. Compassion has been found not to be relevant for the aid relationship between donors and recipients, which questions the notion that philanthropy and public spiritedness are significant motivators in donations policy.

The research confirms that the rapport struck between donors and recipient officers is a major factor accounting for amicable relationships. The political popularity of the project, contractual agreements and donor representation on recipient boards are also important themes that are seen to play a role in the relationship between donors and recipients.

Sufficiency of funds and the generation of own funds by recipients are other themes that emerge for consideration in this relationship. These particularly relate to the issue of self-reliance and the independence of recipients from donors.

Other themes related to self-reliance include guarantees on funding processes, including donor visitations and the project evaluation theme.

Other themes that affect donor and recipient relationships are the lack of administrative and technical assistance, administration and reporting conflicts.

With regard to accountability processes and the extent to which they affect donor and recipient relationships three major themes emerged. These are; the public declaration theme, the joint accountability between donors and recipients theme and the issue of state interference in the relationship between donors and recipients.

Preferences and the acceptability of funds were not subjected to factor analysis. However, it is clear that these themes also have an effect on the donor/recipient relationships particularly in the light of the debate on the legitimacy or the illegitimacy of various sources of funds available for community empowerment programmes. The frequency of reporting to donors and the related time-frame for projects to begin to show results is also a significant factor for consideration.

Even though the findings of this research are limited to the donors and respondents interviewed, other studies conducted at the international level on this subject are validated in many respects by this study.

Using international evidence gleaned from the literature reviewed in Chapter 2, the three central issues of this study are discussed, namely, the issues of self-reliance, relationships and real preferences of donors and recipients.

1. SELF-RELIANCE

Recently the Star newspaper carried a commentary on the issue of self-reliance regarding Tanzania. This commentary helps to put into perspective the findings of this research with regard to the notions of self-reliance, the independence of the recipients from donors and to some extent the relationships that exists between donors and recipients. The Star quoted the Ambassador of the Swedish Legation as saying:

> **"Tanzania came to symbolise our hopes in Africa. We supported a development policy we thought was correct and which appealed to the philosophy of our own country." (The Star, Monday, July 16, 1990)**

An important aspect of the study was to determine whether aid hinders or promotes self-reliance in recipient organisations. It has already been submitted that donors, like recipients, often emphasise the notion of self-reliance in the selection of the projects they fund or implement. Similarly, recipient groups also emphasise the notion of self-reliance and independence from the donor in the promotion of their activities.

Through factor analysis, the relevant themes that have emerged in this regard include the issue of the self-sufficiency of funding, the generation of own funds by recipients, the guaranteeing of funds, administration, control mechanisms as well as donor imposition and donor imperatives.

By and large the research considering these points, suggests the fact that self-reliance as posited by Galtung, et al; (1980) cannot be said to be a reality amongst recipient organisations. Aid has increased dependency amongst recipients. The notion of self-reliance is desirable but it is not operational amongst recipients at this stage.

The article in the Star emphasises the fact that much of aid given to Africa, particularly by the British, Japanese and the French is also tied to the donor countries' exports and contractors, a fact alluded to by Hellinger, et al; (1988). The article further critically suggests that there are an estimated 80 000 foreign aid workers referred to as the **"Lords of Poverty"** who live champagne life styles on six-figure tax free incomes whose duty is to dole money to non-viable projects. The article cites the case of the Morogoro Shoe Factory which inspite of its failure continued to have ongoing financing from government subsidies with no plans in sight to close an obviously non-viable venture. This, the article suggests is a **"testament to the fact that many aid workers jobs depend on continuing to dish out money for bad projects."** This state of affairs could be an embarrassment to business [Olasky, (1987); Visagie, (1990); Marcus, (1985)] and reflects to a large extent the notions that were suggested by the respondents in this study.

Based on this study a number of factors are shown to militate against self-reliance, [Galtung, et al; (1980); Korten, (1987); Grosclaude, (1980); Cobbet, (1987); Kotze, (1983); Wilson and Ramphele, (1988)]. These factors are:

1.1 Donor Imposition

The tendency for donors to work only according to their criteria implies and strengthens the notion that donors impose their criteria on recipients. This attitude diminishes recipient independence and also has a negative effect on donor/recipient relationships. Donor position is discussed in detail when we consider the issue of a set of relationships that exist between donors and recipients. It implies facts such as the recipient acceptance of funding even if the funding is not sufficient for project objectives and the perceived package deals that donors present to recipients.

1.2 Donor Imperatives

Closely related to donor imposition which has a negative effect on self-reliance and on the set of relationships that exist between donors and recipients are donor imperatives. Donor imperatives refer to the rules, regulations and policies of donors superceding those of the recipients. These imperatives are also analysed in detail in the discussion of a set of relations that exists between donors and recipients. Suffice it to suggest that donor imperatives are seen by recipients and to some extent by some donors as impinging on self-reliance and the independence of recipients from donors.

1.3 Sufficiency of Funds

Donor and recipient attitudes about the sufficiency of funds to encourage self-reliance amongst recipients is (within the context of Galtung, et al; (1980) concept of self-reliance) negative and defeating to the notion of empowerment processes. The question of the periphery, the marginalised being independent before they can engage with the centre - the haves - is negated. Cobbet's, (1987) concerns about the powerful not being allowed to have undue influence in community programmes as it would reduce the power of the marginalised is also placed at a disadvantage. This is due to the fact that the theme of the sufficiency of funds links with the fact that donors must give sufficient funds to allow for self-reliance to emer over time. Another factor linking to this issue is the suggestion of the fact that self-reliance is not possible due to donor fluctuations and also that it is not possible due to lack of financial community participation as opposed to mass-participation.

To a large extent it is obvious that recipients will remain dependent on donors as long as they do not generate sufficient funds from their own resources, particularly at the community level. This is the fundamental principle of self-reliance which goes back to the adage **"he who pays the piper, calls the tune"**. Recipients cannot therefore continue to adhere to the principles of self-reliance unless they are prepared to pay their way. Considering the fact that most Corporate Social Responsibility and Investment (CRS/I) initiatives are earmarked at eradicating social ills, the application of the criteria of self-reliance under the circumstances needs a closer examination.

1.4 Generation of Own Funds

The importance of this factor to self-reliance is explained in the factor analysis by the notion that projects cannot be self-reliant as long as they do not generate their own funds. This was related also to the fact that there was an expectation in the factor analysis that projects must maintain a partnership relationship with donors in order that they can create means of generating their own funds.

Maintaining a partnership relationship was highlighted by both donors and recipients as very important.

This notion about self-reliance and the desire to be independent from donors expresses the ideological position that is desirable but fails to recognise the factors relating to donor imposition, donor imperatives and the self-sufficiency of funds as significant barriers to the relationship that exists between the parties. Partnership relationships between donors and recipients could be ideal. These were highly recommended by both parties, the practical operation of such partnership relationships however requires further investigation and is practically unrealistic if it is measured against the centre-periphery argument advanced by Galtung, et al; (1980).

In this context therefore it can be stated that **"the propensity for partnership relationships between donors and recipients is dependent upon the balance of power that can be shared between the two parties".**

The private sector, aid agencies and recipients must negotiate their strategic power positions in order to pursue effective community empowerment and social development programmes. Power to the recipients can be expressed in the joint competencies and through resources other than money that recipients have. This, however, draws attention to the discrepancies that Nyoni, (1987) has referred to, namely that NGO's talk about empowering communities yet they themselves depend on help external to themselves.

1.5 Sources of Funds

A critical component in the donor recipient relationship and the attainment of recipient objectives is the debate around the legitimacy of certain sources of funds. These sources of funds are perceived either as being positive or negative in promoting the independence of recipients, particularly ideological independence. The ideological distances with which these sources are regarded and therefore the division that they cause among recipients have always been a controversial issue. The incidence of **"bad-mouthing"** to which we have referred earlier arises out of this issue. [Sinclair, (1988); Lee and Buntman, (1989); Pardon, (1987); Antrobus, (1987) and Nyoni, (1987)].

In this study five sources of funds were investigated to determine the degree of their acceptance as well as preference to recipients by both donors and recipients. Donors and recipients in this study differ about which funds are more acceptable and preferable in some respects but largely agree on church funds as being both acceptable and preferable to the cause of self-reliance.

Foreign aid funding is seen to carry with it foreign policy objectives and to a minimum extent development objectives. Comments about foreign aid agencies suggests that donor countries are interested in the promotion of business and commercial relations for the sake of their own countries. To that extent therefore the notion of self-interest is perceived to effectively and decidedly negate self-reliance and recipient independence from donors. [Guess, (1987); Mosley, (1987); Cassen and Associates, (1987); Haytter and Watson, (1985); Hellinger and O'Regan, (1988)].

The debate about the sources of funds therefore and more particularly about foreign aid and business in relation to self-reliance tends to spark negative comments which are not helpful either in allowing recipients to be independent from donors or in assisting them to be empowered. These comments reflect notions such as the fact that foreign aid is distasteful and reminiscent of old time charities, unreliable and capricious, that aid is motivated by hidden agendas, politics being more urgent for them than community needs. Dependence in this way is seen to be created deliberately in the interest of the donor countries.

In spite of the negative notions that have been articulated by the respondents about the sources of funds there are positive developments and positive comments which indicate that aid and private sector funding is helping towards the process of empowerment.

Cassen and Associates, (1987) refer to the fact that most critics of aid have preconceived ideas about aid and reach conclusions about its effects even before relevant data has thoroughly been investigated. In this context given the existing attitude and experience of empowerment programmes such a statement requires further investigation. In this study the facts are such that whilst there is recognition of the fact that aid creates dependence, there is recognition of some of the positive aspects of aid particularly, the successful maintenance of opposition groups to apartheid. This is strongly believed to have empowered people to a certain degree. The current openness of De Klerk's administration can be directly linked with these efforts.

In this context therefore the research indicates that the prevailing notion about the sources of funds is that foreign funding, business funding, church funding, are all preferred to varying degrees, but have a negative impact on the process of self-reliance and empowerment. Funding creates dependency amongst recipient organisations striving for self-reliance.

An overwhelming response is the indication that state funding is neither preferable nor acceptable in the process of promoting self-reliance at this stage. The implications for a future government to deal with poverty and development issues are, in this context that a rethinking process in this regard is required.

Suffice it to suggest that [illegible] it of the ideological distance that [illegible] have about sources of funding, and [illegible] impa[illegible] on self-reliance, there currently exist no alternatives available to empowerment programmes. Recipients must of necessity use what is available creatively in order to pursue and further their ideals.

In conclusion, it is evident that whilst self-reliance is the primary motivation for recipient activity, business also recognises the need to promote self-reliance (O'Dowd, 1987). There are however the aforesaid considerations that will have to be made by both parties who are involved in this gift relationship (Butler and Wilson, 1990), if the goal of self-reliance is to be achieved.

In this context therefore it can be suggested that;

"The promotion of and the creation of a partnership relationship between the donors and the recipients will be dependent on the degree of mutual self-interest that can be entered into between donors and recipients in order that self-reliance and empowerment can be enhanced".

2. RELATIONSHIP

The view that relationships between donors and recipients are expressed in tensions and are far from harmonious (Pardon, 1987) has received confirmation in this study. Related factors to this tense and non-harmonious relationship include factors such as the complex process of obtaining funding, the question of the sources of funding against the background of political realities and ideological conflicts of the day; institutional procedures, priorities and the constraints created by the relatively short-term nature of most funding; the problems of vulnerability and the dependence of NGO's on external funding as suggested by Nyoni, (1987) and Antrobus, (1987).

These factors which have received confirmation in this study are: donor imposition, the prevalence of donor imperatives, the implementation capacity of programmes, multiple donor support, enlightened self-interest, compassion, the rapport struck between officers of donors and recipients, the political popularity of projects, contractual agreements, administrative capacities - technical assistance and the reporting conflict including public declaration by both parties. Joint accountability issues are central to the set of relationships that exist between donors and recipients.

2.1 Donor Imposition

In this study donor imposition encompasses the fact that recipients accept funding from donors even if such funding is not sufficient for project objectives. It also incorporates the fact that recipients are not to be given large amounts of funds until they are capable of handling such funds as well as the perception that donors come with package deals. These factors are indicative of;

(a) the lack of trust that has been articulated in commentary by both the recipients and donors.

(b) that largely, the aid relationship is donor driven (Hellinger, et al; 1988).

In the results of the study the factor analysis accounted for a cumulative variance of this factor at 26.4% as opposed to donor imperatives, with a cumulative variance of close to 16%.

Recipients commented that donors are dictatorial, that the relationship is that of the haves and the havenots, basically implying a dominance and subservience relationship between donors and recipients. Comments by donors indicate that the relationship is governed by a great deal of scepticism, suspicion, deceit and lack of mutual trust, based on credibility gaining and not mutual benefitting and therefore this contributes to the problem of tension between donors and recipients.

The views held by Hellinger, et al, (1988) indicating that aid does not work as it is only used as a political manoeuvre to direct aid where the lobbyists want it and that it is a function of the institutions that utilise it, is perceived to be prevalent amongst donors by recipients and surprisingly by some donors. For instance, one donor commented that, **"Donors must be frank about corporate donations policy"**, implying that corporate investment is governed largely by self-interest and therefore the priorities, policies and regulations of donors will take precedence over those of recipients in project selection and financing.

This view also reinforces the fact that donors tends to have inappropriate standards and values, usually in conflict with the dictates of the community they serve. (Marcus, 1985)

The implications of this factor of donor position in donor recipient relations are serious for both self-reliance and for the promotion of amicable relationships. The CSR initiatives of business, are unfortunately perceived in this manner. In order that self-reliance can be enhanced and in order that a more mutually beneficial relationship can be attained in the community empowerment process to enhance social progress and to eradicate social ills, it is imperative for business, aid agencies and NGO's to find a sound basis of co-operation based on mutual self-interest.

A related factor perceived by the respondents as being problematic in the donor recipient relationship is the factor of donor imperatives.

2.2 Donor Imperatives

Donor imperatives in the context of this study refer to the fact that donors frequently change their priorities and operate with strict regulations and policies which often recipients are not aware of or do not know. At the South African Institute of International Fundraising Conference held at the Carlton Hotel on the 17 October 1990, a CSR Manager suggested that recipients should take care and effort to know and understand what donor priorities and policies as well as criteria for selection of projects are. He suggested that recipients needed to have full knowledge of the companies they approached including their performance in the stock market as well as the companies pre-tax profits so as to facilitate easier access to funding. Almost in unison, the recipients in the conference who constituted about 85% of the audience of about 500 people responded that this notion was unrealistic, insensitive and downright arrogant and did not take into consideration rural based programmes which do not know many companies, let alone being able to understand the operations of these companies and the complexities of stock markets as well as preferences.

This example illustrates the gap that exists between donors and recipients and more particularly the somewhat inflexible approach that business and other aid agencies tend to take. This notion has received strong criticism from recipients in general as reflected in the commentaries.

Donor insistence on their priorities, policies and regulations, though justified in their view lead to dysfunctional relationships with recipients. They reinforce the notion that the aid relationship is donor driven. The views of Lappe', et al; (1981) that aid has a tendency to reinforce power relationships and fails to transfer power as intended by aid agencies including business, is also a view that is widely held by recipients and some donors.

The notion of business giving for utilitarian and personal reasons (Olasky, 1987) and that of corporate responsiveness [Feinstein, (1990); Epstein, (1989)] implying the inherent proactive stance against political imperatives, was highly criticised by recipients.

Donor imperatives in the aid relationship as reflected in the study is a contributing factor to uneasy ongoing donor and recipient relationships.

2.3 Implementation Capacity

One of the important factors that has a bearing on the donor and recipient relationship is the implementation capacity of recipients. This is related also to donor imposition and donor imperatives. Implementation capacities in the context of this study refers to the meeting of grant conditions by recipients; the securing of funding and the related administrative and technical competencies of recipients. [Mosley, (1987); Cassen and Associates, (1988)]

The general criticism levelled mainly by recipients against donors indicates a further strengthening of scepticism, lack of trust and confusion in the relationship between donors and recipients. Comments quoted in Chapter 4 of this study imply that the capacity for the implementation of objectives and programmes as determined by recipients is often made to fail by donors due to their fluctuating priorities. The fact of short-term funding as well as yearly requests also innibit long-term strategic planning for the recipients and therefore limit and or affect their implementation capacities negatively.

In this context therefore we can postulate that **"the propensity to enhance the implementation capacity of recipients is dependent on partnership relationships which will imply amongst other things, the transference of technological expertise, administrative skills and related organisational skills to recipients".** Mutual interest and the balance of power will be significant to encourage partnership relations amongst donors and recipients.

2.4 Multiple Donor Support

Multiple donor support which is characterised by the fact that empowerment programmes must have multiple sources of funds and the fact that programme funding covering a longer time-frame is preferable to short-term funding, is a significant factor governing donor and recipient relationships. Both donors and recipients show agreement on this fact statistically.

The agreement on this fact seems to be motivated as argued by the respondents by:

(a) the fact that it leads to sufficient funding of the recipient programmes.

(b) it reduces donor imposition as discussed earlier.

(c) it also presumably contributes to self-reliance.

There is no denying in theory of all these factors. However, given the fact of donor imposition and donor imperatives superceding recipient imperatives, and given the lack of technical and administrative capacities amongst recipients, this fact of multiple donor support can contribute to tensions in the relationship between donors and recipients. This is related to the problem of recipients meeting different and multiple donor conditionalities given the constraints underwhich the recipient operates. (Mosley, 1987)

Marcus's, (1985) suggestions in this respect assists one to gain some degree of sobriety. He cites the case of the Algerian Government who had the problem of multiple donors. The Algerian Government found itself unable to cope with reporting requirements. In addition the Algerian Government had to set up an administrative and public relations officer whose duty was solely that of entertaining donors, transporting them to and from the airport, to the different projects of the Algerian Government sponsored by foreign donors. Effectively this affected the Algerian Government in the following ways:

(a) The Algerian Government had to divert project resources to cater for administration and public relations.

(b) Staff spent the entire year picking up and dropping off donors at the airport.

Each of these visitors were reported to be spending at least 7 days with the effect that as one visitor left another arrived and all of them required attention. Hotel accommodation, air booking arrangements became a full-time operation for the recipient.

In this context therefore whilst multiple donor support is appreciated in terms of its positive consequences to empowerment activities donors and recipients alike must guard against frustrating positive relations due to difficult and multiple donor conditionalities.

2.5 Enlightened Self-Interest

Whilst business often talks about enlightened self-interest as the basis of corporate social responsibility, corporate social investment and corporate social responsiveness [Bloom, (1985); Epstein, (1989); Feinstein, (1990)] recipients are cynical about donors engaging with them in a relationship in this manner. This is particularly so especially against the backdrop of what they perceive as empowerment [Korten, (1987); Cobbet, (1987); Kotze, (1983); Wilson and Ramphele, (1988)].

Enlightened self-interest implies amongst other factors;

(a) the fact that corporate giving is based largely on self-interest.

(b) the fact that community investments secure the future of business and that self-interest above all else is the motive for CSR and or CSI.

(c) the fact that the policy framework of the donor determines giving to recipients.

(d) the fact that foreign aid primarily shapes society for its own interests. In factor analysis the fact that recipients and donors uphold primarily their self-interest also contributed to the explanation of this factor.

Enlightened self-interest was seen to be one significant factor that leads to donor recipient tensions particularly in the context of a country where business has often been seen to be promoting apartheid and where the Friedmanite dogma - the Business of Business is Business - (Schlemmer, (1990) has operated for some time as the main mode of business. This is particularly so as CSR/I has been operating for no more than a decade in this country. [(FSA Contact, 1990); (Alperson Myra, 1990)]

Comments by recipients to the effect that business is dead. It has not changed the ideology of "what do I get back?". Business looks for soft areas of operation and is not prepared to take risks, business's political profile being important, that businesses have a blase' attitude, indicate rightly or wrongly the non-acceptance of profit-motives by recipients in community development activities.

The view that foreign aid benefits commerce and "argribusiness of the donor country" (Hellinger, 1988) is widely held amongst recipients. This view and/or attitude contributes to scepticism amongst recipients about donors.

In order that donor and recipient relationships can be amicable it is required that the legitimacy of each parties' self-interest must be recognised and accepted. This requires public declaration and acknowledgement of enlightened self-interest.

2.6 Compassion

Literature on the subject of philanthropy [Sinclair, (1986); Sinclair and Weinstein, (1988); Sinclair, (1990); Mosley, (1987); and Cassen and Associates, (1988); Payton, (1988); and Novak, (1988)] would suggest that compassion, public spiritedness and the love of mankind are essential in the aid relationship. Butler and Wilson, (1990), citing a study by Titmus, (1990) with respect to the voluntary giving of blood in Britain to explain the gift relationship indicated that 26,4% of the respondents quoted in the research cited altruism as a factor that enabled them to contribute blood.

This position about **"compassion"** or **"public spiritedness"** as an essential aspect of the donor and recipient relationship has not been supported by Olasky, (1987); Hellinger, et al; (1988); Lappe', et al; (1981).

In this study this construct refers to the fact that the love of mankind is paramount in the decision to give as well as the fact that the **"self-reliance"** of recipients is primary in determining aid to recipients. The matching of objectives by donors and recipients also accounts for this factor.

The respondents in this study strongly rejected the notion that compassion plays any role in the decision to give. This was articulated by both the recipients and donors. To a large extent this view, denying compassion as a significant aspect of the donor and recipient relationship, is indicative of the negative undertones that have governed donor and recipient relationships and have by implication contributed to the tension, scepticism and lack of trust that will continue to govern this relationship.

A somewhat contradictory view which enhances the fact that compassion and the love of mankind does contribute to the gift relationship, is the fact that both donors and recipients in this study indicated a high preference and acceptance of church funds because they regarded these as not being related with self-interest. The wonder however is why to some extent, churches also divide their funding of community programmes along Catholic and Protestant bases. Clearly this state of affairs does point to the fact that recipients and donors cannot be naive or dishonest about the role of CSR/I, philanthropy or aid programmes irrespective of the source from which such funding comes.

2.7 Rapport

The rapport struck between the officer of the donors and that of the recipient goes a long way in [illegible] and maintaining amicable relationships between donors and recipients.

Rapport is also responsible for ongoing aid on the part of recipients. It is further enhanced by regular financial and narrative reporting. No significant differences were found on how donors and recipients regard this fact statistically.

Whilst rapport should generally be positive in donor and recipient relationships and could contribute to the empowerment process, in the comments made by most recipients and to some extent donors, the respondents were critical of this approach to the aid relationship.

Recipients argue that this negates the empowerment process as it encourages donors to be cynical, sw[illegible] with personal preferences of the donor representative, entertains self-contradictory positions of donors, encourages poor and biased evaluation of empowerment programmes and in our context could be subject to political and ideological preferences. Referring to aid in countries such as the Philipines, Guess, (1987) argues that this kind of aid relationships eventually produce countries with **"ward"** status. One CSR manager commented that often it is not the project that is important but the person behind the project who persuades the donor to provide funding.

It is difficult to see how rapport will not continue to play a significant role in the aid relationship, particularly where competence is displayed and regular narrative and financial reports are submitted that satisfy donors. Suffice it to suggest that **"Rapport enhanced by competency, adequate narrative and financial reports will contribute positively to the aid relationship".**

2.8 Contractual Agreements

Controversy exists regarding the purpose for contractual agreements between donors and recipients. Viewed from the philanthropic perspective of being public-spirited and what Payton, (1989) has referred to as voluntary giving which is more flexible than aid, the need for contractual agreements could be said to be irrelevant. However, even philanthropic organisations will often enter contractual agreements sometimes for the purposes of administration.

The issue is that often recipients perceive contractual agreements as control mechanisms designed for control over the recipient programmes. This issue is particularly grave with respect to foreign aid and is closely related to the matter of donor imposition and donor imperatives prevailing over recipient needs and regulations.

However, inspite of the reservations expressed regarding the perception of control that is often implied in contractual agreements, these can have a positive impact in maintaining amicable donor and recipient relationships. This is particularly so where compliance with such agreements by both donors and recipients is achieved. In this study both recipients and donors agree that contractual agreements are a potential source for an amicable donor and recipient relationship.

2.9 Political Popularity

For the most part, the decade of the 80's saw a sharp increase in project funding including CSR/I initiatives. The FSA Contract survey (1990) indicated a figure of close to R200 million for 1989. At the same time in the 80's political activity ran at its peak culminating with the historical presidential speech of the 2nd February 1990. The Comprehensive Anti-Apartheid Act and the Victims of Apartheid Programmes [Baker, (1989); Sinclair, (1986); Sinclair, (1990); and Renshaw, (1990)], all emphasised political objectives above all else.

This tendency to emphasise political objectives, sometimes above long-term development objectives has impacted negatively on the aid relationship. Many of the respondents in the research indicated that donors tend to select projects on the basis of the projects' political popularity. This it is argued is not helpful in the empowerment process. Some donors have indicated that the tendency for recipients to get an endorsement for their projects from political figures with high profiles is an indication in itself of a weak programme which does not qualify on its own merits.

Sinclair, (1988) has argued rather cogently that donors need to negotiate and check the community relevance of a project by referring to all politically relevant figures and the leadership in the community.

The research indicates that whilst this was the pattern, this approach is changing. This approach is regarded as causing more tension and confusion between donors and recipients. Recipients are particularly not impressed with this approach and suggest that projects must be assessed on their merits, the criteria of direct benefit to the community being essential. Foreign policy objectives, self-interest and their related nuances are regarded as distasteful and despicable.

2.10 Project Evaluation

Regular project evaluations as a means of ensuring continued funding to recipients is not a popular mechanism in improving relations between donors and recipients. However, project evaluation as a responsibility of donors and recipients. Geared at improving proficiency in recipients it is acceptable. If this contributes to increasing learning opportunities for the donor it is also preferred. This was implied in the comments that suggest that partnership relationships are required between donors and recipients.

The inference in this regard is that if business and aid agencies in general were to enjoy amicable relationships with recipients, the increasing of trust and confidence could be pursued through joint project evaluation processes.

In conclusion, to a large extent the research confirms the notion that recipient and donor relationships are governed by tension, scepticism and lack of trust. Extreme criticism of business and aid in general is levelled by recipients. They argue that enlightened self-interest as in corporate giving being largely defined by self-interest is the overriding theme. This negative theme continues to dominate the way in which business operates CSR, primarily the issue of donor imposition and donor imperatives.

The resolution of this impasse is possible as both parties continue to co-exist amidst the difficulties. The resolution of this impasse is however dependent on the recognition of and the acceptance of the legitimacy of either partners self-interest. The ideological distastes referred to by Sinclair, (1986) will continue to plague the aid relationship.

3. REAL PREFERENCES OF DONORS AND RECIPIENTS

The determination of real preferences by donors and recipients in order that a basis for a mutually beneficial relationship can be provided is in the context of this study a shifting target. This is particularly so due to the extreme difficulties that have been referred to in the discussion about the set of relationships that exist amongst donors and recipients. Paramount in these factors are the issues of donor imposition and imperatives, the issues of enlightened self-interest and multiple donor support to project activity.

Barring these constraints and using descriptive statistics inferences can be made about which areas of activity indicate agreements between donors and recipients and therefore the type of mechanisms that can be engaged in to promote mutual co-operation in the empowerment process between donors and recipients.

3.1 Nature of Activities

The identification of activities that donors and recipients are involved in can go a long way in promoting amicable and mutual relationships between donors and recipients. An understanding of these by both parties will reduce to some extent the degree of mistrust and scepticism, that currently pervades the donor and recipient relationship.

In this research 122 activities that grant recipients are engaged in as compared with 156 activities that donors are engaged in or fund have been identified. Of these activities, community development-education and training activities, servicing of other programmes and research activities are primary amongst recipients. Donors are involved primarily in community development-education and training activities. This trend is in relation to a number of public statements that have been made by donors that since apartheid, which was a major stumbling block for social progress in the country is seemingly disappearing as an international issue, problems of development will have to be addressed directly without the political undertones that have hitherto been the major motivation particularly from a number of international organisations. (Micou and Draper, 1989)

The negative aspect of this occurrence however is the fact that the many activities in the community development-education and training arena could suffer a decline of funding per capita since donors are more likely to seek only those programmes that may have competent staff, will deliver both narrative and financial reports in time and possibly can be less political. A number of business conferences on CSR/I are already discussing the narrowing of the focus of the activity.

The corporate world as already pointed out is engaging itself in more ways than one in ventures to co-ordinate their activities and identify small, viable and significant areas. A number of networks in this regard are being developed.

3.2 Priorities

In this study donors identified the top five priorities for development activity to receive funding as pre-school education programmes, community development programmes, management training, tertiary education and rural development activities. The prioritising of these activities does not imply that donors will not be looking out for other areas. The only strong reservation that donors have expressed their involvement in, is in the area of housing. Three factors influenced this thinking;

(a) The cost of housing programme in comparison to available CSR/I funds.

(b) he fact that business believes that this is largely the responsibility of the government and

(c) The fact that unions have put pressure on business to increase benefits to employees including housing and transport. This facility therefore is done primarily as part of the quality of work programmes that business is involved in in the process of empowering communities. (FSA Contact - 1990)

Recipients on the other hand have identified community development programmes, pre-school education, housing programmes, rural development and primary school education programmes as being top priorities for funding.

To a large degree, safe for the aspect of housing, there is wide agreement between donors and recipients about the possible areas of funding in the empowerment process.

Even though a recognition exists about the difficulties of relationships between donors and recipients, it is probable on the basis of the identified priorities for donors and recipients to identify "self-interest" in these priorities. Based upon this a partnership relationship can be forged. A viable process for the joint determination of activities to be engaged in is also possible in this way. This can reduce the advent of accusations being levelled at each other particularly the accusations about self-interest, donor imposition and donor imperatives being seen as the overriding prerogatives in donor and recipient relationship.

In this context therefore we can state that **"the identification of mutual preferences and priorities for areas of funding in the empowerment process so as to promote self-reliance can lead to the understanding of each others motives and objectives".**

3.3 Criteria

Criteria for project and donor selection plays a significant role in indicating preferences of donors and recipients. In this study the five top criteria preferred by donors and recipients were as follows:

Donors identified and ranked the first five essential criteria for engaging in a relationship as;

(a) relevance to community needs.

(b) direct support to the community.

(c) multiplier effect.

(d) the fact that a project must be non-racial in its make-up.

(e) that it should be self-sufficient in the long-term.

Recipients on the other hand ranked the first five as;

(a) relevance to community needs.

(b) competent staff.

(c) direct support to community needs.

(d) the cost effectiveness of the project.

(e) the fact that the project needed to be self-sufficient in the long-term.

It is submitted once more that there are no significant differences between donors and recipients regarding the criteria required to engage in a mutually beneficial relationship if both parties understand their self-interest.

3.4 Sources and Preferences of Funds

This factor has been discussed extensively in the section on self-reliance and in the section on relationships. Suffice it to say that the research indicates that church funds are the most preferred by donors and recipients as they are not seen to be tainted with self-interest. Community funds, though most preferred by donors are practically not available.

In this context therefore both recipients and business and or other aid agencies need to be open and public about their self-interests in order to advance the empowerment process in community development.

3.5 Joint Accountability

One of the important debates entertained by both donors and recipients is the question of accountability.

Accountability is seen as a measure of community participation and the sanctioning of community intended activity by significant leaders and participants in the community. Its origin in our context tends to have political overtones. Sometimes it has meant that community programmes must be affiliated to and therefore be accountable to the "democratic" structures set up in the community such as civic associations and other political groupings. [Walters, (1989); Sinclair, (1986); Sinclair, (1988)]

The dictionary meaning of accountability simply refers to being responsible or the ability to explain. (Heineman English Dictionary, 1985)

In the context of the study the variables that were tested to determine donor and recipient preferences in the factor analysis, included the issue of whether donors and recipients must declare to the larger society their recipients (in the case of donors) and or donors (in the case of recipients) and whether recipients should only be accountable to their immediate constituencies.

In this sense therefore, conclusively in descriptive statistics both donors and recipients agreed that each party must primarily be accountable to one another as well as the fact that both needed to declare each other's activities to the larger society. Recipients showed a stronger agreement on these aspects than donors.

The important point that emerges from this issue is the fact that donors and recipients prefer to hold each other accountable and that the activities of both can and should be explained to society.

The underlying connotation to the issue of accountability is the notion that aid, CSR/I funding is public funding and must for that matter be to some extent **"managed"** by **"society"**.

The difficulty that this notion creates in the donor recipient relation is far reaching for those people who have chosen not to be politically affiliated. In one instance to demonstrate the extent to which this issue can be stretched, one interviewee talked about the fact that in one area, civic association members came to demand files from a donor group in that area so that they can audit, as well as check which community programmes who were funded in that area and why as well as whether these projects were cleared by the civic association.

Suffice it to suggest that in this study, the most preferred form of accountability is that donors and recipients must be accountable to each other. If this is pursued both donors and recipients might be saved from the pains of being held accountable to unrepresentative community groups. This will also assist community programmes to be judged on their merit rather than being judged on the basis of their political popularity. This issue has been referred to elsewhere in this discussion.

4. STATE INTERVENTION

The views of Midgley, et al; (1986) which refer to the fact that in the consideration of the issues of social development, local self-reliance and community participation proponents of community participation [Galtung, et al; (1980); Grosclaude, (1980); Tickner, (1980); Wilson and Ramphele, (1988); Kotze, (1983); Cobbet, (1987); Korten, (1987); Sinclair and Weinstein, (1988)] neglect that the state is a major provider of social development services and is a policy maker. In that way the state controls the citizenry.

The policy framework within which empowerment programmes operate is still the major determinant of the extent to which these programmes can and will operate. The legal and policy framework is still therefore an important consideration for proponents of community participation. (Lee and Buntman, 1989) The enactment of the Disclosure of Foreign Funding Act and many other acts including the Fundraising Act and the Tax Laws operating in this country can have an influence on what business can and may not fund. Similarly this restriction of what can or cannot be funded could determine the extent of philanthropic, or non-profit activity.

In the context of this study, the factors that related to testing the degree of possible state NGO and business co-operation were restricted to sources of funding as well as whether recipients and donors needed to declare their funding to the state.

With respect to funding, both recipient and donors strongly rejected the acceptability and preferability of state funding in community empowerment activities. The only exception was the recognition that the state plays a major role in health, welfare and formal education.

To a large extent both recipients and donors interpret health and welfare activities, academic and formal education as being outside of the realm of empowerment programmes. The long-term results implied in both formal, academic and educational activities is directly related to the fact that respondents do not see these activities as being relevant to immediate community development issues. This is at least insofar as the way in which in a highly political environment, empowerment programmes are regarded. They are seen as those immediate actions that can relieve pain and suffering. Obviously academic and educational activities will play a major role in alleviating poverty. The current system of education has however dampened people's hope in this regard. These aspects were rated low by both recipients and donors.

With respect to the declaration of activities and being accountable to the state, both recipients and donors again strongly rejected what they termed state interference. In the commentaries cited in Chapter 4, both recipients and donors were vehemently opposed to state interference particularly the South African Government. Reference was made to the effect that even in a future South Africa state intervention will be least appreciated.

In this context therefore the proposition that the capacity to achieve effective **"community empowerment"** (as advocated by the self-reliance theory) is dependent on the non-governmental organisations, business and governments co-operating to bring about effective development at the local, regional and national level remains inconclusive. This is mainly because it has been found that self-reliance at this stage is not a major factor in current empowerment programmes. Dependency has been created in current empowerment activities. Secondly, there is still a strong rejection of the South African State funding. The legitimacy of the South African Government even with the current significant changes is still under question. The role of business itself in community activities is still perceived largely as being governed by profit motives.

A major question that South African NGO's must begin to entertain within the current sweeping changes promoted by the De Klerk administration, is whether the NGO's will continue to operate within the oppositional, complimentary and passive-resistance modalities as against the entryist approaches. Moyo, S (1990) raises these questions within the Zimbabwean experience post-independence. This question is highly relevant to South African NGO's working to empower communities particularly in the context of Midgley, et al; (1986) views.

6. CONCLUSION AND RECOMMENDATIONS FOR FURTHER STUDY

Having reviewed in the context of this study, through factor analysis, and descriptive statistics; a set of relations that exist between donors and recipients especially the private sector, the extent to which funding helps or hinders the attainment of objectives as set by the projects and programmes themselves, and establishing the real preferences of donors and recipients in order to suggest ways in which mutual relationships can be pursued between donors and recipients, we conclude that the realm of donor - recipient relationships requires an acknowledgement by the parties involved of a number of issues which have been discussed in this report.

The role of business in community development seems to have hitherto been largely determined by enlightened self-interest or s in Epstein's, (1990), conception Corporate Social Responsiveness. This study has established some of the critical factors that characterise donor - recipient relationships. The study has also established that there is a **"social distance"** that exists between the NGO groups, business and other forms of aid to empowerment processes. The role of government and government resources remain essentially untapped by service organisations, grassroot organisations and intermediary groups. This is due to the ideological distastes that these groups have against the government and against business.

As this study is one of the first in this arena within South Africa and since corporate social investment is also relatively new in South Africa, there is potential for additional research to be carried out in this field. Business needs to understand community issues; the community needs to understand business concerns. Mutual co-existence is imperative between power groups which have meaningful resources that could create the necessary processes of wealth generation in society. Since the NGO's are here to stay and business has no option but to continue to recognise them, it is recommended that further studies could be carried out in the following areas:

(i) Establishing the degree of influence that NGO's have in shaping business donations policy;

(ii) Since business and other philanthropic agencies including foreign governments have poured substantial funding into community work, a case study on the successes and failures of Corporate Social Responsiveness can be done. The study can document the essential factors that might lead to success in Corporate Social Responsiveness and the conditions required for successful programmes.

(iii) The policy framework that can facilitate co-operation between business, NGO's and government is also an area that needs to be studied.

(iv) A study that documents evidence of the effects of co-operation between foreign aid and business could assist in determining the effectiveness of co-ordination amongst donors.

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LIST OF APPENDICES

SUMMARY LIST OF INTERVIEWS DONE

1. DONORS

1.1 Business

	Business	Position
1.	S A Perm	CSR Manager
2.	S A B	CSR Manager
3.	Bristol Myers	CSR Manager
4.	Anglo American Chairman's Fund	CSR Manager
5.	Co-ordinated Marketing	Business Leader
6.	Urban Foundation	Executive Director
7.	Shell	CSR Manager
8.	Caltex	CSR Manager
9.	Gencor Development Trust	CSR Manager

1.2 Governments

10.	U S Aid	Grant Officer
11.	British Govt	Grant Officer
12.	Canadian Embassy	Grant Officer

1.3 Other Trusts/Intermediaries

13.	Kagiso Trust	Executive Director
14.	Trust for Education Advance of SA	Executive Director
15.	Human Resources Trust	Field Worker
16.	SACC - ICA	Director
17.	Hexagon Trust	Board Member
18.	SACC - Dependent's Conference	Field Worker

2. RECIPIENTS

1.	SACC - Dependent's Conference	National Field Worker
2.	Get Ahead Foundation	Executive Director
3.	Education Information Centre	Executive Director
4.	SACHED	Executive Director
5.	Community Based Development Programme	Executive Director
6.	Learn and Teach	Executive Director
7.	Ubuntu Social Development Institute	Executive Director

	Institute	
8.	Rural Crafts	Project Leader
9.	Funda Centre	Executive Director
10.	Urban Community Organising Division	Deputy Executive Director
11.	Seriti Sa Sechaba	Director
12.	Entokozweni Early Learning Centre	Director
13.	Ex Domestic Workers and Employers	Director
14.	Operation Hunger	Executive Director
15.	Educational Opportunities Council	Executive Director
16.	Skotaville Publishers	Executive Director
17.	NECC	Executive Director
18.	NACTU	General Secretary
19.	COSATU	General Secretary
20.	World Vision	Executive Director
21.	Small Business Development Corporation	Executive Director
22.	Thyalibongo/NYLTP	Executive Director
23.	SACC	Deputy General Secretary
24.	BMF	Director
25.	Alexander Health	Director
26.	AICYP	Co-ordinator

PILOT QUESTIONNAIRE

1. What type of Programmes/Projects do you fund?

2. What criteria do you use to fund these Projects/Programmes?

3. What assumptions underly these criteria?

4. For how long do you fund a Programme/Project?

5. What are the reasons for your time frame in funding Programmes/Projects?

6. What is the minimum amount of grant which is paid to a Programme/Project in any one year?

7. What is the Maximum?

8. What reasons are associated with the minimum amount?

9. Maximum amount?

10. What control systems do you use to measure progress of funded Programmes/Projects?

11. What relationships do you maintain with the Programmes/Projects you have funded?

12. How long does this relationship last?

13. What factors usually maintain this relationship?

14. What factors usually break this relationship?

15. What are your thoughts on the degree of independence that programmes must maintain in relation to their funders?

16. What sources of funds are legitimate for Community Programmes/Projects?

17. What sources of funds are illegitimate for Community Programmes/Projects?

18. Should community organisations/programmes/projects co-operate with the South African government. Yes or

No?

(a) If yes, why?

(b) If no, why?

PILOT INTERVIEWS

1. What type of donors do you approach for funding?

2. What criteria do you use to select donors?

3. What assumptions underly these criteria?

4. For how long do you require funding from the donors you have selected?

5. What are the reasons for the time frame of your Programme?

6. What is the minimum amount you require from donors in any one year?

7. What is the maximum?

8. What control systems do donors impose on your Programme to monitor your progress?

9. How do these controls impact on your Programme?

10. How often do you report to your donors?

11. What relationships do you maintain with your donors?

12. How long does this relationship last?

13. What factors usually maintain this relationship?

14. What factors usually break this relationship?

15. What are your thoughts on the degree of independence that projects must maintain from donors.

16. What sources of funds are legitimate for community programmes/projects?

17. What source of funds are illegitimate for community programmes/projects?

18. Should community organisations/programmes/projects co-operate with the South African government. Yes or No?

(a) If yes, why?

(b) If no, why?

THE INTERFACE BETWEEN "AID" DONORS AND RECIPIENTS

QUESTIONNAIRE

1. **IDENTIFYING PARTICULARS**

   (a) Name of Organisation.

   ____
   ____
   ____
   ____

   (b) State whether:

   Donor.

   Grant Recipient.

2. **POSITION/TITLE OF INTERVIEWEE**

   Business Leader.

   Project Leader.

   Executive Director of Donor Agency.

   Executive Director of Grant Recipient Organisation.

   Administrator of C.S.R.

   Field/Grant Officer of Aid Agency.

   Field Staff of Grant Recipients Organisation.

   Other specify: ______________________________
   ____
   ____

3. TYPE OF ORGANISATION

Please indicate type of Organisation:

Grassroots Organisation/Project.

Business.

Intermediary Programme/Organisation.

Local Government Agency.

Service Organisation (N.G.O.).

Local Corporate Related Trust.

Foreign Aid Grant Agency.

Foreign Business Related Trust.

4. NATURE OF ACTIVITIES

If Donor please skip 4.1 of this section and complete 4.2.

4.1 Grant Recipient

What type of activities is your project/programme involved in primarily?

* Production/Manufacturing of Goods.
* Selling of Goods.
* Research Activities.
* Development Training & Education.
* Formal Education.
* Servicing of Projects/Programmes.
* Pre-school Education.
* Housing.

* Rural Development Projects.
* Urbanisation Projects.
* Other: ____

____

____

4.2 Donors

What type of projects do you fund primarily?

* Literacy Projects.
* Dev. Education & Training Projects.
* Small Business Development Projects.
* Co-operative Dev. Venture Projects.
* Research Projects.
* Publications and Media Projects.
* Formal Education Projects including Bursaries.
* Formal Education excluding Bursaries.
* Capital including building and equipment.
* Housing Programmes excluding Infrastructure and Capital.
* Housing Programmes including Infrastructure.
* Rural Development Projects.
* Health and Welfare Projects.

* All of the above.

* Other specify: ______________________________

____

____

____

5. PRIORITIES

On a scale of 1 - 5 rank each of the following activities in order of priority to indicate your preference for funding.

Key 1 = Not important
2 = Least important
3 = Somewhat important
4 = Very Important
5 = Most important

* Rural Development Programmes.

* Relief Programmes.

* Tertiary, e.g. University and Technikon Education.

* Formal Primary School Education Programmes

* Formal High School Education Programmes

* Pre-school Education Programmes.

* Literacy Projects.

* Small Business Development Programmes.

* Community Based Co-operative Ventures.

* Community Related Research Activities.

* Management Training Programmes.

* Community Development Education & Empowerment Programmes.

* Health & Welfare Programmes.

* Housing Programmes.

* Art and Cultural Programmes.

* Political Awareness Creating Programmes.

* Youth Programmes.

* Formal/Academic Research Projects

* Human Rights/ Justice & Legal Assistance.

* Labour Development Related Programmes.

* Urbanisation Projects.

6. <u>CRITERIA</u>

On scale 1 - 5 indicate the criteria that you apply when entering a funding relationship with a Donor or Recipient.

Key 1 = Not important
2 = Least important
3 = Somewhat important
4 = Very important
5 = Most important

* The project must be cost-effective.

* The project must be relevant in addressing real community needs.

* The project must have a multiplier effect potential.

* The project must be self-sufficient in the long-term.

* The project must have direct support

to the community.

* The project must be non-racial in its make up.

* The project must be non-governmental.

* The project must have a political objective to end apartheid.

* The project must be relatively inexpensive.

* The project must have competent staff.

Comments: ____
____
____
____

7. OBJECTIVES

Indicate the extent of your agreement or disagreement with the following statements by using a scale 1 - 5.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Many Donors do not understand what is involved on the ground.

* Many Projects do not understand that Donor priorities change from time to time.

* Proje .s accept funding offered by the Donors even if the funds are not sufficient for the project objectives.

* Projects should not be given large amounts of funding until their capability to handling funding is proven.

* Projects meeting their original grant conditions will always receive ongoing support.

* Projects should understand that donors are governed by various donor regulations and policies.

* Donors are prescriptive.

* Donors come with package deals.

* Projects seek funding for programmes beyond their capacity to implement.

* Projects must have multiple sources of donors.

* Programme funding covering a longer period is more preferable than short-term project funding.

8. <u>MOTIVES</u>

Indicate on scale 1 - 5 the extent to which you agree with the following statements.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Corporate giving is based largely on the self-interest of the company.

* Engaging in social investment programmes, the corporation is securing its own future.

* Self-interest above-all-else is the primary

motivation for corporate giving.

* The policy frame-work determined by the donor is the only driving force for giving.

* Compassion and the love of mankind is paramount in the decision to give.

* Political interests to shape society is the prime motivation for foreign aid.

* The "Self-reliance" of recipients is primary in determining aid/donations.

* Projects, like donors uphold primarily their self interest.

* Projects and donors must realise that both have objectives, all they have to do is match these.

9. DONOR/RECIPIENT RELATIONSHIPS

Indicate on a scale 1 - 5 the most important factor responsible for an amicable donor/recipient relationship.

Key 1 = Not important
2 = Least important
3 = Somewhat important
4 = Very important
5 = Most important

An amicable donor/recipient relationship is determined by:

* Board members of the donor represented on the project.

* Contractual agreements between donors and recipients.

* The fact that funding is once-off.

* The funding is ongoing.

* Compliance with contractual agreements.

* The rapport struck by the officer of the donor and the recipient.

* Political popularity of the project.

* Regular financial and narrative reports.

10. SELF-RELIA[illegible]

On a scale 1 - 5 indicate the extent to which you agree with the following statements.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Projects must maintain a partnership relationship with donors.

* Projects cannot be self-reliant as long as they do not generate their own funds.

* Donors must give sufficient funds to allow for self-reliance to emerge over time.

* Self-reliance is not possible due to donor fluctuating priorities.

* Self-reliance is not possible due to lack of financial community participation.

11. <u>SOURCES OF FUNDS</u>

On a scale 1 - 5 indicate the extent to which you agree with the following statements.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

In your opinion the following categories of funds are acceptable to recipients known to you.

* Foreign Aid funds.
* S.A. Corporate/Private Sector funds.
* South African Government Funds.
* Foreign Corporate related Funds.
* Funds with strings attached.

12. <u>RECIPIENT PREFERENCES FOR SOURCES OF FUNDS</u>

On a scale 1 - 5 indicate the recipient's preferences for the sources of funding.

Key 1 = Not preferred
2 = Least preferred
3 = Somewhat preferred
4 = Preferred
5 = Most preferred

* Foreign Government Aid Funds e.g. Embassies, Aid Agencies, etc.
* Foreign Corporate Related Funds e.g. I.B.M., Shell, etc.

* Foreign Foundations Aid Funds e.g. Ford, I.C.C.O, etc.

* Church Funds e.g. S.A.C.C, S.A.C.B.C, etc

* Local Corporate/Private Sector Funds e.g. A.A.C., S.A.B., etc.

* Locally generated Community Funds e.g. Stokvels, African Bank.

* Local Foundation Funds e.g. Urban Foundation.

* S.A.G. related Funds e.g. Dev. Bank, Independent Trust Fund.

13. CONTROL MECHANISM

One scale 1 - 5 indica[illegible] the extent of your agreemen[illegible] with the following sta[illegible]ments.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Narrative and financial reports are all that donors should require to guarantee funding.

* Narrative, financial and visitations to projects are all that is required to guarantee funding.

* Donor visits to projects are time consuming for recipients.

* Unannounced visits to projects by donors are time consuming for recipients.

* Regular project evaluation should be done to ensure continued funding.

14. TIME FRAME

What is the most appropriate time frame for a project to receive funding so as to be effective in achieving its objectives?

0 - 1 years.

2 - 3 years.

4 - 5 years.

15. FREQUENCY OF REPORTING

What is the most appropriate frequency of reporting that projects must make to donors? Choose one item only.

* Once a month
* Quarterly
* Half Yearly
* Once a Year
* At the completion of the Project

16. ADMINISTRATION

Indicate on a scale of 1 - 5 the extent to which you agree with the following statements.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Many Donors require a lot of administrative procedures to satisfy their own bureaucratic needs.

* Many Donors do not understand that the reporting procedures they require simply take too much time away from project activity.

* Many Donors are not fond of funding Administration Costs, but require administrative duties to be fulfilled.

* Many Donors do not provide for sufficient back-up procedures to advance the administrative capacities of projects.

* Projects lack administrative capacities.

* Projects lack technical capacities.

* Projects refuse technical advice because they see the advice as the donor taking control.

* Lack of administrative capacities leads to project failure.

17. <u>ACCOUNTABILITY</u>

On a scale 1 - 5 indicate the extent of your agreement with the following statements.

Key 1 = Strongly disagree
2 = Disagree
3 = Somewhat agree
4 = Agree
5 = Strongly agree

* Donors and Recipients must be accountable to each other.

* Donors must declare to the larger society their recipients so as to be accountable to society.

* Recipients must declare to the larger society their donors so as to be accountable to society.

* Recipients have an obligation to declare their funding to the State in order to be accountable.

* Recipients should only be accountable to their immediate constituencies.

18. Comment on the Donor/Recipient Relationships in general.

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19. Comment on the role of the Private Sector in Philanthropic Activities.

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20. Comment on the role of Foreign Aid in Philanthropic Activities.

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AUGUST 1990

TABLE 3: PRIORITIES

DONORS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
1	18 100.0	1 5.6	0 0.0	4 22.2	6 33.3	7 38.9
2	18 100.0	2 11.1	5 27.8	6 33.3	5 27.8	0 0.0
3	18 100.0	0 0.0	0 0.0	3 16.7	9 50.0	6 33.3
4	18 100.0	2 11.1	0 0.0	2 11.1	9 50.0	5 27.8
5	18 100.0	1 5.6	1 5.6	3 16.7	11 61.1	2 11.1
6	18 100.0	0 0.0	0 0.0	5 27.8	0 0.0	13 72.2
7	18 100.0	0 0.0	0 0.0	8 44.4	5 27.8	5 27.8
8	18 100.0	0 0.0	1 5.6	5 27.8	6 33.3	6 33.3
9	18 100.0	0 0.0	3 16.7	6 33.3	4 22.2	5 27.8
10	18 100.0	2 11.1	2 11.1	5 27.8	5 27.8	4 22.2
11	18 100.0	0 0.0	3 16.7	1 5.6	7 38.9	7 38.9
12	18 100.0	1 5.6	1 5.6	1 5.6	3 16.7	12 66.7
13	18 100.0	2 11.1	2 11.1	4 22.2	9 50.0	1 5.6
14	18 100.0	1 5.6	2 11.1	7 38.9	4 22.2	4 22.2

TABLE J: PRIORITIES

DONORS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
15	18	2	4	9	3	0
	100.0	11.1	22.2	50.0	16.7	0.0
16	18	2	3	5	7	1
	100.0	11.1	16.7	27.8	38.9	5.6
17	18	1	2	3	10	2
	100.0	5.6	11.1	16.7	55.6	11.1
18	18	2	7	5	4	0
	100.0	11.1	38.9	27.8	22.2	0.0
19	18	1	0	3	9	5
	100.0	5.6	0.0	16.7	50.0	27.8
20	18	1	0	7	7	3
	100.0	5.6	0.0	38.9	38.9	16.7

TABLE 4: PRIORITIES

DONORS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
21	13	2	4	5	6	1
	100.0	11.1	22.2	27.8	33.3	5.6

TABLE 5: PRIORITIES

RECIPIENTS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
1	24 100.0	0 0.0	1 4.2	2 8.3	11 45.8	10 41.7
2	24 100.0	3 12.5	8 33.3	8 33.3	4 16.7	1 4.2
3	24 100.0	4 16.7	2 8.3	4 16.7	10 41.7	4 16.7
4	24 100.0	2 8.3	0 0.0	2 8.3	13 54.2	7 29.2
5	24 100.0	1 4.2	1 4.2	5 20.8	12 50.0	5 20.8
6	24 100.0	2 8.3	0 0.0	3 12.5	7 29.2	12 50.0
7	24 100.0	1 4.2	3 12.5	3 12.5	11 45.8	6 25.0
8	24 100.0	2 8.3	5 20.8	7 29.2	7 29.2	3 12.5
9	24 100.0	0 0.0	1 4.2	6 25.0	12 50.0	5 20.8
10	24 100.0	2 8.3	3 12.5	4 16.7	7 29.2	8 33.3
11	24 100.0	0 0.0	2 8.3	3 12.5	15 62.5	4 16.7
12	24 100.0	1 4.2	2 8.3	2 8.3	8 33.3	11 45.8
13	24 100.0	1 4.2	0 0.0	4 16.7	15 62.5	4 16.7

TABLE 6: PRIORITIES

RECIPIENTS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
15	24 100.0	1 4.2	6 25.0	11 45.8	5 20.8	1 4.2
16	24 100.0	2 8.3	1 4.2	10 41.7	9 37.5	2 8.3
17	24 100.0	0 0.0	2 8.3	2 8.3	15 62.5	5 20.8
18	24 100.0	2 8.3	4 16.7	7 29.2	10 41.7	1 4.2
19	24 100.0	0 0.0	1 4.2	7 29.2	10 41.7	6 25.0
20	24 100.0	1 4.2	[illegible] 12[illegible]	6 25.0	9 37.5	5 20.8

TABLE 6: PRIORITIES

RECIPIENTS

		IMPORTANCE				
	TOTAL	1	2	3	4	5
21	24	2	3	6	10	3
	100.0	8.3	12.5	25.0	41.7	12.5

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Factor 4	Communality
Q7.1	0.7432	0.0624	-.1312	0.0698	0.5715
Q7.2	-.0289	0.7254	0.0537	-.0358	0.5312
Q7.3	0.5580	-.1158	-.1709	-.0075	0.3590
Q7.4	-.5593	0.4004	0.1528	0.0210	0.5001
Q7.5	-.0132	0.3210	-.7530	0.3256	0.7753
Q7.6	0.0873	0.7172	-.0444	-.3423	0.5257
Q7.7	0.3545	0.0594	0.1276	-.1273	0.7563
Q7.8	0.7917	0.1631	0.2034	0.0090	0.3172
Q7.9	-.0810	0.1564	0.6878	0.1031	0.5257
Q7.10	-.0729	0.0790	0.1101	-.9083	0.8492
Q7.11	0.4015	0.0166	-.4194	-.5126	0.6793

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	2.8648	26.04	26.04
2	1.7035	15.49	41.53
3	1.3161	11.96	53.50
4	1.1241	10.22	63.72
5	0.8946	8.13	71.85
6	0.7235	6.57	78.52
7	0.7217	6.56	85.08
8	0.5693	5.18	90.25
9	0.4872	4.43	94.68
10	0.3852	3.50	98.18
11	0.1998	1.82	100.00

```
----------------------------------------T-Tests----------------------------------------
Date/Time          10-15-1990   09:20:59
Data Base Name     E:\private\mikeb\grif
Description        Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: Q139
Group:                 Q13 = 1                          Q13 = 2
Count - Mean           13            -8.961988E-02      26            6.218242E-02
95% C.I. of Mean       -.5772273     .3975975           -.352964      .4773289
Std.Dev - Std.Error    .9803863      .2310793           1.027902      .2015882

                       ----- Equal Variances -----      ----- Unequal Variances -----
T Value - Prob.        -.4913395     0.6257             -.4956434     0.6223
Degrees of Freedom                   42                               39.86215
Diff. - Std. Error     -.1520023     .309363            -.1520023     .306652
95% C.I. of Diff.      -.7763202     .4723157           -.7717708     .4677663

F-ratio testing group variances      1.099282           Prob. Level   0.4281

                  |-1.924179              95% Conf. Limit Plots            1.924312
Q13=1             |                       <--------g-------->
Q13=2             |                          <-------g------->

                  |-1.924179                    Line Plots                 1.924312
Q13=1             |.1.......2..1.........1....11.2...1......1..11..11.........1..........1
Q13=2             |1........1.11.1.1.1..1111........1.111.1..111.......2...111.......1

Date/Time          10-15-1990   09:22:01
Data Base Name     E:\private\mikeb\grif
Description        Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: Q140
Group:                 Q13 = 1                          Q13 = 2
Count - Mean           13            -.1373205          26            .1089142
95% C.I. of Mean       -.6851389     .3704981           -.2791399     .4970136
Std.Dev - Std.Error    1.061649      .2[illegible]      .9609438      .188457

                       ----- Equal Variances -----      ----- Unequal Variances -----
T Value - Prob.        -.5637506     0.5[illegible]     -.5498511     0.4013
Degrees of Freedom                   42                               36.08157
Diff. - Std. Error     -.2562348     .3[illegible]      -.2562348     .3[illegible]
95% C.I. of Diff.      -.8868315     .3543[illegible]   -.[illegible]     .3630812

F-ratio testing group variances      [illegible]         Prob. Level   [illegible]

                  |-2.401469              95% Conf. Limit Plots            [illegible]
Q13=1             |                       <--------g-------->
Q13=2             |                         <-------g------->

                  |-2.401469                    Line                       [illegible]
Q13=1             |[illegible]
Q13=2             |[illegible]
```

```
Date/Time       10-15-1990  09:21:02
Data Base Name  E:\private\mikab\grif
Description     Imported from A:aidv.asc

                         Two Sample T-Test Results

Response: Q141
Group:                Q13 = 1                      Q13 = 2
Count - Mean          13           .1373687        26           -.1297165
95% C.I. of Mean      -.2518057    .6265431        -.5621887    .3027556
Std.Dev - Std.Error   .8313509     .2082078        1.070801     .2100013

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.       1.034979     0.3066          1.072244     0.2896
Degrees of Freedom                 42                           42.71887
Diff. - Std. Error    .3170853     .2062687        .3170853     .2957212
95% C.I. of Diff.     -.3011398    .9353604        -.2793854    .9135559

F-ratio testing group variances    1.469426        Prob. Level  0.2078

                    |-2.013722              95% Conf. Limit Plots           1.976067
Q13=1               |                         <--------1--------->
Q13=2               |                       <-------1------->

                    |-2.013722                  Line Plots                  1.976067
Q13=1               |...1...........2..1.1.11.1.12..11........1....1....1.......
Q13=2               |1...1.1.12...1.........11.11.3.1...11.112..1.......1....1..

Date/Time       10-15-1990  09:21:04
Data Base Name  E:\private\mikab\grif
Description     Imported from A:aidv.asc

                         Two Sample T-Test Results

Response: Q142
Group:                Q13 = 1                      Q13 = 2
Count - Mean          13           .172693         26           -.1135577
95% C.I. of Mean      -.2236275    .5690236        -.5246252    .2355197
Std.Dev - Std.Error   .3983142     .2253049        1.002971     .1966989

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.       .9529136     0.3465          .9529136     0.3465
Degrees of Freedom                 42                           38.3088
Diff. - Std. Error    .2922508     .306956         .2922508     .3066902
95% C.I. of Diff.     -.3272096    .9117111        -.3281595    .912571

F-ratio testing group variances    1.009352        Prob. Level  0.5031

                    |-1.526812              95% Conf. Limit Plots           2.640592
Q13=1               |                   <--------1--------->
Q13=2               |                 <-------1------->

                    |-1.526812                  Line Plots                  2.640592
Q13=1               |..1.....11..11..2..........11...12...11....111.....................1
Q13=2               |1.....11211....1.1111112.1.............1..1............11.......
```

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Communality
Q8.1	0.8805	-.0216	0.7758
Q8.2	0.7462	-.2445	0.6167
Q8.3	0.7620	0.0020	0.5806
Q8.4	0.6235	0.3741	0.5287
Q8.5	-.4277	0.5959	0.4672
Q8.6	0.6206	-.0173	0.3854
Q8.7	0.0226	0.7349	0.5406
Q8.8	0.1894	0.5025	0.2882
Q8.9	0.0760	0.5787	0.3407

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	3.2141	35.71	35.71
2	1.8852	20.95	56.66
3	0.9279	10.31	66.97
4	0.8216	9.13	76.10
5	0.6951	7.72	83.82
6	0.6032	6.70	90.52
7	0.3905	4.34	94.86
8	0.2593	2.88	97.74
9	0.2032	2.26	100.00

```
-----------------------------------T-Tests-----------------------------------
Date/Time          10-08-1990  14:39:13
Data Base Name E:\EXAM\GRIF
Description        Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: C128
Group:                   Q13 = 1                     Q13 = 2
Count - Mean             18           .1679612       26           -.1162804
95% C.I. of Mean         -.2500054    .5859279       -.5596313    .3270705
Std.Dev - Std.Error      .8406308     .1981534       1.097738     .2152838

                     ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.          .9254612     0.3600         .9714502     0.3366
Degrees of Freedom                    42                          41.60893
Diff. - Std. Error       .2842416     .3071251       .2842416     .2925952
95% C.I. of Diff.        -.3355802    .9040635       -.3054472    .8739305

F-ratio testing group variances       1.704917       Prob. Level  0.1239

                        |-2.365318           95% Conf. Limit Plots         2.32054
Q13=1                   |                        <-----a----->
Q13=2                   |                     <-----a----->

                        |-2.365318               Line Plots                2.32054
Q13=1                   |..............11.1.1.....1111..21..11...121..1.1.1.........
Q13=2                   |1.......11.....1......21.11.11.12.3...1.....3.1.2..........2





-----------------------------------T-Tests-----------------------------------
Date/Time          10-08-1990  14:39:17
Data Base Name E:\EXAM\GRIF
Description        Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: C127
Group:                   Q13 = 1                     Q13 = 2
Count - Mean             18           -.362773       26           .2511541
95% C.I. of Mean         -.9012267    .1757306       -.1013339    .6036411
Std.Dev - Std.Error      1.083281     .2553348       .8727575     .1711613

                     ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.          -2.073066    0.0429         -1.997258    0.0541
Degrees of Freedom                    42                          32.34752
Diff. - Std. Error       -.6139321    .2954344       -.6139321    .3073875
95% C.I. of Diff.        -1.210141    -1.772325E-02  -1.239321    1.146722E-02

F-ratio testing group variances       1.540534       Prob. Level  0.1391

                        -2.754829            95% Conf. Limit Plots         1.313301
Q13=1                                      <-------a------->
Q13=2                                                  <-----a---->

                        -2.754829                Line Plots                1.313301
Q13=1                   ..............11.1.1.........111..1...2.1.1.1.1.21............1.....
Q13=2                   ..............1..............1.1121.12.....1.21.11.1111......2.....11
```

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Factor 4	Communality
Q9.1	0.0800	0.1112	0.0103	-.9590	0.9385
Q9.2	0.1924	-.3427	0.8366	-.2710	0.8121
Q9.3	-.2137	0.8450	0.1060	-.0963	0.7922
Q9.4	0.7925	-.0935	0.3719	-.1245	0.7906
Q9.5	0.0999	0.1636	0.8447	0.2438	0.8097
Q9.6	0.7290	0.2303	0.0900	0.1201	0.6372
Q9.7	0.2140	0.7351	-.0057	-.0264	0.5849
Q9.8	0.7707	-.0925	0.3184	-.1190	0.6171

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	2.4007	30.01	30.01
2	1.4219	17.77	47.78
3	1.1446	14.31	62.09
4	1.0074	12.59	74.68
5	0.7738	9.74	84.42
6	0.6710	8.39	92.80
7	0.3344	4.18	96.98
8	0.2412	3.02	100.00

```
                                         T-Tests
Date/Time           10-15-1990   09:23:36
Data Base Name E:\private\mikeb\grif
Description         Imported from A:aidv.asc

                              Two Sample T-Test Results

Response: C143
Group:                     Q13 = 1                                Q13 = 2
Count - Mean               19            -.2713968                25              .1882363
95% C.I. of Mean           -.8518922      .3280987               -.1262342        .5027078
Std.Dev - Std.Error        1.226939       .2391822                .77362          .1537019

                           ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.            -1.522522      0.1351                 -1.406996        0.1708
Degrees of Freedom                        42                                      27.46037
Diff. - Std. Error         -.4601336      .3020175               -.4601336        .3270221
95% C.I. of Diff.          -1.062628      .1493607               -1.130607        .2103394

F-ratio testing group variances           2.463028               Prob. Level      0.0130

                         |-2.492373              95% Conf. Limit Plots                2.068337
Q13=1                    |                    <---------------------->
Q13=2                    |                             <------------>

                         |-2.492373                  Line Plots                       2.068337
Q13=1                    |1....1.......11....2......1..2.....1111....1...1....1..1..........1
Q13=2                    |.............11......1.11111...111122...1.1112.........


Date/Time           10-15-1990   09:23:38
Data Base Name E:\private\mikeb\grif
Description         Imported from A:aidv.asc

                              Two Sample T-Test Results

Response: C144
Group:                     Q13 = 1                                Q13 = 2
Count - Mean               19            7.175655E-02             25             -.0496842
95% C.I. of Mean           -.3396656      .5231987               -.4736257        .3792573
Std.Dev - Std.Error        .92312         .21376                 1.062059         .2082369

                           ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.            .3071737       0.6969                  .4020768        0.6897
Degrees of Freedom                        42                                      41.75747
Diff. - Std. Error         .1254307       .3096648                .1254307        .3020555
95% C.I. of Diff.          -.502513       .7464174               -.4861206        .791234

F-ratio testing group variances           1.30945                Prob. Level      0.2361

                         |-1.342116              95% Conf. Limit Plots                2.677587
Q13=1                    |                  <------------------->
Q13=2                    |                <--------------------->

                         |-1.342116                  Line Plots                       2.677587
Q13=1                    |1......1....1...1...1..1.11.122..1.......1.......21...............
Q13=2                    |........42.11.1.1.22..1.2.11...11...111.........1.11...............1
```

```
Date/Time       10-15-1990  09:23:39
Data Base Name  H:\private\mikeb\grid
Description     Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: C145
Group:                 Q13 = 1                       Q13 = 2
Count - Mean           18           -.5068000        26              .3509222
95% C.I. of Mean       -1.014753    9.5[illegible]E-04    1.365161E-02    .6881908
Std.Dev - Std.Error    1.021519     .2407742         .8350792        .1637725

                       ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.        -3.057089    0.0039           -2.945834       0.0059
Degrees of Freedom                  42                               33.32581
Diff. - Std. Error     -.8578077    .280599          -.8578077       .2911925
95% C.I. of Diff.      -1.424078    -.2915375        -1.450014       -.2656013

F-ratio testing group variances     1.496364         Prob. Level     0.1735

                      -2.64589              95% Conf. Limit Plots             1.342342
Q13=1                                    <-------------g---------->
Q13=2                                                          <------g------>

                      -2.64589                  Line Plots                    1.342342
Q13=1                 .1...........1.111........11...1.......112.....1......111.......1...
Q13=2                 1...........................1.1.......1..2.122.1.21.221.11111

Date/Time       10-15-1990  09:28:41
Data Base Name  H:\private\mikeb\grid
Description     Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: C146
Group:                 Q13 = 1                       Q13 = 2
Count - Mean           18           .1508735         26              -9.060309E-02
95% C.I. of Mean       -.2294674    .5012144         -.5122698       .3311526
Std.Dev - Std.Error    .9460489     .2229858         1.044282        .2048005

                       ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.        .7130661     0.4755           .7313491        0.4686
Degrees of Freedom                  42                               41.02361
Diff. - Std. Error     .2214866     .3083623         .2214866        .3027628
95% C.I. of Diff.      -.400811     .8437361         -.399339        .822907

F-ratio testing group variances     1.218451         Prob. Level     0.3413

                      -2.773693             95% Conf. Limit Plots             1.644813
Q13=1                                           <-----------g----------->
Q13=2                                           <---------g-------->

                      -2.773693                 Line Plots                    1.644813
Q13=1                 ...............1.....1.....22...............11.1.12.1..........111...1..1
Q13=2                 1.............12...............12.......1..131.22.......2..152........
```

Eigen Value Summary

No.	Eigenvalue	Percent	Cummulative Percent
1	1.7781	35.56	35.56
2	1.0704	21.41	56.97
3	0.7843	15.69	72.66
4	0.7581	15.16	87.82
5	0.6090	12.18	100.00

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Communality
Q10.1	-.2505	-.8332	0.7572
Q10.2	0.4820	-.5837	0.5731
Q10.3	0.6371	-.0856	0.4132
Q10.4	0.7344	0.0252	0.5400
Q10.5	0.7281	0.1858	0.5650

```
-----------------------------------------T-Tests-----------------------------------------
Date/Time        10-15-1990   09:34:02
Data Base Name E:\private\mikeb\gwif
Description      Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: C129
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            13           -.240154        25            .1662504
95% C.I. of Mean        -.7295774    .2492695        -.2357447     .5682654
Std.Dev - Std.Error     .9844214     .3320303        .9953641      .195207

                        ------ Equal Variances ------  ------ Unequal Variances ------
T Value - Prob.         -1.337563    0.1882          -1.340328     0.1879
Degrees of Freedom                   42                            38.97075
Diff. - Std. Error      -.4064144    .303847         -.4064144     .3032224
95% C.I. of Diff.       -1.019601    .2067719        -1.019741     .2069122

F-ratio testing group variances      1.022355        Prob. Level   0.4318

                        |-1.970075          95% Conf. Limit Plots              2.140475
Q13=1                   |              <------------1------------>
Q13=2                   |                      <--------2-------->

                        |-1.970075                Line Plots                   2.140475
Q13=1                   |1.11......1...1.......12.....1.1111....2.1.1..................
Q13=2                   |......1..111..1...1.1...1...11211..1.11..2.1....1.1.1.......1


Date/Time        10-15-1990   09:34:04
Data Base Name E:\private\mikeb\gwif
Description      Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: C130
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            13           -6.291226E-02   26            4.358423E-02
95% C.I. of Mean        -.4823472    .3570228        -.4042746     .4914831
Std.Dev - Std.Error     .8446311     .1390866        1.109071      .2175068

                        ------ Equal Variances ------  ------ Unequal Variances ------
T Value - Prob.         -.3438447    0.7323          -.36157       0.7239
Degrees of Freedom                   42                            42.68461
Diff. - Std. Error      -.1064665    .3098157        -.1064665     .2942639
95% C.I. of Diff.       -.7316979    .518765         -.7007283     .4877953

F-ratio testing group variances      1.724099        Prob. Level   0.1240

                         -1.589024          95% Conf. Limit Plots              2.794456
Q13=1                                   <--------1------->
Q13=2                                   <---------2-------->

                        |-1.589024                Line Plots                   2.794456
Q13=1                   |1.....111..1.11.............1111...2.2.....1..1..................
Q13=2                   |1..112......12.211.1.1.11...2111.1..........1.1.......1..........1
```

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	2.3686	29.61	29.61
2	1.7054	21.32	50.92
3	1.3521	16.90	67.83
4	0.8393	10.49	78.32
5	0.6357	7.95	86.26
6	0.4710	5.89	92.15
7	0.4183	5.22	97.38
8	0.2096	2.62	100.00

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Communality
Q12.1	0.1392	0.7594	-.1594	0.6273
Q12.2	0.8555	0.0573	-.1523	0.7583
Q12.3	0.4289	0.6006	-.4132	0.6123
Q12.4	-.2924	0.8125	0.1513	0.7709
Q12.5	0.9073	0.0225	0.1486	0.8467
Q12.6	-.0526	-.1512	0.6973	0.5149
Q12.7	0.6235	-.0754	0.5835	0.7396
Q12.8	0.1247	0.4300	0.6120	0.5762

```
------------------------------------------T-Tests------------------------------------------
Date/Time          10-15-1990   09:38:13
Data Base Name     H:\private\mikeb\grif
Description        Imported from A:aidv.asc

                           Two Sample T-Test Results

Response: Q114
Group:                   Q13 = 1                       Q13 = 2
Count - Mean             18            .411429         26            -.2362296
95% C.I. of Mean         8.111298E-02  .741745         -.7307734     .1583341
Std.Dev - Std.Error      .6643942      .1565992        1.100712      .2158679

                         ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.          2.405421      0.0206          2.522477      0.0120
Degrees of Freedom                     42                            43.13513
Diff. - Std. Error       .5995466      .2908621        .5995466      .2366375
95% C.I. of Diff.        .111567       1.29663         .1513765      1.237421

F-ratio testing group variances    2.744719      Prob. Level    0.0275

                        |-1.934819        95% Conf. Limit Plots           1.55877
Q13=1                   :                                  <------1----->
Q13=2                   :                          <-------2------>

                        |-1.934819             Line Plots                 1.55877
Q13=1                   :................1.......1.........11...2.11111.1.11......1.1
Q13=2                   :1....1.1........1.......1.1.111..1..21111.111.......1......1.

Date/Time          10-15-1990   09:38:13
Data Base Name     H:\private\mikeb\grif
Description        Imported from A:aidv.asc

                           Two Sample T-Test Results

Response: Q115
Group:                   Q13 = 1                       Q13 = 2
Count - Mean             18            -9.237555E-02   26            5.428861E-02
95% C.I. of Mean         -.5606173     .3746662        -.3607534     .4693507
Std.Dev - Std.Error      .943811       .2217513        1.052403      .2063981

                         ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.          -.5081562     0.6140          -.513825      0.6067
Degrees of Freedom                     42                            41.30757
Diff. - Std. Error       -.1571742     .3093015        -.1571742     .302942
95% C.I. of Diff.        -.7313682     .4170199        -.7588229     .4444355

F-ratio testing group variances    1.252395      Prob. Level    0.3206

                        |-1.599273        95% Conf. Limit Plots           1.381375
Q13=1                   :                          <-------1------->
Q13=2                   :                           <------2------>

                        |-1.599273             Line Plots                 1.381375
Q13=1                   :........1.........1111...1...4...2...12........11....11.....
Q13=2                   :1.............2..111..11..11..22..12..1..1111....11.....
```

```
Date/Time       10-15-1990  09:38:21
Data Base Name H:\private\mikeb\grid
Description     Imported from A:aidv.asc

                        Two Sample T-Test Results

Response: Q13$
Group:               Q13 = 1                      Q13 = 2
Count - Mean         13           .1380912        29           -.1302173
95% C.I. of Mean     -.2704054    .5465881        -.5535312    .2930963
Std.Dev - Std.Error  .9222185     .2172583        1.048125     .2058542

                     ---- Equal Variances ----    ---- Unequal Variances ----
T Value - Prob.      1.039074     0.3047          1.063979     0.2934
Degrees of Freedom                42                           41.62564
Diff. - Std. Error   .3183085     .3063285        .3183085     .2992681
95% C.I. of Diff.    -.2995058    .9365227        -.2854406    .9220575

F-ratio testing group variances   1.291699        Prob. Level  0.2963

                    |-2.358237            95% Conf. Limit Plots          1.346911
Q13=1               |                         <---------1------->
Q13=2               |                     <-------2------>

                    |-2.358237                Line Plots                 1.346911
Q13=1               |...........2...........1.1.11../11...11..........1....111....
Q13=2               |1.......1.1...1..1.......1.1.112.11112..1.1.........11.1..1..1..1
```

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	1.4868	29.74	29.74
2	1.0433	20.87	50.60
3	1.0206	20.21	70.81
4	0.7492	14.98	85.80
5	0.7100	14.20	100.00

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Communality
Q11.1	0.8078	-.3375	0.1128	0.[illegible]
Q11.2	0.7842	-.1305	-.0121	[illegible]
Q11.3	-.1591	0.7459	0.1689	[illegible]
Q11.4	0.0088	0.3150	-.1522	0.5891
Q11.5	0.0064	0.0056	0.9810	0.9924

```
-------------------------------------T-Tests-------------------------------------
Date/Time       12-15-1990  09:42:14
Data Base Name  E:\private\mikab\grif
Description     Imported from A:aidv.asc

                         Two Sample T-Test Results

Response: C147
Group:                  Q13 = 1                       Q13 = 2
Count - Mean            13           -.5429604        16            .3758952
95% C.I. of Mean        -.9459667    -.1399541        -1.022264E-02 .7520111
Std.Dev - Std.Error     .3136027     .1310609         .9560225      .1374914

                        ---- Equal Variances ----     ---- Unequal Variances ----
T Value - Prob.         -3.329682    0.0018           -3.432552     0.0014
Degrees of Freedom                   42                             42.30227
Diff. - Std. Error      -.9188557    .275959          -.9188557     .2676888
95% C.I. of Diff.       -1.475762    -.3619496        -1.459065     -.3786465

F-ratio testing group variances      1.390978         Prob. Level   0.2433

                        |-1.875181         95% Conf. Limit Plots          2.111237
Q13=1                        <------x------>
Q13=2                                        <------x------>

                        |-1.875181         Line Plots                     2.111237
Q13=1                   [illegible]
Q13=2                   [illegible]

Date/Time       12-15-1990  09:42:15
Data Base Name  E:\private\mikab\grif
Description     Imported from A:aidv.asc

                         Two Sample T-Test Results

Response: C148
Group:                  Q13 = 1                       Q13 = 2
Count - Mean            13           .4072244         16            -.2319175
95% C.I. of Mean        8.275981E-02 .3971385         -.6589107     9.207862E-02
Std.Dev - Std.Error     .9855291     .2002514         .9250057      .1315048

                        ---- Equal Variances ----     ---- Unequal Variances ----
T Value - Prob.         2.384421     0.0208           2.337137      0.0249
Degrees of Freedom                   42                             37.05642
Diff. - Std. Error      .5891219     .2914591         .5891219      .2948553
95% C.I. of Diff.       .1009454     1.277013         9.174224E-02  1.236522

F-ratio testing group variances      1.132589         Prob. Level   0.3797

                        |-2.042045         95% Conf. Limit Plots          2.095125
Q13=1                                        <------x------>
Q13=2                             <------x------>

                        |-2.042045         Line Plots                     2.095125
Q13=1                   [illegible]
Q13=2                   [illegible]
```

Date/Time 12-13-1990 09:42:17
Data Base Name H:\private\mikeb\gmif
Description Imported from A:\Q8v.asc

Two Sample T-Test Results

Response: Q149

Group:	Q13 = 1		Q13 = 2	
Count - Mean	18	.1653151	26	-.1144804
95% C.I. of Mean	-.2423563	.5729826	-.512449	.2843483
Std.Dev - Std.Error	1.032234	.2436685	.9579303	.1937471

	Equal Variances		Unequal Variances	
T Value - Prob.	.9126003	0.2677	.9048264	0.3712
Degrees of Freedom		42		37.30129
Diff. - Std. Error	.2797955	.3072229	.2797955	.309237
95% C.I. of Diff.	-.3402527	.8997457	-.3462736	.9057116

F-ratio testing group variances 1.072883 Prob. Level 0.4232

```
                 |-2.343839          95% Conf. Limit Plots          1.12391
Q13=1            |                                  <--------x---------->
Q13=2            |                              <--------x------->

                 |-2.343839               Line Plots                1.12391
Q13=1            |[illegible]
Q13=2            |[illegible]
```

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	1.9071	23.84	23.84
2	1.7566	21.96	45.80
3	1.1601	14.50	60.30
4	0.8848	11.06	71.36
5	0.7628	9.53	80.88
6	0.6611	8.26	89.13
7	0.5716	7.14	96.29
8	0.2968	3.71	100.00

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Communality
Q16.1	-.1666	0.7612	0.1279	0.6282
Q16.2	-.2246	0.5530	0.4378	0.5521
Q16.3	0.0485	0.7526	-.1127	0.5818
Q16.4	0.5938	0.3658	-.1243	0.5860
Q16.5	0.6747	-.1422	0.1361	0.4840
Q16.6	0.8292	-.0722	0.1659	0.7189
Q16.7	0.0013	0.2228	0.8139	0.6742
Q16.8	0.4201	-.3121	0.6257	0.5808

T-Tests

Data/Time 10-16-1990 09:46:07
Data Base Name E:\private\mikan\gulf
Description Imported from A:\...asc

Two Sample T-Test Results

Response: Q147

Group:	Q13 = 1		Q13 = 2	
Count - Mean	23	-7.355446E-02	25	4.370641E-02
95% C.I. of Mean	-.4105008	.4657915	-.315646	.4042508
Std.Dev - Std. Error	1.086443	.2560775	.9546082	.1372128

	Equal Variances		Unequal Variances	
T Value - Prob.	-.3844014	0.7025	-.3780296	0.7097
Degrees of Freedom		42		38.25583
Diff. - Std. Error	-.1130609	.2097065	-.1130609	.3172259
95% C.I. of Diff.	-.744072	.5089503	-.7523704	.5247486

F-ratio testing group variances 1.295213 Prob. Level 0.2718

-1.937771 95% Conf. Limit Plots 1.716854

Q13=1 <--------1-------->
Q13=2 <------1----->

-1.937771 Line Plots 1.716854

Q13=1
Q13=2

```
Date/Time        10-15-1990  09:46:39
Data Base Name E:\private\mikes\gulf
Description    Imported from A:aldv.asc

                         Two Sample T-Test Results

Response: CL48
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            19          -.3203164        25            .2217783
95% C.I. of Mean       -.911062      .2704301       -.1000564      .543572
Std.Dev - Std.Error    1.138222      .2300668        .796813       .1562679

                       ----- Equal Variances -----   --- Unequal Variances ---
T Value - Prob.        -1.324397     0.0768         1.890217       0.1027
Degrees of Freedom                   42                            23.28586
Diff. - Std. Error     -.5420747     .298782        -.5420747      .3207101
95% C.I. of Diff.      -1.145001     5.085117E-02   -1.198367      .114227

F-ratio testing group variances      2.22372        Prob. Level    0.0359

                       |-2.154174           95% Conf. Limit Plots           1.045214
Q13=1                  |                  <----------|---------->
Q13=2                  |                          <----|---->

                       |-2.154174                Line Plots                 1.045214
Q13=1                  |[illegible]
Q13=2                  |[illegible]

Date/Time          10-15-1990  09:46:40
Data Base Name E:\private\mikes\gulf
Description    Imported from A:aldv.asc

                         Two Sample T-Test Results

Response: CL49
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            19          1.031504E-02     25           -1.262592E-02
95% C.I. of Mean       -.4248984     .4330914       -.4473741      .4447275
Std.Dev - Std.Error    .8879179      .2022122       1.10431        .216572

                       ----- Equal Variances -----   ----- Unequal Variances -----
T Value - Prob.        9.991128E-03  0.9921          .0324615       0.9917
Degrees of Freedom                   42                            [illegible]47586
Diff. - Std. Error     3.399773E-02  .3108506       3.399773E-02   .2950006
95% C.I. of Diff.      -.5880093     .6292089       -.5942547      .6004543

F-ratio testing group variances      1.558873       Prob. Level    0.1482

                       -2.132407            95% Conf. Limit Plots           1.566567
Q13=1                                         <--------|-------->
Q13=2                                         <--------|-------->

                       -2.132407                 Line Plots                 1.566567
Q13=1                  [illegible]
Q13=2                  [illegible]
```

Rotated Factor Loadings

Variable	Factor 1	Factor 2	Factor 3	Communality
Q17.1	-.0154	-.9824	-.3340	0.9665
Q17.2	0.3123	-.0232	-.1159	0.8454
Q17.3	0.3923	0.2775	0.3051	0.6742
Q17.4	0.0321	0.0271	0.9841	0.9709
Q17.5	-.7957	0.2049	-.2549	0.7400

Eigen Value Summary

No.	Eigenvalue	Percent	Cumulative Percent
1	2.2832	45.66	45.66
2	1.0836	21.57	67.24
3	1.0302	20.60	87.84
4	0.4160	8.32	96.25
5	0.1869	3.74	100.00

```
--------------------------------------T-Tests--------------------------------------
Date/Time        10-15-1990   09:50:21
Data Base Name E:\private\nikan\q12d
Description      Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: Q147
Group                  Q13 = 1                        Q13 = 2
Count - Mean           13          -.2207074          25              .1527979
95% C.I. of Mean     -.3290885      .1976735        -.2357565         .5913522
Std.Dev - Std.Error   .8415273      .1983499        1.08566           .2129547

                    ----- Equal Variances -----    ----- Unequal Variances -----
T Value - Prob.      -1.105337      0.2275          -1.182437         0.2061
Degrees of Freedom                  41                                43.80235
Diff. - Std. Error   -.3730083      .3046808        -.3730083         .3810135
95% C.I. of Diff.    -.8887273      .2417068        -.9600235         .2120077

F-ratio testing group variances    1.464989      Prob. Level     0.1198

                  -2.298443             95% Conf. Limit Plots              1.513904
Q13=1                                   <---------|-------->
Q13=2                                        <----------|-------->

                  -2.298443                   Line Plots                   1.513904
Q13=1             ..............1....11..1111...1.1.1.......111.......1.......1
Q13=2             1.........11....1....1.1...1..1.........1..11.111.1...2...122...2
```

```
Date/Time        10-15-1990  09:50:22
Data Base Name H:\private\mikeb\grif
Description      Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: Q148
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            18          .1763052         26          -.1220572
95% C.I. of Mean       -.2570924    .6097029        -.583519      .3094045
Std.Dev - Std.Error     .8918455    .21021          1.068299      .2095107

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.         .9724473    0.3364          1.005306      0.3204
Degrees of Freedom                  42                            42.55655
Diff. - Std. Error      .2983625    .3068161        .2983625      .2967877
95% C.I. of Diff.      -.3208156    .9175406       -.3002311      .897056

F-ratio testing group variances     1.42485         Prob. Level   0.2227

                       -1.115075            95% Conf. Limit Plots       2.160968
Q13=1                                  <----------a---------->
Q13=2                             <---------a--------->

                       -1.115075               Line Plots               2.160968
Q13=1                  ....311.1...............1..22.12.1........1..........11......
Q13=2                  2..22.41.1..............2..2.....1..1...............2.......1


Date/Time        10-15-1990  09:50:24
Data Base Name H:\private\mikeb\grif
Description      Imported from A:aidv.asc

                          Two Sample T-Test Results

Response: Q149
Group:                  Q13 = 1                      Q13 = 2
Count - Mean            18          .3837999         26          -.2657077
95% C.I. of Mean       -.1472225    .9148232        -.6188998     8.748435E-02
Std.Dev - Std.Error     1.068095    .2517524         .8745035     .1715042

                   ----- Equal Variances -----  ----- Unequal Variances -----
T Value - Prob.         2.212064    0.0325          2.132154      0.0405
Degrees of Freedom                  42                            33.36725
Diff. - Std. Error      .6495076    .2936177         .6495076     .3046194
95% C.I. of Diff.       5.696493E-02 1.24205        3.302653E-02  1.266991

F-ratio testing group variances     1.492755        Prob. Level   0.1773

                       -1.329963            95% Conf. Limit Plots       2.546744
Q13=1                                     <----------a---------->
Q13=2                             <------a----->

                       -1.329963               Line Plots               2.546744
Q13=1                  ........322...........11..31111...........1.........1......1..1
Q13=2                  1.1...1.7.22.2...........5.21.....................1.........1
```