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What Works

Balkan Boom to Bust: Vanishing NGO's in Bosnia leave lessons in their wake. By Beth Kampschorr

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Balkan Boom to Bust

Vanishing NGOs in Bosnia leave lessons in their wake by *Beth Kampschror*

The United Methodist Committee on Relief (UMCOR) entered Bosnia 13 years ago to help refugees from the 1992-1995 Balkan War resettle. Until recently, UMCOR's headquarters took up an entire wing of an office building on the outskirts of Sarajevo, the capital of Bosnia and Herzegovina. But now its offices are almost empty and no one answers the phone.

After spending more than \$133.4 million on projects such as building homes and extending micro-grants to refugees, UMCOR is leaving the country. That's partly because its job is done, says John Farquharson, the head of UMCOR's Bosnian operations. The flood of refugees has slowed to a trickle, but so too has the donor money that washed over the country in the 1990s. "We might have stayed a little longer if there were substantial aid money available, but the donor community has turned off the tap," says Farquharson, an Australia native who's been in Bosnia since 1997.

Of the more than 10,000 nongovernmental organizations (NGOs) that were formed in Bosnia and Herzegovina after the war, only about 200 are still active. Some of these NGOs, like UMCOR, accomplished the goals they set out to meet. But many others, which sprang up during the postwar NGO boom, vanished because they were not sustainable to begin with. The story of the boom and subsequent bust of Bosnian NGOs provides lessons for how relief organizations can better help war-torn countries.

Postwar Chaos

Veterans of Bosnia's NGO community use the same phrase to describe the mid-1990s: "postwar chaos." The four-year war that pitted the country's Croats, Muslims, and Serbs against each other had left some 150,000 dead and half of the country homeless. To rebuild the shattered region, donors and governments from around the world poured money into it. More



UMCOR volunteers rebuild a livestock barn in rural Bosnia and Herzegovina. Like most NGOs in the war-torn region, UMCOR is leaving.

than \$5 billion was injected into Bosnia alone, much of it with almost no oversight. It was an astounding amount of money, more than \$1,000 for each of the country's 4.5 million people.

No central coordinating body recorded, kept track of, or disbursed the aid. Donors did not communicate with one another, and sometimes double-funded projects or funded similar projects in the same town. In some instances, donors turned a blind eye to financial abuses. Meanwhile, the nationalist political parties that started the war continued to enjoy nearly unlimited power, controlling the media and ruling by fear.

In the northern Bosnian village of Lipnica – known for a lack of wartime brutality – Faruk Delic and a few friends unwittingly became a case study in Bosnian NGO failure. They established an NGO called Lipa to address some of their village's many environmental problems. Until Lipa closed its doors in 2002, it struggled with effectiveness, sustainability, and accountability.

Delic found that environmentalism was slow to take root in a country where many people think nothing of strewing roadsides and rivers with snack packages and plastic bottles. Environmentalism "was still new for other people and it was like something forced from the West," he says of Lipa's

RESTORING CIVIL SOCIETY

- Ask beneficiaries what they want funded
- Monitor progress in person, not by reports
- Mete out funding over the long haul



efforts to clean the tiny river flowing through Lipnica. “We never managed to clear the whole eight to ten kilometers of the river – every summer we were cleaning four kilometers.” Today, just one of the 500 trees that Lipa planted along the village’s roads is still standing.

Just staying intact was often difficult for Lipa. “We didn’t have [a] good structure as an organization, and we didn’t have good planning,” says Delic. “We were just working on those things where we could get some funding. We didn’t have a long-term strategy, and that’s what caused this organization to disappear later on.” Donors, he says, should have been monitoring their beneficiaries more often. “They didn’t check the situation, they always believed what was on paper,” says Delic.

After 1998, donors did begin to scrutinize NGOs, in part because the international press – notably in articles published in *The New York Times* in August 1999 and *The Economist* in January 2000 – began to question where all of the money had gone. But in mid-1999, both international attention and donor dollars moved south to Kosovo when NATO, Serbian forces, and U.N. troops began clashing. And then the Balkans fell off the international aid radar altogether when terrorists attacked the United States on Sept. 11, 2001.

Lessons Learned

Most of the surviving NGOs are specialized groups known for their work on particular issues, from human rights to job creation, says Milan Miric, network coordinator for the International Council of Voluntary Agencies, a group of some 65 Bosnian and international NGOs. Ninety percent of their funding still comes from international donors, who have learned to ask more questions not only about how their money is spent, but also about how it should be spent. The European Commission, the largest NGO donor in Bosnia, funds projects not on the basis of what donors think is trendy or fashionable, but on the basis of what NGOs say they need. “Now donors ask us our opinion, and what we would like to see funded,” says Miric.

An American expert who’s written on the situation in Bosnia says that it’s not surprising that NGOs went through a difficult period. “My feeling would be that it is unfair to criticize the NGOs in Bosnia,” says Eric Martin, assistant professor of management at Eastern Connecticut State University. “They did their best given enormous difficulty. Many other organizations didn’t want to touch these problems because they were difficult to solve, were impossible to measure, and often required difficult and sensitive decisions.

“Yes, there was a great deal of overlap, waste, and inefficiency early on,” continued Martin. “But over time, the dust



Three generations return to an NGO-built home in Bratunac Municipality, Bosnia and Herzegovina. The 1992-1995 war left half of the country homeless.

settles and donors that choose to stick it out become more demanding, and NGOs begin to coordinate and find niches, and cooperate with donors and lead agencies and other implementing partners.”

Still, some of the problems could have been prevented. To help NGOs survive over the long term, donors could have staggered their funding and guaranteed it over many years, instead of sending the money all at once, says Martin. He also pointed out that it would help if the large international organizations that flock to trouble spots would create what he called “a template that they could just bust out and apply for triage when first arriving in a troubled area.” One example of a tool that could be standardized and ready to deploy are computer solutions that “could be used to track expenditures, update progress, identify needs, et cetera.”

Now that the work of UMCOR and other NGOs that have pulled out of Bosnia is finished, Farquharson says it’s up to the local populace and politicians to provide the impetus for change. More than 10 years after the guns fell silent, the political system in Bosnia, where nationalist political parties continue to wield considerable power over a still ethnically divided country, is now what’s holding back progress. “This should not be a job done by international agencies. Substantial responsibility can rest with the local government, and should rest with them,” says Farquharson. □