
Abstract

How is the development of foreign aid dependent organizations influenced by their funding clients? Set within the international context of the literature debating foreign aid, this qualitative research answers the central thesis question by examining seven foreign aid dependent organizations (FADOs) in the health sectors of the Commonwealth Caribbean and Haiti.

The benefits provided by FADOs are largely the direct and indirect result of foreign aid. However, the findings of this research indicate that policies, procedures and power relationships in the foreign aid industry also work to undermine the effectiveness and efficiency of FADOs, and to distract their attention from their *raison d'être*.

Case study data is captured in organizational metaphors. As *organisms* FADOs adapt to survive and develop within the foreign aid environment, and the influence of donor program and policy initiatives on their establishment and portfolio of activities is explored. As *machines* FADOs malfunction because of the burden of bureaucracy imposed on their internal operating procedures and systems by donors. As *elements in a (neocolonial) political system*, FADOs are under the influence and control of donors, and direct and indirect sources of power exploited by donors are identified and described. The power imbalance and loss of control for the FADOs inherent in these metaphors may be unintended from the donors' perspective – which may be one of benevolent paternalism – but it is both implicit and explicit in the case study data which documents the influence of foreign aid agencies' policies, procedures and behaviors. The metaphors provide a conceptual framework for analyzing the impact – albeit unintended – of foreign aid on recipient organizations. The study concludes with a summary of practical tactics FADO managers can employ to diminish the negative influences of foreign aid dependency and a policy agenda for altering relationships in the foreign aid industry.