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Faith-based organizations in multilateral humanitarian aid

A closer look at Country-Based Pooled Funds

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Abstract

Religion has played a central part in human history and is still a foundation in many societies. Faith-based organizations are in some countries the largest providers of social services and were pioneers in the humanitarian aid sector. There is in academia a growing interest in faith-based organizations and a perception that they have an advantage over their secular counterparts. This study has identified those established theories and provided a comprehensive overview of the research field. It has been argued that faith-based organizations for one should be more cost-effective than their secular counterparts. The faith of their staff members is a significant part of their motivation. They, therefore, accept lower salaries or volunteer to a higher degree. It has also been argued that projects implemented by faith-based organizations could be more rooted in local communities due to a long history of cooperation and collaboration. The claims have been mostly theoretical or supported by qualitative studies. This study contributed to filling the quantitative research gap by analyzing key differences between projects implemented by faith-based and secular organizations that were financed by the United Nations Country-Based Pooled Funds. The data selection provided a scenario where the institutional pressure from strict processes, monitoring, and evaluation theoretically minimizes differences between implementers and therefore tested the study's hypotheses in a least-likely scenario. The analysis found that there was no significant difference between how many beneficiaries the projects reached. Faith-based organizations did however implement projects that with 95 % certainty costed between 2.20 to 7.87 % less compared to their secular counterparts. Their projects with 95 % certainty also had a four percent higher direct-to-total project cost ratio. This provides support for the theoretical claims and contributed to building a foundation for future research in this emerging field. The study surprisingly also found a significant and large difference in project cost between national and international implementers. Projects implemented by national organizations with 95 % certainty cost between 27.98 and 31.50 % less than projects implemented by international organizations. They with 95 % certainty also had a six percent higher direct-to-total project cost ratio. It was not in the scope of this paper to determine what these results depended on but they give further fuel to the current localization debate in both academia and public administration.

Keywords: faith-based organizations, FBO, religion, multilateral aid, humanitarian aid, international aid, localization, United Nations, UN, Country-Based Pooled Funds, CBPF, institutionalism

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Abbreviations

CBPF	-	Country-Based Pooled Funds
ECHO	-	European Commission Humanitarian Aid Office
FBO	-	Faith-Based Organization
ICRC	-	International Committee of the Red Cross
NGO	-	Non Governmental Organization
OCHA	-	Office for the Coordination of Humanitarian Affairs
OLS	-	Ordinary Least Squares
UN	-	United Nations
WFDD	-	World Faiths Development Dialogue
WHO	-	World Health Organization

1 Introduction

Faith-based organizations (FBOs) have historically played a huge part in humanitarian and development work. Faith communities around the world have provided services and aid long before international humanitarian aid became institutionalized (Ferris, 2005). Secular non-governmental organizations (NGOs) have through the explosive increase of foreign aid in the last couple of decades started playing a larger role in providing social services (Dicklitch and Rice, 2004). Together FBOs and NGOs provide a substantial part of social services in low and middle-income countries. A former president of the World Bank estimated that 50 % of global health services and education were provided by faith-based actors (Grills, 2009). FBOs themselves provide between 2-50 % of healthcare services in sub-Saharan Africa and one study found that FBOs and NGOs together provided around half of the healthcare in Kenya (Ellis and Fitzgerald, 2022). The Catholic Church previously claimed to alone stand for 24 % of global health services (Grills, 2009).

There in academia exist a perception that FBOs are distinct and have an advantage over secular organizations in the implementation of projects and cooperation with local communities. This perception and the continued importance FBOs have in many societies combined with the current localization debate have increased the academic and public interest of them. A part of the emerging field is studying if there is a difference in outcomes for projects implemented by FBOs compared to secular organizations. The research has mostly been of a qualitative nature. Therefore, this study aims to contribute to the emerging field by conducting a quantitative study on the difference between projects implemented by faith-based and secular organizations.

Currently, there is no agreed-upon definition of exactly what FBOs are. This study used a broad definition similar to the one used by Clarke and Jennings (2008), where FBOs “derives inspiration from and guidance for its activities from the teachings and principles of faith or from a particular interpretation or school of thought within a faith”. The usage of broad categories is not without issues. Lehmann (2019) for one criticized it and called for a critical approach that goes beyond self-descriptions and works towards an analytical

concept that grasps the political dimensions within the different FBOs. This academic field is emerging, and the existing theories have been made using similarly broad definitions. The choice to use wider definitions was therefore taken to build on the existing literature and test these theories. So future research regarding the performance of FBOs compared to secular implementers in the international multilateral aid system has more empirical data at its disposal.

1.1 Previous Research

The first question that has to be answered is if all FBOs share characteristics that are distinct enough to analyze a potential difference between FBOs and secular NGOs. Or if the variation within the two groups is greater than the variation between them, rendering any analysis inconclusive. This section will provide an introduction to the current research field and arguments for why further research on this question is needed.

There was until the mid-2000s little interest in using religion as an analytical category in international aid (Tonnessen, 2007). That has slowly changed and substantial research has since been done on FBOs as welfare service providers (Heist & Cnaan, 2016). Today FBOs and secular NGOs often engage with the same issues in the development and humanitarian sectors (Jennings et al., 2021). There is also an emerging perception of FBOs being distinct and having a strategic advantage over secular NGOs in said projects (Davis, 2019). Through efficient raising of funds, cost-effective operations, and connection to strong grassroots movements, they should in theory be more likely to implement better projects compared to their competitors (ibid). However, the claims have mostly been made on ideological grounds, or been tested in qualitative studies such as Hershey's (2016), Leurs' (2012), and Dicklitch & Rice's (2004). What is lacking according to Davis (2019) and Ferris (2011), are quantitative studies that systematically and empirically test the existing theories to start building up a more comprehensive literature on the role of FBOs in international aid. It seems that there is a gap in the research and a need for studies that look into the difference in performance between FBOs and secular NGOs. Davis (2019) laid forward results that put the cost-effectiveness of FBOs into question as he did not find a statistically significant difference regarding overhead and indirect costs between Canada-

based FBOs and NGOs that were working in developing countries. Similar studies are needed to see if the results from Davis' study can be generalized or if they were specific to the context of his study.

As FBOs and secular NGOs are working on similar issues in a similar context, they often find themselves working through the same overarching international institutions. These coordinating efforts of, for example, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) or the European Union's European Commission Humanitarian Aid Office (ECHO) create standardized practices and norms (Versluys, 2007; Carter, 2018). This institutionalization of the sector could work towards minimizing or erasing differences between implementing organizations through the strict application, reporting, monitoring, and evaluation processes (Barnett, 2012).

FBOs' place in the multilateral aid arena has been put into question and their role has been ever-changing. After being sidelined from the international system in the twentieth century. The interest of them reemerged in the late 90's (Boran, 2012; Dicklitch and Rice, 2004), and is continuously growing due to the current localization agenda (Jennings et al., 2021). Where FBOs are sometimes seen as a bridge between donors or coordination organizations and local faith communities (Kraft & Smith, 2019). Anderl (2016) found that although the rhetoric of implementation had a strong focus on localization, the global Western norms in line with the Millennium Development Goals or the Human Development Index still remained dominant in the working process. Lehman (2019, p.400-401) summarized findings that FBOs who are working in the UN system use so-called chameleon politics and strategically choose to display or hide their religiosity. This creates an issue when using crude labels for classification as the actors rationally use them for their advantage.

What is certain is that there exists a general perception of FBOs as having a comparative advantage over secular NGOs. There is also an empirical gap in the literature concerning this potential difference. Therefore, further research on the difference between these two types of organizations is needed to determine whether or not this potential difference can be empirically proven. As the research is lacking, using crude labels might be a necessary first step when approaching the topic in order to build a foundation for further research.

1.2 Aim and Disposition

A lot of qualitative research has been done on the differences between faith-based and secular aid organizations. This study aims to in a first step provide a broader literature overview of which theories of FBOs exist in Chapter 2.1. What is empirically lacking are large-scale systematic studies that try to capture any differences in output between them. Therefore, this study aims to contribute towards start filling that gap by systematically comparing key indicators between organizations that have received funding through the UN Country-Based Pooled Funds system (CBPF). It will do so by comparing the indicators through statistical testing and OLS modeling. This research paper will put established theories to the test and contribute to the understanding of differences between implementing organizations that work through the UN system. On one hand, there are theories that speak of FBOs' comparative advantage over secular organizations. On the other hand, theories that stem from institutionalism argue that the now well-established UN bureaucracy and the standardization of the humanitarian sector minimize or even eliminate differences between the implementing organizations.

The next sections will present the research questions and the following chapter will provide a background to FBOs, multilateral aid, and theories of institutionalism. In the third chapter, the study's case and methodology will be presented in greater detail. Following that are the empirical results and an ending discussion with concluding remarks and recommendations for future research.

1.3 Research Questions

To approach this research problem, the study aims to answer a few formalized questions. For the literature overview, the overarching question is: What theories of FBO advantages over secular organizations exist?

For the empirical contribution, the study aims to answer the question: Is there a statistically significant difference in the number of beneficiaries reached between humanitarian UN projects implemented by faith-based and secular organizations? It also aims to answer if

there is a statistically significant difference in project cost between secular and faith-based organizations.

The question that will lead the ending discussion is: What would be the reason for any difference? One of the main factors that come into play is the quality of the project. Modeling efficiency and quality is notoriously difficult and will pose a challenge to this study. How this challenge was met is further discussed in Chapter 3.3 Validity and reliability and will be a reoccurring element in the discussion.

1.4 Ethical Considerations

This study was conducted in line with Uppsala University's ethical guidelines and Sweden's Ethics Review Act. The ethical conflict for this study can be found in the academic interest of studying FBOs and the risk of contributing to the creation or reproduction of stereotypes. The choice to use wide definitions of what constitutes a FBO, and grouping a wide variety of Christian and Islamic organizations into broad categories increases this risk. The study however acknowledged that the variety within these categories might very well be larger than between them. Using these wide categories was seen as acceptable as it is made clear that no normative claims of one type being better than the other are made. The research is conducted with the aim to test whether or not differences can be found so that future research can look closer at what practices lead to these differences and thereby improve humanitarian projects.

2 Background

This chapter aims to present established theories about FBOs and their perceived advantage over secular NGOs that are working in the same sector. It will also provide an overview of theories of institutionalism and how they apply to multilateral aid funds that are controlled by international agencies that are not subordinated to any single state.

2.1 Faith-Based Organizations

Religion has held a central position throughout human history. Today it still plays an important part for the majority of humans and is fundamental to many cultures and societies (Fox, 2018, p.16). FBOs have a long history of providing social services and aid to developing countries (Ferris, 2005; Davis, 2019). Practically speaking, FBOs are still among the largest provider of social services such as healthcare and education in many low to mid-income countries. FBOs provide between 2-50 % of healthcare services in sub-Saharan Africa and one study found that FBOs and NGOs together provided around half of the healthcare in Kenya (Ellis & Fitzgerald, 2022). In many of these countries, secular governments have failed to achieve higher economic growth and the elitist leadership has been perceived as foreign, illegitimate, and corrupt (Fox, 2018, p.16). The religious institutions have in contrast to the governments been seen as indigenous, more legitimate, and less corrupt (Fox, 2018, p.16). There is also support for beneficiaries having greater trust in FBOs compared to other social institutions (Heist & Cnaan, 2016).

After being sidelined in the international multilateral aid system due to the dominant secularization theory of the twentieth century (Fox, 2018, p.10; Barnett & Stein, 2012a). FBOs have in the last few decades again started taking a larger role in development discourse and policy (Boran, 2012; Dicklitch and Rice, 2004). This is particularly true for Africa-based projects (Burchardt, 2013). The World Bank launched the World Faiths Development Dialogue (WFDD) in 1998 and the WHO changed its constitution in 1999 to include spiritual health in the definition of well-being (Thomas, 2004). What distinguished the WFDD was that a certain type of NGO was singled out in a way others have not (ibid).

The question that then has to be answered is why? What makes FBOs distinctive? And with what do they contribute that secular organizations do not, or can not? The growing academic interest in FBOs can partially be explained by the growing interest in local actors and the localization agenda (Jennings et al., 2021). The international FBOs can because of their global network and shared faith function as a bridge between international donors and local faith communities (Kraft & Smith, 2019). Christian FBOs in particular have built vast global networks of communities with a long history of cooperation and, therefore, function as a direct link to local communities that adhere to Christianity (Ferris, 2011; Heist & Cnaan, 2016).

In the international market of humanitarian aid that has emerged, the secular paradigm is still dominant (Barnett & Stein, 2012b). Large international FBOs such as World Vision strategically downplay their religious identity in order to be more in line with the demands from Western donor countries (ibid; Barnett, 2012). What differentiates them from secular organizations is the way they can and choose to mobilize resources (Fox, 2018, p.73-77). Most religious traditions come with a belief that it is good to protect and provide for vulnerable members of society. Values of or calls for charity can therefore be found in all world religions (Ferris, 2011). Both funding and staff can and are because of that largely mobilized on a religious basis (Barnett, 2012). FBOs also seek public funds directly from donor countries or through multilateral pools. This leads to them having to balance their secular and religious image in order to raise funds effectively from the private (religious) and public (secular) markets. If done right, the FBOs have an advantage over secular organizations as they can mobilize resources more efficiently, tap into a larger market, and build a resilient private donor pool (ibid; Barnett & Stein, 2012b). FBOs in general have a larger share of private unrestricted funding and because of this have the option to work more independently (Ferris, 2011). That means they can choose to not seek public funding to the same extent in order to not compromise their autonomy and values, for example, an outspoken faith-based approach (Barnett, 2012; Heist & Cnaan, 2016).

It has been argued that FBOs are also more cost-effective as a lot of the work is completed by volunteers or low-salary employees who are motivated by faith (Davis, 2019). Caritas (the Catholic international development organizing body) for example employed 440,000

paid staff and 650,000 volunteers in 2008 (Heist & Cnaan, 2016). The motivation of faith can in itself be seen as an advantage as it provides motivation for both individuals and the organization (Ware, et al., 2016).

This section presented multiple theories regarding FBOs' comparative advantage over secular organizations. Since this study's focus is on how they perform when working through multilateral aid programs. The next section will present a background to multilateral aid, and Country-Based Pooled Funds in particular.

2.2 Multilateral Aid and Country-Based Pooled Funds

The humanitarian sector has since the Biafra disaster in the 70's become characterized by professionalism, bureaucratization, and commercialization (Barnett, 2012). There is evidence that transnational aid is not only growing but also becoming more institutionalized and formalized where international agencies gain more influence (Barnett & Stein, 2012a; Barnett, 2012). Multilateral aid flows are to an extent centralized to international agencies such as the UN's OCHA or the EU's ECHO. Based on the principal-agent rational choice theory, Versluys (2007) argues that European Union member states delegate the implementation of humanitarian aid for a couple of reasons. Due to its size, ECHO has more human resources and is better equipped to deal with technically complex decisions compared to national humanitarian aid departments. Instead of negotiating the details of coordination and implementation of every intervention, it is deemed more efficient to draw up general guidelines and delegate the decision-making to the Commission. Especially as humanitarian emergencies demand rapid intervention. Delegation to an international institution also displays that the donor countries are not acting after national interests but put needs as the primary principle since the donor can no longer pick and choose which intervention they support. According to sociological institutionalism, actors delegate because they see the institution as legitimate and therefore support it (Versluys, 2007). Although these arguments are made with the EU and ECHO in mind, they can be applied to the UN system and OCHA-controlled funds such as the Country-Based Pooled Funds (CBPF).

There has in total been 23 CBPF (OCHA, 2023a) that were set up because a specific region suffered from recurrent conflict and/or disasters. This motivated the decision to establish a long-term and unearmarked fund so that humanitarian short-term interventions could be instantaneously financed when necessary. In 2022, the CBPF had a total contribution of \$1,34 billion (OCHA, 2023b). The three largest donors then being Germany, the UK, and the Netherlands, and the top three recipient regions being Ukraine, Afghanistan, and cross-border Syria operations. Donor countries have no influence over which individual projects in the country are financed as it is solely up to OCHA to decide. The CBPF also have a strict framework for applying for funds, reporting, and evaluation which restricts which projects can be funded (OCHA, 2023b; Carter, 2018). The use of CBPF and multilateral aid have been growing over the years but only stands for a fraction of the global aid of which the majority is provided bilaterally (ibid). Multilateral flows of unearmarked aid funds are in theory more desirable due to the perception of them being more efficient and effective compared to earmarked funds (Weinlich, Baumann et al., 2020, p.1-3). It has however been difficult to find conclusive empirical evidence for CBPF actually being faster in implementation, more cost-efficient, or overall better compared to bilateral options (ibid, p.142-143; Carter, 2018; Biscaye et al., 2017).

Although multilateral aid flows are increasing, they are not increasing as a share of the total aid (Stoddard, et al., 2017, p.24). 79.4 % of the funds in The United Nations Development System was earmarked for 2017 and only 10 % of the humanitarian budget was channeled through pooled funds (Weinlich, Baumann et al., 2020, p.1-3, 138). Earmarked funds are used by donors since it provides the donor with control over what types of projects and organizations are financed, which makes it easier to align the aid with their geopolitical interests (ibid, p.35-37).

That FBOs and secular NGOs work in the same sector through the same institutions means that they are exposed to the same institutional pressure, norms, and rules. The next section will therefore present an overview of institutionalism that explain why and in what way organizations can be shaped by the institution they are working through. It will more specifically look at how multilateral international aid institutions have developed and how they affect the organizations that work through them.

2.3 Institutionalism

Theories of institutionalism share many of the assumptions made in realism. They see the international order as an anarchic system where states as central actors are rational and work after self-interest (Stein, 2008; Slaughter & Hale, 2013). Institutional theory differs by relying on game theory and microeconomics in order to explain how states can cooperate and overcome the ever-present suspicion of other states (ibid). This explains how intergovernmental organizations could be created as they can create win-win situations by reducing transaction costs, increasing efficiency, and sharing risk (ibid). International intergovernmental institutions were historically seen as instruments of state (Zürn. et al., 2012). They have ever since the Second World War grown in both numbers and influence. Today international institutions themselves form norms and rules that at times trump national sovereignty and strongly influence international relations (ibid). Within institutionalism, they are therefore seen as actors in their own right and not only as instruments of state (Stein, 2008).

A critique that has been raised against institutionalism is that states are not only concerned with maximizing outcomes but that they take relative gains into consideration (Stein, 2008). Even if cooperation between states through an intergovernmental institution would benefit both states. A state might be hesitant or unwilling to engage if it thinks the other state(-s) would benefit more from it (ibid). This argument could aid in explaining why the multilateral pools still only represent a fraction of the total aid.

The international aid sector is dominated by donors from the Global North which have shaped the intergovernmental aid institutions. To receive funding, NGOs and FBOs have to adapt to the institutions' policies and norms. Multilateral coordinating organizations (such as the UN's OCHA) therefore exert a dramatic effect on the organizational structure and branding choices humanitarians make (Barnett, 2012). This process of structural homogenization is a result of what in the field of institutionalism is called institutional isomorphism (Burchardt, 2013). Or as described by Collinson (2016, p.13), a process of "powerful forces emerge that lead them to become more similar to one another". The isomorphism can either be a top-down process where pressure from above molds the

organizations below, or a voluntary process where organizations see themselves as members of a common type and therefore adapt.

As stated in Chapter 2.1 Faith-Based Organizations, the secular paradigm is still dominating, but the localization agenda have further increased the growing interest in collaboration with local FBOs. Anderl (2016) found that global norms were wrapped in localization rhetoric but where the practices remained the same for intergovernmental development organizations in Bangladesh. Providing support for that the institutionalism process in the development sector is a top-down one where norms from the Global North remain dominant. Burchardt (2013) argues that this dynamic molds the FBO organizations to be more similar to secular NGOs and minimizes the expression of faith, and Grills (2009) found that multilateral organizations often require FBOs to tone down their expression of faith. The professionalism of the sector, the secular frame, and the power dynamic between donors and beneficiaries do according to Ager & Ager (2015, p.11-12) contribute to privatizing, instrumentalizing, and marginalizing religion. FBOs are very much influenced by the context they are working in and because of this make use of so-called chameleon politics in order to strategically display or hide their religiosity depending on the situation (Lehman, p.400-401).

The literature on how institutions put pressure on the organizations that work through it, and shape their expression and behavior is useful in the selection of cases and construction of hypotheses for this study. The following chapter will explain how the theory was applied to the empirical processes of this study.

3 Method

This chapter will describe what data was used, how it was approached, categorized, and what methods were used to analyze it. It will present how the variables were operationalized and what statistical models were used to test the hypotheses. The empirical contribution of this paper consisted of two steps. First, a qualitative classification of organizations that implement UN projects to determine whether or not they were faith-based and which world religion they adhered to. Secondly, OLS regressions were made on the UN CBPF - Projects dataset using the faith variable as the main independent variable.

3.1 Data

The Country-Based Pooled Funds - Projects dataset (OCHA, 2023a) was downloaded on December 26th, 2022. It then contained 12,819 UN-funded humanitarian projects. As the study aimed to compare the difference between organizations that apply for funding and work through the UN system, UN and ICRC-affiliated organizations were excluded from the analysis. They hold a unique type of legal status in international humanitarian aid and can thus implement projects in very different ways. That makes those projects difficult to compare with other organizations and was therefore excluded to avoid underlying bias that could skew the results. If they were included in the analysis and the organization type was to be controlled for, it would not provide anything for the regressions as there is no variation of the faith variable within the UN and ICRC subsets. After excluding those projects, and cleaning the data from errors, 9,146 projects that were implemented between 2010 and 2023 remained. Errors included the number of beneficiaries, cost, and duration of the project being zero or negative. The remaining list of projects had been implemented by 1,147 unique organizations.

The CBPF data consist of a wide range of variables that are recorded by OCHA through UN reporting systems where the implementing organizations submit data on these key indicators. They do not register whether or not an organization is faith-based. The next section will describe how this paper operationalized the faith variable and how the organizations were later classified.

3.1.1 Operationalization of Faith

There are many definitions of what a FBO is. There is no academically agreed-upon definition but Fox (2018, p.35) generalizes that religious identity refers to belonging based on community-held beliefs. Clarke (2006) designed a typology with five types of FBOs. Clarke and Jennings (2008, p.6) adopted a more general definition in that FBOs “derives inspiration from and guidance for its activities from the teachings and principles of faith or from a particular interpretation or school of thought within a faith”. Other authors argue that the organization consistently has to express a coherent message about its relationship to religion and politics, or that its actions have to be encouraged or motivated by faith (Fox, 2018, p.55). Dicklitch and Rice (2004) proposed that “FBNs [Faith-based NGOs] can be defined as non-state actors that have a central religious or faith core to their philosophy, membership, or programmatic approach, although they are not simply missionaries”, and Hefferan et al. (2009) approached the issue by drawing up a list of more operational indicators. An organization was according to him seen as faith-based by:

1. Self-description as faith-based or secular
2. Identity of the founder and organizers
3. Identity of the manager and leaders
4. Religious affiliation of staff and volunteers
5. Sources of financial and other support
6. Organized faith practices of staff and volunteers
7. The faith content of programs
8. The main ways faith is integrated with other program features
9. Expected connections between faith content and program outcomes
10. The use of faith symbols

For this study, a broad definition in the spirit of Clarke and Jennings (2008) was used. The operational coding of the organizations was conducted with the same assumption as in Austin et al.'s study (2022). There they assumed: "that a nonprofit has no religious expression unless we discover evidence of religious identity or religious activity". The present study also assumed that FBOs want to express their connection to their religion since they as earlier presented in Chapter 2.1 can benefit from it.

It is not a operationalization without flaws as an organization in theory could be religious but for strategic reasons hide it. An organization could also be secular but choose to play up a religious identity for similar reasons. An alternative operationalization would however be much more problematic from a methodological standpoint. If the interpretation of which organization was or was not faith-based were to be expanded and include the organizations' hidden strategy. The classification would be highly dependent on the researcher's biases which would make the results very difficult to reproduce. The operational definition is therefore seen as the most practical, pragmatic, and reproducible alternative.

The coding itself was done in a similar fashion to Heist & Cnaan's study by collecting and analyzing data from the organizations' websites and social media. If statements in support of or praise to a deity were found; religious symbols were used; or the identity of founders and management was clearly linked to religious institutions, the organizations were classified as being faith-based. If none could be found, it was classified as secular. The type of world religion the organization belonged to was classified in a second stage for the organizations it could be determined for.

3.1.2 Variables and Descriptive Statistics

The variable 'beneficiaries' used in the models was based on the sum of the indicators: men, women, boys, and girls from the CBPF dataset. The indicators describe how many people were reached by an individual project and do because of that not capture the quality of the aid provided. The variable was transformed to its logarithmic to reduce noise and the influence of extreme outliers.

The used control variables consisted of the cost of the projects, the ratio of direct-to-total cost, the duration of the projects (in weeks), if the implementing organization was national or international, and which of the CBPFs a project was funded by.

In the CBPF system, direct costs: “must be clearly linked to the project activities described in the project proposal and the logical framework” (OCHA, 2017). The indirect or support cost include for example costs of headquarters, IT, and legal services. The guidelines have changed over the years but the indirect cost can as of later years only stand for a maximum of seven percent of the total project cost.

The variable representing the cost ratio was constructed by taking the direct cost divided by the total cost of the project. In the data set, the ratio of direct cost to total cost varies from 1.5 % to 100 % with a mean of 89.9 % and a median of 91.5 %. The variable for the direct cost of the projects was later adjusted for inflation to the 2010 US dollar value with the R package `priceR` (Condylis, Mito, and Shalloway, 2022), and transformed to its logarithmic value. To control for a linear time trend, the variable `t` was created by subtracting all years with (base year - 1). So the earliest year in the dataset - 2010 - was transformed into year one.

On average, a project lasted for 40 weeks, had a direct cost of \$353,102, and reached 36,881 beneficiaries. Out of the 1,147 organizations, 944 were secular, 133 were Christian, 46 were Islamic, 7 were other, and 17 could not be classified (NA). The cleaned data set contained a total of 9,146 projects. 7,478 of the projects were implemented by secular organizations, 1,298 by Christian, 284 by Islamic, 21 by other, and 65 NA. 387 of the organizations were international NGOs and 760 national. 5,634 of the projects were implemented by international NGOs and 3,512 by national NGOs.

3.2 Models

The models used for this study are based on OLS regression. Apart from the faith variable, the models were constructed with indicators from the CBPF - Projects dataset. The models

were divided into two subtopics. One of which tested the relationship between beneficiaries and faith, and the other the relationship between economic factors and faith.

3.2.1 Hypotheses

The criteria for significant results were set at a five percent level and were conducted through two-tailed p-testing. The first independent variable of interest was the faith variable. In the second stage, it was the disaggregated variable represented which world religion an organization adhered to. Below are the formalized hypotheses.

H1: β^{faith} is significant at a 5 % level in model 2, 4, and 6

H2: $\beta^{\text{world_religion}}$ is significant at a 5 % level in model 3, 5, and 7

H0: Neither β^{faith} nor $\beta^{\text{world_religion}}$ is significant at a 5 % level

3.2.2 Beneficiaries

The models below were constructed to test whether or not there was a difference in the number of beneficiaries FBOs reach in their projects compared to secular organizations. Model one differs to model two and three by excluding the faith variable and instead focus on the relationship between beneficiaries and whether or not the implementing organization was national. As the beneficiaries variable was converted to the logarithmic value, a significant and positive result for model two would for example represent that FBOs with 95 % certainty reached x % more beneficiaries compared to secular organizations that implemented projects funded through the CBPF system between 2010 and 2023 - while controlling for project cost, direct to supportive cost ratio, duration, location, year of implementation, and whether or not the implementing organization was national.

Controlling for variables in this example could be described as imagining a scenario where two organizations were both either national or international, their projects had identical costs and cost ratios, were implemented in the same region and year, and had an identical project duration. The only difference between them would be that one was classified as

being faith-based whereas the other was classified as being secular. There are of course in this example factors that were not considered, so-called omitted variables. The issues that come with this and how they were met are more closely discussed below in Chapter 3.3 Validity and reliability.

Model 1:

$$\ln(\text{beneficiaries}) = \text{national_org} + \ln(\text{cost}) + \text{ratio_cost} + \text{duration} + \text{cbpf} + t$$

Model 2:

$$\ln(\text{beneficiaries}) = \text{faith} + \text{national_org} + \ln(\text{cost}) + \text{ratio_cost} + \text{duration} + \text{cbpf} + t$$

Model 3:

$$\ln(\text{beneficiaries}) = \text{world_religion} + \text{national_org} + \ln(\text{cost}) + \text{ratio_cost} + \text{duration} + \text{cbpf} + t$$

3.2.3 Economic Factors

The following models were created to test whether or not there was a difference in the economic factors of the projects between FBOs and secular implementers. A negative and significant result in model four would represent that FBOs with 95 % certainty implemented projects that cost x % less compared to secular ones while controlling for project ratio cost, number of beneficiaries, duration, location, year of implementation, and whether or not the implementing organization was national.

Model 4:

$$\ln(\text{cost}) = \text{faith} + \text{national_org} + \text{ratio_cost} + \ln(\text{beneficiaries}) + \text{duration} + \text{cbpf} + t$$

Model 5:

$$\ln(\text{cost}) = \text{world_religion} + \text{national_org} + \text{ratio_cost} + \ln(\text{beneficiaries}) + \text{duration} + \text{cbpf} + t$$

Model 6:

$$\text{ratio_cost} = \text{faith} + \text{national_org} + \ln(\text{cost}) + \ln(\text{beneficiaries}) + \text{duration} + \text{cbpf} + t$$

Model 7:

$$\text{ratio_cost} = \text{world_religion} + \text{national_org} + \ln(\text{cost}) + \ln(\text{beneficiaries}) + \text{duration} + \text{cbpf} + t$$

3.3 Validity and Reliability

The research questions for the empirical contribution of this paper were:

- 1) Is there a statistically significant difference in the number of beneficiaries reached between humanitarian UN projects implemented by faith-based and secular organizations?
- 2) Is there a statistically significant difference in project cost between secular and faith-based organizations?

In order to answer the research questions, the faith of the implementing organizations was in the first step classified and categorized. Lehmann (2019) critiqued the simple descriptions of FBOs and requested a critical approach that goes beyond self-descriptions and works towards an analytical concept that grasps the political dimensions within the different FBOs. Leurs (2012) too came to the conclusion that NGOs cannot simply be categorized as being either religious or secular. We then return to the first question posed in Chapter 1.1: Do all FBOs share characteristics that are distinct enough to analyze a potential difference between FBOs and secular NGOs?

Many scholars, as discussed in Chapter - 2.1 Faith-Based Organizations - argue that there seems to be something that distinguishes FBOs in the international aid sector. The growing interest in FBOs in both academia and public administration calls for further research, and the lack of empirical work means that the usage of crude labels is a necessary step in building up the literature and in a first step testing the existing theories. The choice to put all FBOs in one category can therefore be defended as the study is aiming to test whether or not these theoretical claims using broad definitions have any empirical support. For the same reason, the choice to later disaggregate the variable into some of the world religions can be defended although it is acknowledged that great variation exists within the different Christian and Islamic categories. The same methodological issue also exists regarding the variation within the category of secular organizations, national organizations, and international organizations. Each of these could be studied on its own but the study has

limited itself to the usage of wider definitions in order to test the existing theories and claims regarding FBOs which have been made with equally wide definitions.

The selection of data to test the difference between FBOs and secular NGOs was strategic. The UN system is well established and is now an actor on the global stage in its own right. The institutions that have been built up around the UN exert strong pressure on the organizations that work through the system. The CBPF system does as stated require a strict procedure in the application for funds and the implementation, reporting, and monitoring of individual projects. This institutional pressure creates a scenario where the difference between FBOs and secular NGOs in theory should be minimized. The data provides a case where the hypotheses were tested in a least-likely scenario. Any positive results are because of that more reliable and are less likely to be a type one error - where you reject the null hypothesis when it in reality was true.

In all quantitative work, the issue of omitted variables is ever-present. Here too the desire to control for more is strong. Humanitarian missions are complex and implemented in situations of high stress and disruption. Many of the projects in the CBPF dataset were implemented in contexts of natural disasters or conflict. It would in a best-case scenario be possible to control for variables such as the type, intensity, and length of the conflict/disaster, level of corruption, resilience, governmental capacity, and type of project. The list can be made infinitely long and the study has because of its scope and scale limited itself to the variables that could be found within the dataset and will reconnect to this limitation in Chapter 6 Recommendations.

Another validity issue can be found based on the earlier findings from Anderl (2016), and Lehman (2019, p.400-401). FBOs use chameleon politics and the fact that buzzwords are used in project descriptions but not implemented increases the risk of wrongly classifying organizations. The study is because of this in strictly technical terms not comparing FBOs and secular organizations, but organizations who self-identify as faith-based and organizations who do not express any religious belonging. The scale of these problems and the operational difference are deemed small enough for the results to be generalized to the ongoing theoretical discussion in academia.

4 Results

This chapter will present the results from the study in the form of regression tables. The following applies to all regression tables in this chapter. All continuous predictors are mean-centered and scaled by 1 standard deviation. *** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$. Standard errors are in parenthesis. All models have been controlled for which CBPF the project was funded through and thereby which country/territory the project was implemented in. The results of the control variable CBPF were not displayed in the results tables as they take up a lot of space and are not the focus of the study. Due to the small sample size of FBOs adhering to another religion than Christianity and Islam. The category 'other' was created for the variable regarding the type of religion. It included only seven organizations that adhered to Judaism, Buddhism, or Hinduism. As the sample was too small and contained too varied actors to draw any reliable conclusions from, these organizations were excluded from the analysis.

Table 1 can be seen below and contains models one to three. The results from the OLS regressions did not result in any significant difference between the number of beneficiaries FBOs and secular implementing organizations reached during their projects that were funded by the CBPF. The null hypothesis was therefore accepted for models two and three. The coefficient for the variable representing project cost was unsurprisingly significant and had a high impact as a one percent increase in project cost with 95 % certainty correlated with a 0.79 to 0.88 % increase in beneficiaries for all three models. The coefficients for the ratio of direct-to-total cost and duration both rather surprisingly yielded negative and significant results. The result indicates that both a higher ratio and a longer project duration correlated with a lower number of beneficiaries reached. The reason for this could either be due to lacking models where underlying omitted variables influence the results. Or it could be that duration in reality doesn't correlate with an increase in beneficiaries as all the projects are short-term humanitarian interventions. This could mean that the projects are never long enough to integrate themselves into the societies and thus benefit from those effects. The reason for this will be further reflected upon in the next chapter.

Table 1 - Beneficiaries

ln_beneficiaries	Model 1	Model 2	Model 3
faith		0.03 (0.04)	
christian			0.03 (0.04)
islamic			0.09 (0.08)
national_org	0.03 (0.03)	0.04 (0.03)	0.04 (0.03)
ln_cost	0.84 *** (0.02)	0.84 *** (0.02)	0.84 *** (0.02)
ratio_cost	-1.10 *** (0.17)	-1.13 *** (0.02)	-1.13 *** (0.02)
duration	-0.01 *** (0.00)	-0.01 *** (0.00)	-0.01 *** (0.00)
t	-0.01 (0.01)	-0.01 (0.01)	-0.01 (0.01)
(Intercept)	0.42 (0.30)	0.40 (0.30)	0.38 (0.30)
N	9146	9081	9081
R2	0.28	0.27	0.28

Table 2 - Cost

ln_cost	Model 4	Model 5
faith	-0.05 *** (0.02)	
christian		-0.03 (0.02)
islamic		-0.16 *** (0.03)
national_org	-0.35 *** (0.01)	-0.35 ***** (0.01)
ratio_cost	0.18 *** (0.01)	0.18 *** (0.01)
ln_beneficiaries	0.22 *** (0.01)	0.22 *** (0.01)
duration	0.18 *** (0.01)	0.18 *** (0.01)
t	0.10 *** (0.01)	0.10 *** (0.01)
(Intercept)	12.84 *** (0.02)	12.84 *** (0.02)
N	9081	9081
R2	0.44	0.44

Table 2 (above) contains the models testing the difference in project cost between FBOs and secular implementing organizations. The tests yielded a significant and negative result in model four where the aggregated variable for faith was used. The null hypothesis was therefore rejected for model four. Based on this, FBOs had with 95 % certainty a between 2.20 to 7.87 % lower project cost compared to secular organizations when holding all other variables in the model constant. The disaggregated model resulted in a significant, and negative result for Islamic organizations. As the largest sample of the world religions (Christianity) did not show a significant result, the null hypothesis could not be rejected for model five. In both these models, the coefficient for national organizations was negative and significant. In other words, national organizations did with 95 % certainty implement projects that cost between 27.98 and 31.50 % less compared to international organizations when holding all other variables in the model constant. This was a surprisingly high result and will be discussed in greater detail later on.

Table 3 (below) contains models regarding the relationship between the ratio cost and the difference between FBOs and secular implementers. The models produced significant and positive results in both models six and seven. As the dependent variable was constructed as a ratio, the result can be interpreted as: FBOs with 95 % certainty had a four percent higher direct-to-total cost ratio compared to secular organizations. The result was identical for Christian and Islamic organizations in model seven. The null hypothesis was therefore rejected for both models six and seven. National organizations with 95 % certainty had a six percent higher ratio compared to international organizations.

All models were controlled for a linear time trend. It will not be given space in the later discussion, but to summarize the findings. There was no trend in the number of beneficiaries projects reached over time. There was however a linear increase in cost. An increase of one year with 95 % certainty correlated with an increase of 3.06 to 4.01 percentage points when holding all other variables constant, despite that the cost had been adjusted for inflation. An increase of one additional year with 95 % certainty also correlated with a two percent decrease in the direct-to-total project cost ratio.

Table 3 - Cost Ratio

ratio_cost	Model 6	Model 7
faith	0.04 *** (0.00)	
christian		0.04 *** (0.00)
islamic		0.04 *** (0.00)
national_org	0.06 *** (0.00)	0.06 *** (0.00)
ln_cost	0.03 *** (0.00)	0.03 *** (0.00)
ln_beneficiaries	-0.01 *** (0.00)	-0.01 *** (0.00)
duration	-0.01 *** (0.00)	-0.01 *** (0.00)
t	-0.02 *** (0.00)	-0.02 *** (0.00)
(Intercept)	0.85 *** (0.00)	0.85 *** (0.00)
N	9081	9081
R2	0.30	0.30

5 Discussion

This discussion highlights the empirical results from this study and how they relate and contribute to the existing research field. The study aimed to in a first step map out the theoretical difference between FBOs and secular organizations. To then empirically test said theories on a sample of organizations who implemented projects through the UN CBPF system. To guide the empirical testing, the aim was to answer the two research questions:

- 1) Is there a statistically significant difference in the number of beneficiaries reached between humanitarian UN projects implemented by faith-based and secular organizations?
- 2) Is there a statistically significant difference in project cost between secular and faith-based organizations?

The results provided a mixed bag with some surprises. The null hypothesis was accepted for the first research question as no statistical difference between FBOs and secular organizations was found when using beneficiaries as the dependent variable. The results did not show any significant difference between FBOs and secular organizations and this study did not have the resources, nor the scope to pinpoint what precisely that depended on. The idea was however to test the hypothesis in a least-likely scenario since quantitative research on this potential difference is lacking. This result is because that providing information that neither FBOs and secular organizations, nor national and international organizations differ significantly in the number of beneficiaries they reach when they work through the UN CBPF system.

Using beneficiaries as the dependent variable was not without validity issues. The variable represented the number of people the individual projects reached and a significant result would have been difficult to interpret. As earlier discussed in Chapter 3.3 Validity and reliability, one underlying factor could be the efficiency of a project. Efficiency is as discussed in that chapter notoriously difficult to model and this study would therefore be careful to draw any firm conclusions based on it. We can based on these results therefore

not claim that FBOs and secular organizations' projects perform with the same efficiency as it is not captured by the models.

Another factor the results for beneficiaries could be dependent on is what type of projects the different organizations choose to focus on. One could imagine that some types of organizations prioritize reaching more people by lowering the quality of the aid. We could picture a scenario where two identical organizations are distributing the same amount of foodstuffs for the same duration. One might prioritize properly feeding 100 families so that they stay full and healthy, whereas the other organization drew the conclusion that feeding 200 families so that they barely stayed over the starvation limit was the more ethical choice. That is just one thought experiment but the same logic could be applied to any other type of intervention. The results are indicating that this was not the case for this population since they did not differ when controlling for cost and duration. There is however a potential risk that one type of organization in reality was more efficient in the implementation, whereas the other prioritized outreach differently - which could lead to the effects canceling each other out in these models. Further research is therefore needed in less favorable conditions, and/or that try to capture some of the omitted variables in stronger models.

Interestingly enough, the tests based on the second research question did result in significant differences. FBOs had both projects with significantly lower costs and a higher ratio of direct-to-total project cost. FBOs had with 95 % certainty a between 2.20 to 7.87 % lower project cost compared to secular organizations and a four percent higher direct-to-total cost ratio. The results for project cost did not hold for the model where the types of religions had been disaggregated. This put the previous results into question as the variable for the by far largest religion type in the data, Christianity, did not stay significant. Despite that, it is interesting and valuable that a result was found in model 4 and provides some support to the theoretical arguments that FBOs implement more cost-efficient projects.

So, what could be the reasons for projects implemented by FBOs having a lower cost compared to projects implemented by secular organizations? It is not certain that the results captured cost efficiency for the same reasons that have been discussed in the previous paragraphs. The reason could however be in line with the theoretical arguments made by Davis (2019), and Ware, et al. (2016). That FBOs' staff due to religious motivation work

for lower salaries, or volunteer to a larger extent compared to secular organizations which results in projects with lower costs.

Considering that this has been argued in previous theoretical and qualitative studies and the hypothesis was tested in unfavorable conditions as it was a least-likely scenario. The results should in this light be seen as partial confirmation of these theories but require more and narrower testing for them to be generalized. They are further strengthened by the fact that the aggregated and disaggregated variable for faith was significant in both models that had ratio cost as the dependent variable (see Table 3). It shows that projects implemented by FBOs in this population had a lower project cost and a higher ratio of direct-to-total cost. Since they consistently performed favorably in models using different variations of economic factors as the dependent variable.

The results gave a hint that there might be some truth to these theoretical claims and that the academic and public policy interest of FBOs is growing for good reasons. They are nonetheless going against Davis' (2019) previous findings. He did not find a significant difference in overhead and indirect costs between Canada-based FBOs and NGOs that were working in developing countries. His study was however conducted on a population in a less strict environment from a perspective of institutionalism. The organizations in his sample had more freedom in categorizing their expenses which makes the economic variables less consistent and reliable compared to the stricter UN-required reporting that was used for this study's data collection. It is therefore difficult to strictly compare the two results.

One thing that the present study shares with Davis' work concern the assessment of validity. Both this and Davis' study faced a similar challenge when classifying organizations as faith-based or secular. The operational definitions both suffered due to the fact that organizations strategically choose to display or hide their religious affiliation (Davis, 2019). There is a risk that the results could because of this weakness have been affected in both studies. This part of the academic field is still emerging and the conflicting results are only an indicator that more research is needed to better understand the international aid sector and its actors.

One theme in the theoretical arguments for why FBOs should have a comparative advantage over secular organizations has been tied to localization. It has been argued that the advantage of FBOs is related to their local ties and collaboration (Ferris, 2011; Heist & Cnaan, 2016). The most surprising results from this study were found in the large and significant difference between national and international actors in project cost when controlling for the other variables. The previous paragraphs already discussed the difference between projects implemented by FBOs and secular organizations when controlling for the national/international organization status. The tests on the variable for national/international status yielded a coefficient of -0.35 in both models four and five (see Table 2). In other words, national organizations did with 95 % certainty implement projects that cost between 27.98 and 31.50 % less compared to international organizations when holding all other variables in the model constant. What makes this stand out, even more, is when it is seen in the light of the previous results. Models one, two, and three did not yield a significant difference between national and international organizations when using beneficiaries as the dependent variable. It means that national organizations with 95 % certainty had similar outreach as international organizations when holding the other variables constant and still had a statistically significant lower project cost.

Within the scope of this study, it is difficult to ascertain the reason for this difference in regard to the implementation cost of projects. One reason could however be salary as it is well known that national staff have much lower salaries compared to international staff. Another reason for the large difference could again be due to the type of project. It could be that the projects implemented by international agencies are more expensive because they administrate higher-cost activities such as the import of foodstuffs, other essentials, and technological equipment. Or that they are the ones in charge of larger construction projects. In further support of local organizations' distinction, national organizations had in the dataset with 95 % certainty a six percent higher ratio of direct-to-total project cost.

No matter the real reason, the results on national and international organizations are interesting for the same reasons as discussed in the comparison between faith-based and secular organizations. The study has therefore contributed to the localization debate by

providing data in support of that there is a significant difference between local and international actors. This difference deserves continued attention in future studies.

Another surprising result was that the variable representing project duration was significant and negative for the models using beneficiaries as the dependent variable (see Table 1). The result was interpreted as: One additional week of project duration did with 95 % certainty correlate with a 1.00 % decrease in the number of beneficiaries reached when holding the other variables constant. Intuitively, one would think that longer projects would reach relatively more people. A project should over time become more integrated into the disaster context and thus be more efficient towards the end of the project. A longer project should thus be more advantageous as it has more time to adapt. The result should therefore be taken with a grain of salt and seen as an indicator that the models are not perfect and that omitted variables influence the results. We again return to the issue that the type of projects was not captured in the models which could be the reason for this result.

It could, however, also be due to the reason that disasters require early and rapid intervention. The first short-term emergency responses in disasters are the often largest. That could be what is reflected in the models. Think of projects such as the construction of emergency shelters and the shipment of foodstuffs and water. These reach many people in a very short time compared to vaccination programs or the construction of WASH facilities. The results will because of the difficulties in pinpointing the reason for these outcomes not be discussed further.

Another noteworthy factor is the unrepresentative sample projects funded through the CBPF risk being compared to the larger aid sector and the total population of FBOs and NGOs. The studied sample contained 16 % FBOs out of which 72 % were Christian. At the same time, 66 % of the organizations in the sample were national organizations. These numbers are not representative of reality and it was therefore considered to weight the sample. It was decided against as it is difficult to estimate the real ratios of faith-based NGOs and national organizations in the world. Countries give varied accounts of how many registered NGOs are in the country and far from all are disclosing if they are faith-based or not. Even if they would, the definition of what is meant by faith-based has been discussed thoroughly in this paper and definitions would likely vary greatly between countries. As the

sample draws from organizations that are registered or active in a wide variety of countries, weighting it is an ordeal that could risk skewing the results in the wrong direction instead of making them more reflective of the larger population. The results from the study should because of this primarily be generalized to projects that are financed through multilateral aid pools. A process of weighting should be considered before the results could reliably be generalized to the larger global population of FBOs and NGOs.

To summarize, this study has attempted to fill a research gap through a quantitative analysis of the outcomes between projects that were implemented by FBOs and secular organizations. The results were difficult to interpret as there are few studies to compare them with. Thus, caution is called for when attempting to draw firm conclusions on the basis of the results. They have however brought new light to the discussion of faith-based organizations, and further fuel to the one about localization. The last two chapters will provide a direction for future research based on the findings of this study and a final summary conclusion that highlights the most important parts of it.

6 Recommendations

The combination of the results sketches the contours for continued research in the area. The tests showed that FBOs in this population implemented projects with a statistically significantly lower cost. So did national organizations. One path forward would be to attempt to isolate the relationship between international faith-based actors and their local partners to test if this is part of the reason why FBOs' projects had a lower cost. The academic field for both FBOs and localization is gaining traction and deserves closer attention. The arguably distinct relationship between FBOs and their local partners is of particular interest and the results from this study have provided further claims for that and staked laid the foundation for continued research.

Another way of building on this research would be to use a similar research design in more favorable conditions. The institutional guidelines and restrictions are limiting the organizations' possibility to for example chose as they wish in ethical dilemmas and prioritize after organizational preference. One could look for data where there is a less strict institutional environment, or compare project types that are more similar. This study is admittedly limited by its macro perspective and usage of broad definitions. A more narrow selection of project types could be beneficial to further test the existing theories. Lastly, including more variables and using more advanced statistical methods are clear rooms for improvement. The list of omitted variables can often be made infinitely long. Apart from limiting the selection of project types. One could also try to control for variables concerning the type and modality of disaster and/or conflict. Others have studied the role FBOs play in conflict zones and a way to build on this study would be to test if their impact differs between different types of disasters.

Although it was not in the scope of this paper, it found that CBPF projects over time have cost more and had a lower direct-to-total cost ratio. But without reaching more beneficiaries. This trend goes against the desired development and should be researched closer.

7 Conclusion

This study has identified the established theories of faith-based organizations' perceived advantage over secular non-governmental organizations and provided a comprehensive overview of the research field. It has been argued that faith-based organizations for one should be more cost-effective than their secular counterparts. The faith of their staff members is a significant part of their motivation. They, therefore, accept lower salaries or volunteer to a higher degree. It has also been argued that projects implemented by faith-based organizations could be more rooted in local communities due to a long history of cooperation and collaboration. The claims have been mostly theoretical or supported by qualitative studies. This study contributed to filling the quantitative research gap by analyzing key differences between projects implemented by faith-based and secular organizations that were financed by the United Nations Country-Based Pooled Funds.

The data selection provided a scenario where the institutional pressure from strict processes, monitoring, and evaluation theoretically minimizes differences between implementers and therefore tested the study's hypotheses in a least-likely scenario. The analysis found that there was no significant difference between how many beneficiaries the projects reached. Faith-based organizations did however implement projects that with 95 % certainty costed between 2.20 to 7.87 % less compared to their secular counterparts. Their projects with 95 % certainty also had a four percent higher direct-to-total project cost ratio. This provides support for the theoretical claims and contributed to building a foundation for future research in this emerging field.

The study surprisingly also found a significant and large difference in project cost between national and international implementers. Projects implemented by national organizations with 95 % certainty cost between 27.98 and 31.50 % less than projects implemented by international organizations. They with 95 % certainty also had a six percent higher direct-to-total project cost ratio. It was not in the scope of this paper to determine what these results depended on but they give further fuel to the current localization debate in both academia and public administration.

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