
Working Paper Series

07/14

WHO HAD THE IDEA TO BUILD UP A VILLAGE ORGANIZATION? SOME EVIDENCE FROM SENEGAL AND BURKINA FASO.

CECILIA NAVARRA and ELENA VALLINO

Who had the idea to build up a village organization? Some evidence from Senegal and Burkina Faso.

Cecilia Navarra, *University of Namur, CRED, Rempart de la Vierge, 8, 5000 Namur, Belgium.*

Elena Vallino, *University of Torino, Department of Economics and Statistics, Lungo Dora Siena 100/A, 10153 Torino, Italy.*

March 14, 2014

Abstract

In this paper we deal with the relationship between the intervention of a development NGO or an external donor and the performance of village organizations (local NGOs) in Developing Countries. We utilize a large dataset of village organizations in rural areas of Senegal and Burkina Faso. We argue that the kind of relationship established with northern NGOs may have effects on the governance mechanisms of the local village organizations and that differences in the foundation of the VO and/or of the partnership can partially explain outcomes and membership structures of the VO itself. Our results go in the direction of possible diverging effects of an NGO intervention in the village (or partnership) according to the degree of proactivity and initiative that the VO displays.

Introduction and motivation of the research

In many rural contexts in developing countries “village” or “grassroots” organizations (hereafter VOs) are widespread and are important sources of peasants’ mobilization. They may include a diversified range of entities, that perform a mix of activities that are both market-oriented and community-oriented. Although these organizations develop in very different contexts, they have a non-profit organization and/or a cooperative governance structure (Arcand and Fafchamps 2012, Bernard et al. 2008).

The relevance of these village organizations in the developing world is quite acknowledged, namely since the 70’s, when the capacity of the State to intervene in the economy decreased. Many government functions have indeed been transferred to civil society organizations and VOs both in market-oriented production and in the delivering of public goods. Moreover, they gained importance within the so-called “development discourse”, as being seen as means of empowerment of local knowledge and capacities. The main roles of VOs are to provide services to their own members, local public goods, to promote income generating activities, and to foster voice in political affairs: that implies that they are both public good and “club” good providers (Bernard et al. 2008).

A fundamental feature that has to be taken into account when studying these organizations nowadays is the role of external donors in the support they receive. For the sake of simplicity we will call these external donors “non-governmental organizations” (NGOs). In the “development discourse” scholars sponsored the fact of choosing local “village organizations” instead of State entities as beneficiaries of external aid funds with the argument of better addressing local needs and fostering participation in decision-making processes (Bano 2008, Mansuri and Rao 2013). Over the past decade the World Bank allocated 85 billion dollars to local participatory development (Mansuri and Rao 2013: 1). Many researches show large and increasing dependence of southern civil society organizations on donors’ funds (Ahmed 2006, Barr et al. 2005, Aldashev and Navarra 2013) as well as northern NGOs outsourcing to southern ones (Werker and Ahmed 2008, Barr et al. 2005, Aldashev and Navarra 2013, Aldashev and Verdier 2009, Aldashev and Verdier 2010). We observe sometimes that a VO that has been created by the NGO in order to implement a project. On the contrary, in other cases the community itself has the initiative of building up a farmers’

association, a village organization or a structure that manages common pool resources, asking may be some technical or institutional support by the development agency. We thus sometimes observe a “northern” development agency that intervenes in the process, supporting the local association, even though the initiative has been “endogenous”.

The relationship with an NGO may have positive or negative effects on the outcomes and performance of the village organization. Most of the time it has both, results are mixed and complicated to interpret. We look at what happens in the history of the VO before the NGO intervenes, and at how the partnership was born. We argue that the type of relationship established with northern NGOs may influence the governance mechanisms of the local village organizations, and that differences in the creation of the VO and/or of the partnership can partially explain outcomes and membership structures of the VO itself. Our research questions are therefore the following. Does the history of the VO and of its relationship with donors matters in its performance? Who took the initiative of the creation of the VO and who took the initiative of building up a partnership with an external donor matters for future developments of the organization? We try to identify which factors determine the prevalence of positive or negative effects of the interaction VO-NGO.

In order to answer empirically to our questions we utilize data about village organizations in Senegal and in Burkina Faso, that are in charge of different village-level activities (Arcand and Fafchamps 2012, Bernard et al. 2008). In these countries village organizations are a relevant phenomenon: from the survey data we use, we learn that 65% of Senegalese villages and 91% of Burkinabe villages have at least one organization. Village organizations are defined as being “composed of members seeking to improve their livelihoods through collective action” (Bernard et al., 2008: 2188) and have legal status and formal membership. In the survey data we are able to exploit information about the actual origins of the village organizations and about their relationship with some external donors.

Relevant literature

Scholars highlight positive and negative dimensions of the intervention of an external NGO willing to support a VO. Speaking about the positive dimension, NGOs want to support a VO instead of a decentralized State entity because a community based organization is seen as cost effective, flexible, creative and committed to the poor (Bano 2008, Edwards and Hulme 1995). Donors' policy documents argue that supporting VOs helps in promoting public consensus and local ownership, and in giving voice to marginalized stakeholders (Bano 2008, World Bank 2005). Mansuri and Rao (2013: 89-91) explain that participation may have above all an intrinsic value: a local community may value the simple fact of being listened to. Then participation has been used as an instrument to try to achieve various objectives: redress the underprovision of public goods and services, reduce political and socio-economic inequality, oblige the State to accountability, enhance livelihood opportunities.

This kind of interventions may have positive effects on the VO, such as improved ability to mobilize members, enhanced organizational performance, successful skill transfers, achievement of an institutional voice for the community, initial financial booster (Mansuri and Rao 2013, Bano 2008, Barnes and Van Laerhoven 2013, Vallino 2009). However, in many cases scholars observe negative effects of an indiscriminate use of the instrument of "participation" by NGOs towards VOs. Many authors document the VOs' inability to replace the State in delivery of social services. Often VOs relying too much on external donors have a poor relation with their own members (Bano 2008). Elite capture is a very well known problem in community organizations (Platteau 2004, Platteau and Gaspart 2003, Platteau and Abraham 2002, Bano 2008, Mansuri and Rao 2013). Often rather than fostering horizontal networks and grassroots initiatives, VOs contributed to the emergence of an elitist organization made by already privileged members. Often donors have created community based organizations in developing countries without first understanding the complexity of local societies (Bano 2008, Mansuri and Rao 2013).

In any case northern donors and NGOs seem to identify VOs in developing countries with the complex and important concepts of civil society and social capital. Therefore scholars observe that supporting VOs is not anymore a mean to an end, but becomes an end itself (Bano 2008, Barnes and Van Laerhoven 2013).

Mansuri and Rao (2013) provide a review on the impact of large-scale, policy driven efforts to induce participation. Above all they distinguish between organic participation and induced participation. The first emerges by local groups acting independently of government. The second is promoted through policy actions of the state and implemented by bureaucracies or by “northern” donors and NGOs. These authors highlight three main challenges of induced participation. First, the effectiveness of community-driven interventions at the local level is highly conditioned by local capacity, in particular the capacity of collective action. Second, funding is a crucial variable: it makes a difference whether the local organization is financially dependent on external donors or is able to generate revenue by itself. Third, in the evaluation of a project one should consider discrepancies between short term and long term success. Mansuri and Rao (ibid.) also analyze the role of donors: donors’ institutional structures and incentives are tailored to projects with short timelines and linear trajectories of change. But community change is often time consuming and unpredictable. Whether participatory programs can really address local needs depend on the resources they can access relative to their mandate and the discretion they have over the allocation of resources across diverse needs. Moreover, donors’ evaluation criteria create incentives to select zones that are easily reached and to target project benefits to households that are able to quickly absorb project funds in productive capacity. Reading this extremely useful review one realizes that whether civic participation is the best solution to government and market failures is highly dependent on the context.

Another study which is very inspiring for our work is the one conducted by Bano (2008). She carries on a survey on a sample of 40 civil society organizations in Pakistan: 20 with support of international aid and 20 without. The aim of her study is to analyze the impact of development aid on organizations’ membership and performance. The sample, therefore, includes two types of organizations, distinguished by their source of funding: those this author defines as “non-governmental organizations” rely primarily on development aid; those who are defined as “voluntary organizations” are outside the donor-funded chain and rely mainly on public donations and volunteers. Both are not organizations that work to safeguard the interests of their members: the focus of this paper is on organizations that “pursue a social mission driven by a commitment

to share values” (p. 2300). Particularly useful for our purpose is the way Bano (ibid.) chooses her variables. She measures three factors. The first is the ability of the organization to mobilize members. This is considered a proxy for the importance and the impact of the organization in its context and society, and a proxy for social capital: Voluntary organizations receive indigenous donations and have a core pool of volunteers, while non-governmental organizations rely on development aid.. The second is the motivation of the leaders, that differs with respect to the organization’s origin and to the beneficiary population. In the case of aid-based organizations there are clear material incentives for the initiators. Continuation of an already existing project and initiator’s exposure to “western” ideas are the main reason for starting the NGO. In the case of voluntary organizations, instead, group response to a particular incident or to a public problem are the main reason for starting the organization. Founders put own resources and strong ideological incentives are in place. Regarding the beneficiary population, in the case of aid-based organizations, operational aims were determined by the development project they had received from a donor. Actual beneficiaries were then sought to match the requirements of the project. In the case of voluntary organizations the existence of a clear beneficiary population motivated the leaders. The study findings support existing concerns within the debate that external development aid being channeled through local community organization instead of generating social capital results in an inability to mobilize members. Bano (ibid.) finds also two more interesting correlations, between aid and material aspirations among the leaders of NGOs, and between aid and lower organizational performance. She recommends to further investigate this issue, looking for causal links between these correlations, questioning the effectiveness of including local organizations in the “aid value chain”.

Following Capocchini and Perotti (2012: 27-30), from the 70’s there has been a reduction of the capacity of governments of developing countries to intervene in the economy. Many of government functions have been transferred to civil society organizations and peasants organizations (*organisations paysannes* in French speaking countries).

The two authors identify, driven from their extensive field work as practitioners mainly in Sub-Saharan Africa, two different trends in the process of foundation of a peasant organization and in the kind of partnership it establishes with the development cooperation. The first is called “relative deprivation”. In this case the dissatisfaction about some necessity triggers the emergence of a peasants organization, often with the support of ideological theories. The peasant organization raises around one interest collectively claimed. This can be induced by the traditional system (for example the exclusion of the young by the power), by political deprivations (such as land expropriation after agrarian reform), by economic factors (fall of market prices of the products on which the domestic economy is based), or by natural and climatic shocks. In this case individuals often belong to marginalized social classes, or they live in areas with high environmental vulnerability and underutilized productive potentials. The second trend is called “resource mobilization”: a social movement get organized thanks to the possibility of getting resources from external entities. Examples of this case are peasant organizations born from governmental interventions promoted for socio-economic reasons and not for the human and agro-ecological potentials of the area; organizations created by multinationals that need low labour cost; associations born thanks to development programs and projects which require that beneficiaries are organized in cooperative or community-based groups in order to have access to public funding. Capocchini and Perotti (ibid.) find confirmation of the concern found in the literature that this kind of local organizations are not able to improve members and community living conditions in a sustainable way. Their functioning is based on external support, it lies beyond market rules, therefore the organizations are not economically or organizationally sustainable. They are often labeled as “empty boxes”. There is a mismatch between external agents’ interests and rural people interests, which are linked to the specific local context and are embedded into complex social relations. The two authors affirm that there are also successful examples of peasant organizations who were born in an exogenous way and they do not drive generalized conclusions. However they observe that usually different “starting motivations” give origins to different kinds of local organizations and to different kinds of partnerships with donors.

Similar considerations to the ones expressed before are to find in the field of the so called “participatory conservation projects”. Participatory conservation is defined as cases where the local community is involved in the management of a natural protected area and in turn has the right to exploit its resources up to some degree. The intention is to combine nature conservation and economic development. Often an external development actor creates the situation of a commons and a community responsible for that in order to pursue the goal of creating a protected area (Vallino 2009, Vallino 2014, Bano 2008). Alcorn (2005) identifies two possible relationships between the external agent and the environmental solution at the local scale. She calls the first one “design mode”: “outsiders identify a problem and design a solution. This model (...) results in the typical community-based-conservation project supported by Conservation Organizations (...)” (Alcorn 2005: 42). The second class involves contexts in which an external actor wanted to create a natural park and to obtain the maximum possible collaboration from the local community. This is called “discovery mode”: “outsiders discover that local people have identified a problem and designed a solution, and subsequently assist local communities to legitimate their solution” (Alcorn 2005: 42). A community asks for the support of some external actors in order to get the recognition of some rights over a resource. It is indeed possible that the institution managing the natural resource seems endogenous, but it is actually exogenous (Berkes et al. 2003, Dansero et al. 2013, Murphree 2002, Garnett et al 2007, Vallino, 2014). The model by Vallino (2014) addresses the situation in which community members consume a collective renewable resource (agents log the trees of a forest, cfr. Bravo 2011). Different possible scenarios are: open access, endogenous institutions, exogenous institution, and rule violation with enforcement. The model provides predictions on the impact of the different scenarios on the state of the forest and on the monetary earning of the agents. The questions raised are the following. First, whether the origin of the institution regulating the access to the resource matter in explaining the results of a PC project. Second, how does it function the interaction between individual rules, community endogenous institutions, and exogenously imposed institutions. The results in line with empirical evidence (field and experiments), but with one counter-intuitive result. A rule which is exogenously imposed but allow reasonable logging for livelihood purpose, coupled with strong enforcement, provide good results for both forest and the agents.

Edmonds (2003) studies the impact of international development assistance on the implementation of a large-scale institutional reform in Nepal. The Forest Act 1993 transfers all of Nepalese forestland from the central government to the local communities by creating local groups of forest users. Multiple donors funded this large reform: donors have different concepts about what a forest is, what users are and what the forest group's ultimate purpose is and this affects the emerging community institutions.

Barnes and Van Laerhoven (2013) conduct a very interesting research in Maharashtra, India. According to the Joint Forest Management (JFM) policy in India, collective action should be taken by the forest users in the form of committees, to determine and enforce rules on forest management. Local Forest Department agents have a formal role in supporting local committees, and in addition NGOs have both a supportive role in motivating and organizing village communities, and an intermediate role between the FD and local communities. These authors investigate whether external-agent involvement affect the likelihood of durable collective action at the local level. Their results show that although there is a weak correlation between NGOs involvement and expected sustainability of local collective action, such interventions do not appear to directly lead to the emergence of durable forms of collective action in groups where it didn't previously exist.

The data

The data we use have been collected within two projects (PSAOP in Senegal and PNDSA II in Burkina Faso), that started at the end of the '90s to promote village organizations' capacity building. The survey has been conducted in 2002 both in Senegal and in Burkina Faso, and consisted of three questionnaires: a village survey, that included basic characteristics of the village and a census of all village organizations (VOs), an exhaustive survey on the cited VOs, and a household survey containing basic information of all households of the concerned villages.

The geographical regions included in the sample in Senegal are the Peanut Basin, the Senegal River Valley and the Niayes; in Burkina Faso they are the cotton region, the Central Mossi Plateau and the Oudalan region. Regional selection aims to include ecologically and economically differentiated zones. Within these

regions, four to seven administrative clusters are selected randomly (*Communautés Rurales* in Senegal, *Départements* in Burkina). Moreover, 14 villages for each cluster are randomly chosen. The size of the sample is summarized in Table 1¹.

Table 1. Number of villages, of VOs and of households of the sample.

	Senegal	Burkina Faso
Number of villages	245	280
Number of village organizations	434	717
Number of households	8208	12079

Village organizations are defined as being “composed of members seeking to improve their livelihoods through collective action” (Bernard et al, 2008: 2188): they have a major function in mediating the relationship between villagers and economic and political actors outside the community. Their main roles are to provide services to members, local public goods, to promote income-generating activities, and to foster voice in political affairs. They have legal status and formal membership. VO are a relevant phenomenon and this is stressed by the fact that 65% of Senegalese villages and 91% of Burkinabe villages have at least one VO. Retrospective data allow to retrace their evolution since the beginning of the ‘80s.

The activities that they carry on are: collective field, management of irrigation perimeters, herding, food processing and commercialization, horticulture, poultry production, credit, services to agriculture and services to the community. In Burkina there is a part of the VOs that do cotton related activities, while in Senegal some carry on fishing activities. Bernard et al. (2008), starting from this dataset, propose a classification between “community-oriented organizations” (CO) which provide local public goods or club goods and “market-oriented organizations” (MO) which provide income generating activities for their members. Larger villages are associated with the presence of both types of organizations. Social heterogeneity is correlated with market-oriented organizations, but not with community-oriented ones: COs, since they don’t generate monetary revenues for their members, don’t induce economic differentiation. Rainfall variability, as a measure of the instability of the conditions of production, constraints the emergence of MO. On what concerns performance, Bernard et al. (ibid.) argue that this is

¹ In the sample are included all VOs that were born since the beginning of the ‘80s, including those who disappeared before 2002; State-led cooperatives that then disappeared with the withdrawal of the State in the mid-80s are not included.

globally weak: 20% of VOs had not undertaken any activity by the time of the survey. The main reason that has been identified is the lack of resources in organizations. The main source of resources for VOs are external partners funding. In some of the observed cases the main reason for the VO to exist is to wait for external partners willing to work in the village. Looking if benefits are unevenly distributed towards the richest, these authors find that the only significant differences are found within community-based organizations. At the same time, there is no evidence of leadership capture of rents.

Another paper that uses the same data is the one by Arcand and Fafchamps (2012): their aim is to study the composition of village organizations. The characteristics associated with a higher likelihood of belonging to an organization are the size of the household and the size of landholding, the fact of having a young household head, and of having more ties with the village authorities. They moreover find out positive assortative matching: geographical proximity matters, common ethnicity, household size and sex of the household head matter. There is some evidence also of matching along economic status: land-rich and well-connected households are found in organizations with other land-rich and well-connected household. These authors interestingly investigate whether “elitism” is correlated with donors’ sponsorship and their result is that donors’ support fail to make organizations more inclusive.

The main variables and descriptive statistics

We are interested in two sets of variables, that we assume can impact VO performance: on the one hand, variables that provide information on the process of creation of the VO and, on the other hand, variables that relate to the way external partnerships have been built up. On what concerns VO formation, from the database we know who had the idea of its creation and particularly whether it is an NGO or donor agency (Table 2).

Table 2. Information on the starting phase of the VO.

Who had the idea to create the VO?	Burkina Faso	Senegal
President of the VO	18 %	20 %
Member of the VO	54,7 %	41,7 %
Other person from the village	7,1 %	12,2 %
State /public sector	6,8 %	5,8 %
Federation/Union	1,3 %	2,5 %
NGO/donor	5,4 %	10,6 %
<i>“fonctionnaire influent”</i>	4,3 %	-

The share of VOs who declared that were created upon an idea of a development agency is rather small, but we think it underestimates the true role. This is confirmed by the variables at the village level, where we know if a donor or development NGO intervened in the village and when (Table 3).

Table 3. Information on the intervention of the donors.

	Burkina Faso	Share on total BF	Senegal	Share on total Senegal
A donor intervened in the village before the creation of the VO	347	48,4%	247	56,9%
A donor intervened in the village the same year or the year before the creation of the VO	104	14,5%	102	23,5%
A donor intervened in the village before the creation of the VO and then left	220	30,7%	132	30,4%
A donor intervened in the village the same year or the year before the creation of the VO and then left	41	5,7%	36	8,3%

We try to capture the distinction between a “discovery” model of intervention and a “design” one (Alcorn, 2005) by looking at the timing of the intervention: if the VO was born just after a development NGO project was set up in the village, we assume that the external NGO has played a role in the VO creation.

The correlation between the number of VOs existing in the village and the intervention of at least one NGO in the village is positive: the average number of VOs per village with no NGO intervention is 2.8, while the average in cases where an NGO led a project is 4.4. Moreover, there is a correlation between the intervention of an NGO in the village and the proportion of VOs whose creation has been fostered by an idea of an external donor: 2.5% of cases of no NGO intervention in the village, 11% in case an NGO

intervened before the creation of the VO, but this share raises to more than 16% in case the NGO intervened the same year the VO was born.

The second set of explanatory variables includes information on the partnerships that the VO has with external actors. We try to capture the distinction between a partnership established with a greater role played by the local VO and a partnership established under the pressure of the external donor through a variable indicating who took the initiative of entering in the joint process (Table 4).

Table 4. Information on the partnership between the NGO and the VO.

	Burkina Faso	Share on total BF	Senegal	Share on total Senegal
Has an external partner	439	61,2%	260	59,9%
Has a partnership with an NGO or donor	201	28%	168	38,7%
Has a partnership with an NGO or donor who came on its own initiative	103	14,5%	102	23,5%

As suggested by Bernard et al (2008), an important distinction is between activities that are market-oriented (MO) and activities that are community-oriented (CO)². VOs can do only one type of activities or both. Market-oriented activities are clearly more important in Senegal and community-oriented in Burkina Faso. For our purposes, it is relevant to see whether the three resulting types of VOs display some distinctive features in their relationship with donors. It seems that donors have a preference for multipurpose activities both in supporting the creation and in establishing a partnership; at the same time, the support to the birth of a community-oriented VO seems more frequent than the support to a MO-only. When it comes to the probability of establishing a partnership, this is no more true and the donors' interests goes more to VO that exclusively do market-oriented activities.

² We use the distinction introduced by Bernard et al. (2008), considering as market oriented organizations those who carry on cattle raising, credit, processing and commerce, collective management of productive activities and cotton management (in Burkina Faso), and as community oriented organizations those who do extension services, education, management of a collective field, services for agriculture, services for the whole community, labour sharing.

Table 5. Distinction between VOs with community-oriented (CO) or market-oriented (MO) activities.

	Only CO	Only MO	Both
Burkina Faso	327	117	222
Share on total BF	49,1%	17,6%	33,4%
Senegal	58	175	159
Share on total Senegal	14,8%	44,6%	40,6%
An NGO intervened the same year or the year before	34,2%	26,6%	39,1%
Has a partnership with an NGO or donor who came on its own initiative	27,7%	33,7%	38,6%

Turning to the dependent variables, we use several indicators because of the difficulties in measuring VO performance. We can group these measures in three sets, which are summarized in Table 6.

- 1) Social capital measures.
- 2) Self-reported declaration of members' on the services received by the VO.
- 3) "Elitism" of the VO.

Table 6. The dependent variables.

Variable and explanation	Used or suggested by	How is constructed
Number of members of the organization as a proxy for “social capital” (ability to mobilize people)	Bano (2008); Capocchini and Perotti (2012)	Dummy for “empty shells”: no household in the village declared to belong to these VO; discrepancy between declared members and actual members; variation in the number of members from the birth of the VO to survey time
A measure of the perceived performance of the organization at the individual level	Bernard et al. (2008)	Share of the VO members that declared, in the household survey, to have benefited (received services) of their participation into the organization.
Measure of “elitism” and of selection of the richest into the VO	Arcand and Fafchamps (2012); Bano (2008); (based on idea of Élite capture problem: Platteau and Abraham, 2002; Platteau and Gaspart, 2003; Platteau, 2004)	Average size of members’ landholding as a ratio of the average landholding in the village

The first set of variables aims at capturing the ability of the VO to mobilize local people. The extreme “negative” outcome is the case of the so-called “empty shells”. These are situations where associations exist on paper, but no surveyed household declares to be member. These are almost 19% of the whole sample (217), 150 in Burkina and 67 in Senegal. We can also use a continuous variable that indicates the discrepancy between the actual number of members and the declared one, that is the ratio between the number of declared members by the VO itself and the actual number, which is measured by all the households that say to be member³.

Table 7. Information on VOs’ members. Standard deviations are in parenthesis.

	Burkina Faso	Senegal
Number of actual members	12,2 (14,6)	20,1 (19,1)
Number of declared members	44,8 (53,2)	108,8 (128,5)
Actual/ declared member ratio	0,33 (0,32)	0,29 (0,28)
Difference in the number of members	3,9 (26,1)	27,4 (72,3)

³ It has to be noted that part of the discrepancy can be explained by the fact that actual members are measured in number of households, while declared members are individuals. The comparison relies on the (reasonable) assumption that each household has only one member in a given association.

The second possible dependent variable is the self-reported information whether members have benefited of services delivered by the VO (Bernard et al. 2008). It's a continuous variable, but we group it in four categories: VOs that were not mentioned by the surveyed households; VOs that were mentioned but less than 10% of members received benefits from it; VOs where between 10% and 90% of members declared having received benefits; VOs where more than 90% declared having received benefits.

Obviously, this is strongly linked to the type of activity carried on whether it implies service delivery to members. Market-oriented organizations are those who carry on typically these activities (like for example credit, trading or training) and this is reflected by the household answers.

Table 8. Information of perceived VO benefits divided by community-oriented VOs (CO) and market-oriented VOs (MO).

	Only CO activities	Only MO activities	Both CO and MO	Total
0	84	51	59	194
	21.82%	17.47%	15.49%	18.34 %
1	68	26	30	124
	17.66%	8.90%	7.87%	11.72 %
2	75	46	74	195
	19.48%	15.75%	19.42%	18.43 %
3	158	169	218	545
	41.04%	57.88%	57.22%	51.51 %
Total	385	292	381	1,058
	100.00%	100.00%	100.00%	100.00 %

Finally, the last set of variables relates to wealth differences and participation to VOs: does the organization gather the wealthiest inhabitants of the village? In Table 9, we measure it by the ratio between the average landholding in the VO and the average landholding in the village.

Table 9. Information on landholding. Standard deviations are in parenthesis.

	Burkina Faso	Senegal
Average landholding (hectares) in the VO	3,8 (3,0)	3,0 (3,2)
Average landholding (hectares) in the village	3,5 (2,3)	2,8 (2,7)
ratio	1,1 (0,5)	1,1 (0,6)

In the following analysis we systematically exclude the VOs that organize collection and trade of cotton in Burkina Faso, since they are quasi-public and the affiliation is compulsory for cotton producers. The effects of the simultaneity of an NGO intervention with the VO creation has to be read as conditional on the fact that an NGO intervened in the village; similarly the effects of a partnership created following an external push has to be read as conditional on the fact that a partnership was established. An important disclaimer has to be made, that is the difficulty to establish causality links because of large endogeneity issues we are facing. We consider the following results as mainly descriptive, but we will argue that they are nevertheless informative with respect to our research question.

The results: correlates of the ability to mobilize members

The first relationship that we test is between the NGO intervention at the time of the creation of the village organization and the discrepancy between actual and declared members. We use the function

$$Y_i = \alpha + \beta (NGO_i) + \gamma (STOP_i) + \delta (NGO_i * STOP_i) + \zeta (controls_i) + \varepsilon$$

where Y is the ratio between the number of households that declared to be member of the -ith VO and the number of members declared by the VO. Higher values correspond to lower discrepancy.

We hypothesize that the end of the presence of the donor in the village can have an effect that may go in two directions: it may increase overestimation since monitoring mechanisms may be no longer in place, but it can also decrease it since the need to respond to the project requests is over.

The subsample of analysis is the one that includes the villages where there has been an NGO intervention. We run the regression separately for Senegal and Burkina and then limiting the sample to those VOs that do some market-oriented activities.

Table 10. Discrepancy between actual and declared members. Standard errors are in parentheses.

	total	Senegal	Burkina Faso	MO total	MO Senegal	MO Burkina Faso
ngo_sameyear_VO	-0.007 (0.029)	-0.034 (0.038)	0.009 (0.044)	-0.037 (0.038)	-0.045 (0.044)	-0.024 (0.072)
ngo_stop	0.043 (0.025)*	0.043 (0.034)	0.059 (0.036)	0.029 (0.032)	0.030 (0.039)	0.032 (0.054)
ngo_sameyearVO_stop	0.052 (0.044)	0.062 (0.057)	0.035 (0.066)	0.099 (0.055)*	0.065 (0.064)	0.184 (0.106)*
senegal	-0.316 (0.144)**			0.082 (0.135)		
age	0.003 (0.001)*	-0.001 (0.002)	0.006 (0.002)***	0.000 (0.002)	-0.004 (0.002)*	0.008 (0.003)**
mo_act	-0.023 (0.022)	0.017 (0.033)	-0.041 (0.030)			
n_VO	-0.012 (0.004)***	-0.017 (0.006)***	-0.008 (0.005)*	-0.010 (0.004)**	-0.016 (0.006)***	-0.003 (0.007)
pop_vill_cent	-0.002 (0.001)***	-0.001 (0.001)	-0.005 (0.001)***	-0.002 (0.001)**	-0.001 (0.001)	-0.003 (0.001)**
mkt_distance	0.075 (0.024)***	0.088 (0.034)**	0.068 (0.035)*	0.098 (0.031)***	0.086 (0.038)**	0.138 (0.053)**
_cons	0.287 (0.073)***	0.427 (0.104)***	0.287 (0.096)***	0.178 (0.100)*	0.343 (0.125)***	0.006 (0.145)
R ²	0.23	0.26	0.24	0.29	0.29	0.34
N	787	361	426	446	279	167

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controlled for *Département/Communauté Rurale* fixed effects.

We do not find any effect of a donor intervention that occurred the year before or the same year of the creation of the village organization. We find nevertheless a weakly significant but positive correlation with the departure of the NGO. In the case of market-oriented organizations, the NGO intervention has no correlation with Y in the case of ongoing projects, while it has a positive one in case of concluded projects. This may allow us to think that the departure of the donor decreases the incentives to misrepresent the size of the membership.

We then run a Probit regression to analyse the correlates of the probability for a VO to exist on paper, but to be cited by no household in the village. This is what we define an “empty shell”. We wonder whether there is a relationship between NGO intervention in the village in the previous or in the same year as the foundation of the VO (conditional on having had an NGO intervention) and the VO being an “empty shell”.

From a descriptive analysis, it seems that the relationship goes in different directions in Burkina and Senegal: in Burkina Faso, the share of “empty shells” is greater among VOs that were initiated by a NGO intervention than otherwise (26,7% of cases against 21,2%). In Senegal, on the contrary, “empty shells” are 14,4% of those who didn’t have a donor intervention at their birth, and they decrease to 12,8% in case of NGO intervention.

When turning to multivariate analysis, we indeed find a positive correlation of the probability of being an empty shell with the presence of NGO at the VO creation, but this finding only holds for Burkina Faso. Moreover, the NGO variable is defined in a less conservative way, including all those cases where an NGO had a project in the village before the creation of the VO, but not necessarily initiated the same year or the year before. We use the function

$$Y_i = \alpha + \beta (\text{NGO}_i) + \gamma (\text{controls}_i) + \varepsilon$$

Table 11. Probability of being an “empty shell”. Standard errors are in parenthesis.

	total	Senegal	Burkina Faso
ngo_beforegpt	0.015 (0.041)	-0.085 (0.053)	0.127 (0.059)**
senegal	-0.256 (0.115)**		
age	-0.003 (0.003)	-0.011 (0.004)***	0.004 (0.004)
has_partner	-0.027 (0.047)	-0.056 (0.043)	0.201 (0.125)
mo_act	-0.032 (0.033)	-0.057 (0.048)	-0.010 (0.044)
Pop_vill	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)***
n_VO	0.021 (0.005)***	0.027 (0.010)***	0.017 (0.007)**
N	701	294	407

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controlled for *Département/Communauté Rurale* fixed effects.

It has to be noted that in all the previous specifications, the number of VOs in the village has a negative effect on our different measures of VO performance. This is an interesting subject for further research. Its

interpretation can follow different lines: it can be motivated by negative effect of within-village competition, or by rent-seeking attitudes towards the “development rent”.

If we look at the variation in the number of members, we don't find any significant correlation with the variables at the time of the VO birth, but we find indeed a relationship with the partnership established (conditional on having at least one partnership with an external agent). Our specification is the following:

$$Y_i = \alpha + \beta (\text{DONOR}_i) + \gamma (\text{EXT}_i) + \delta (\text{DONOR}_i * \text{EXT}_i) + \zeta (\text{controls}_i) + \varepsilon$$

where Y is the variation in the number of members declared by the VO between the origin and survey time; DONOR is a dummy that captures the existence of a partnership (that can also be concluded) with a donor or NGO; EXT is a dummy that takes value of 1 if the external agent proposed to the VO the partnership on his own initiative.

Table 12. Variation in the number of members declared by the VO between the origin and survey time. Standard errors are in parentheses.

	total	Senegal	Burkina Faso
contact_ext	-1.243 (7.606)	4.914 (17.346)	-3.295 (4.710)
partner_ngo_donor	23.378 (7.624)***	43.038 (16.103)***	3.394 (5.033)
partner_ngo_ext	-25.637 (10.299)**	-49.436 (21.488)**	-1.866 (6.861)
senegal	39.459 (39.523)		
age	0.476 (0.398)	1.365 (0.814)*	-0.281 (0.265)
mo_act	-10.900 (5.961)*	-12.144 (15.157)	-6.499 (3.561)*
n_gpt	-0.266 (1.102)	0.857 (2.062)	-1.103 (0.806)
n_hab_vill	0.000 (0.002)	-0.000 (0.003)	-0.001 (0.002)
mkt_distance	-13.761 (6.056)**	-28.761 (12.180)**	-1.067 (4.177)
avg_ha_prop	-2.191 (0.985)**	-3.896 (2.037)*	-0.299 (0.664)
_cons	29.402 (17.324)*	66.197 (61.268)	14.219 (10.978)
R ²	0.20	0.23	0.09
N	477	224	253

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controlled for *Département/Communauté Rurale* fixed effects.

These results suggest that the variation in the number of members is positively associated to the existence of a partnership with a donor as far as the initiative of the partnership has been taken by the VO. On the contrary, if the partnership is established following an autonomous initiative of the external agent, the relationship with the size change of the organization is negative. These results are nevertheless driven by the Senegalese observations.

Results: correlates to the self-reported perception of benefits and services received from the VO

We now turn to the analysis of the only available subjective measure of performance of the VO. This has several limitations; most of all, it may capture many different elements, that are closely linked with the type of activity the organization carries on. With this premise and thus an additional need to be cautious, we develop the following specification (ordered probit model):

$$Y_i = \alpha + \beta (\text{IDEA_NGO}_i) + \gamma (\text{controls}_i) + \varepsilon$$

where Y = categorical variable described in the previous section, of the share of members who declare to having received benefit and services from the VO. IDEA_NGO is a dummy that takes value of 1 when the idea of the creation has been taken by an external development agency.

Table 13. Self-reported perception of benefits and services received from the VO. Standard errors are in parentheses.

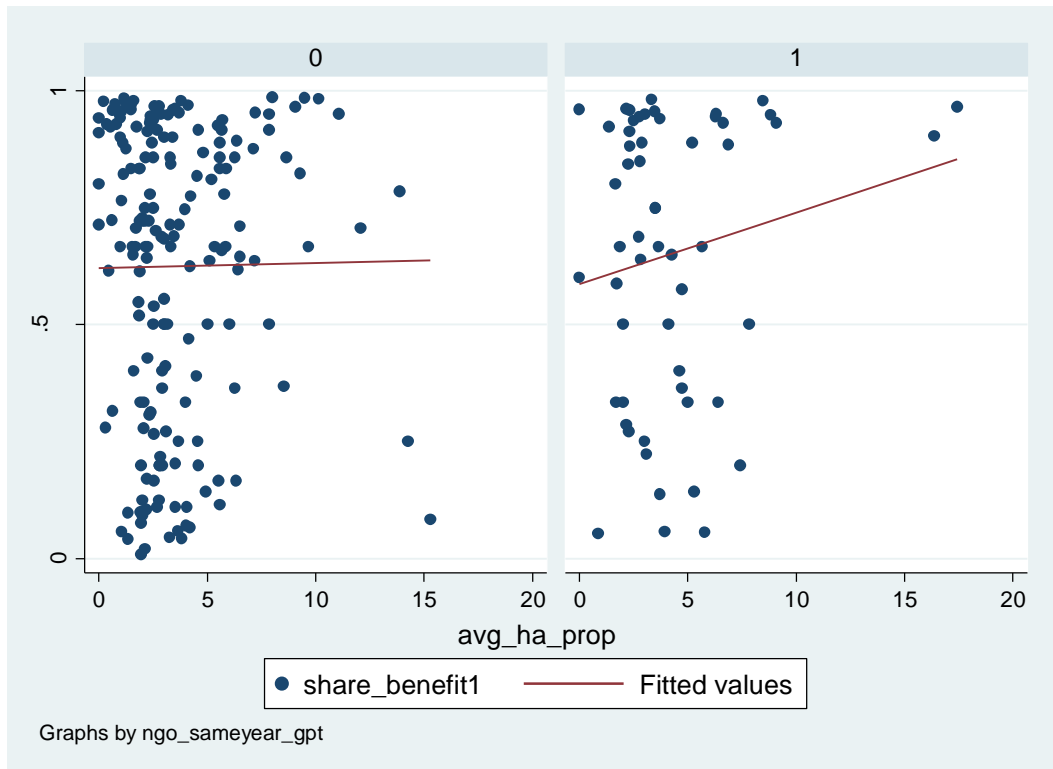
	total	Senegal	Burkina Faso
fund_idea_ngo	0.468 (0.164)***	0.947 (0.274)***	0.088 (0.219)
senegal	0.992 (0.301)***		
age	0.014 (0.006)**	0.013 (0.010)	0.015 (0.007)**
mo_act	0.271 (0.085)***	0.324 (0.151)**	0.260 (0.103)**
n_VO	-0.051 (0.015)***	-0.077 (0.029)***	-0.036 (0.018)**
hab_vill_cent	-0.004 (0.003)	0.001 (0.003)	-0.010 (0.004)**
mkt_distance	-0.032 (0.094)	0.080 (0.161)	-0.112 (0.116)
_cons	-0.760 (0.273)***	-1.485 (0.440)***	-0.953 (0.312)***
_cons	-0.296 (0.273)	-1.097 (0.437)**	-0.447 (0.312)
_cons	0.244 (0.273)	-0.605 (0.435)	0.123 (0.311)
	1,014	434	580

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controlled for *Département/Communauté Rurale* fixed effects.

We find a strong positive effect of our main explanatory variable; this is nevertheless no more significant if we turn to NGO presence in the village. However, it is important how this benefit is distributed. It seems that the intervention of an NGO is positively correlated with an uneven distribution of benefits. In Graph 1, we plot the continuous variable indicating the share of members who declared having benefited from the VO against the average landholding in the organization. The right graph represents the cases where an NGO intervened in the village at the birth of the VO, while the left one represents cases with NGO interventions, but in other moments. It seems that an NGO intervention the same year or the year before the creation of the VO makes the correlation between landholdings and share of members who benefit from the VO positive, that would mean a greater dependence of VO benefits on members' wealth. Of course, here many factors that may influence the relationship are not controlled for.

Graph 1. Share of members who declared having benefitted from the VO against the average landholding in the organization.



Results: correlates of the wealth composition.

Connectedly to the previous point, we turn to the variable capturing whether the VO is selecting the wealthiest members in the village. We look at the effect of different partnership patterns, conditional on the fact that the VO has a partnership. We specify the following regression equation:

$$Y_i = \alpha + \beta (DONOR_i) + \gamma (EXT_i) + \delta (DONOR_i * EXT_i) + \zeta (controls_i) + \epsilon$$

where Y is the average owned land per member in the VO / average owned land per household in the village.

Table 14. Selection of the wealthiest by the VO and different kind of VO-NGO partnership. Standard errors are in parentheses.

	total	Senegal	Burkina Faso
contact_ext	-0.187 (0.083)**	-0.308 (0.172)*	-0.131 (0.082)
partner_ngo_donor	-0.138 (0.083)*	-0.368 (0.160)**	0.020 (0.087)
partner_ngo_ext	0.239 (0.112)**	0.470 (0.212)**	0.100 (0.119)
senegal	0.032 (0.427)		
age	-0.005 (0.004)		
mo_act	0.026 (0.064)	0.076 (0.142)	0.012 (0.061)
n_VO	-0.012 (0.012)	-0.022 (0.020)	-0.003 (0.014)
hab_vill_cent	-0.001 (0.002)	-0.001 (0.003)	0.001 (0.003)
mkt_distance	-0.098 (0.066)	-0.188 (0.119)	-0.015 (0.072)
_cons	1.415 (0.187)***	1.486 (0.472)***	1.106 (0.190)***
R^2	0.08	0.10	0.08
N	471	218	253

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controlled for *Département/Communauté Rurale* fixed effects.

We can consider this difference in average amount of owned land as a proxy for VO “elitism”. On average, both having a partner that took the initiative to establish the partnership and having a partnership with a donor that has been called by the VO itself, have a negative effect on “elitism”. When both occur at the same time, this effect is reduced, since the differential effect of the interaction term is positive. This suggests that a partnership with a development agency (donor or NGO) itself decreases the “selection of the wealthiest” problem; this effect is nevertheless reduced if that the partner came on its own initiative without having been “called” by the VO.

Conclusions

In this paper, we have tried to analyze the relationship between the intervention of a development NGO or an external donor and the performance of village organizations in Developing Countries. We address this question by means of an analysis on a large dataset of VOs in rural contexts in Senegal and Burkina Faso, exploiting information at the VO level matched with information at the village and households levels.

From the relevant literature, we argue that NGO support to village grassroots organizations can have positive effects and also downsides. We thus try to analyze under what conditions the former or the latter prevail and we hypothesize that these conditions depend on the origin of the relationship between the VO and the NGO. We thus distinguish between those VOs that are plausibly created following a push by the external agency and those who have an autonomous origin. Moreover, we look at the established partnerships and identify, among VOs that have a partnership with a development NGO, which are the cases where it has been established upon an action taken first from the VO itself, or where it is due to external partner's initiative. Development practitioners working on the field and academic scholars are familiar with the issue of the complex relationship between VOs and NGOs (Capocchini and Perotti 2012, Alcorn 2005, Dansero et al. 2013, Valderrama 1999, Bebbington 2005, Fowler 1991). To our knowledge, our paper is one of the first attempts to address this issue through quantitative analysis on a large dataset to complement and go beyond single case studies.

We do not look at the effect on the VO performance of an NGO intervention per se, but at the effect of different ways NGOs may intervene, namely if they promote the creation of the VO and if they take the initiative of building up a partnership (instead of being involved in a partnership by a VO). Our first results concern the discrepancy between the real size and the declared one. The initial push by an NGO seems to have a positive correlation with this discrepancy in the Burkinabe subsample, but this is weakly significant. A greater correspondence between real and declared members is on the contrary found with the NGO project has been there but is now over. The self-reported measure of benefit produced by the VO doesn't show a relationship with the external interventions in the village, but is positively correlated with the fact that the initial idea of the VO comes from a donor. Overall, it is not easy to disentangle the different effects

and this requires further work, for example to analyze the interplay of NGO intervention with the number of VOs in the village, that are positively correlated with the discrepancy. The different ways partnerships are established seem to play a role: the number of members is positively associated to the existence of a partnership with a donor only as far as the initiative of the partnership has been taken by the VO and not by the external NGO. Similarly, a partnership with a development agency itself decreases the “selection of the wealthiest” problem; this effect is nevertheless reduced if the partner came on its own initiative without having been “called” by the VO.

The analysis is mainly descriptive and needs further work in order to properly assess causality. This is the first line of further work that we have. Moreover further work on dependent variables and “performance measures”, such as financial sustainability and leadership, is needed, as it is for the relationship between performance measures and number of VOs in the village.

We think that our contribution helps shading light on the mechanisms underlying the relationship between northern and southern NGOs and the effect of donors’ sponsorship on local village organizations. We try to do so by giving a closer look to the forms in which the relationship developed, whether the local VO played a more proactive or passive role vis-à-vis the development NGO, thus entering into the governance implications of such relationship.

Acknowledgments

The authors sincerely thank the Department of Economics and Statistics “Cognetti de Martiis” of the University of Torino and the FNRS Belgium for the financial support for the participation at the 2013 IASC Conference at Mt. Fuji, Japan. We thank Gani Aldashev, Jean-Marie Baland, Jean-Philippe Platteau, Catherine Guirkingier, Guilhem Cassan, Frank Van Laerhoven, Kate Ashbrook, Cristiano Lanzano and the participants to the N.G.O. Workshop at the University of Namur (16th December 2013) for precious comments and suggestions.

References

- AHMAD Mokbul Morsheed, 2006. "The 'partnership' between international NGOs (Non-Governmental Organizations) and local NGOs in Bangladesh", *Journal of International Development*, 18: 629-638.
- ALCORN J., 2005. "Dancing around the Fire : Conservation Organizations and Community Based Natural Resource management", in BROSIUS J.P., LOWENHAUPT TSING A. and ZERNER C., eds., *Communities And Conservation: Histories And Politics Of Community-Based Natural Resource Management*, Altamira Press, Walnut Creek, CA.
- ALDASHEV G. and NAVARRA C., 2013, "Development NGOs: some basic facts". Draft presented at the CRED Workshop, December 10 2013, University of Namur.
- ALDASHEV G. and VERDIER T., 2009, "When NGOs go global: competition on international markets for development donations," *Journal of International Economics*, 79(2): 198-210.
- ALDASHEV G. and VERDIER T., 2010, "Goodwill bazaar: NGO competition and giving to development," *Journal of Development Economics*, 91(1): 48-63.
- ARCAND J.-L. and FAFCHAMPS M., 2012. "Matching in community-based organizations", *Journal of Development Economics*, 98(2): 203–219.
- BANO M., 2008, "Dangerous correlations: aid's impact on NGOs' performance and ability to mobilize members in Pakistan", *World Development*, 36(11): 2297–2313.
- BARNES C. and VAN LAERHOVEN F., 2013, "Helping to self-help? External interventions to stimulate local collective action in Joint Forest Management, Maharashtra, India", *International Forestry Review* 15(1): 1-17.
- BARR A., FAFCHAMPS M. and OWENS T., 2005, "The Governance of Non-Governmental Organizations in Uganda", *World Development*, 33(4): 657–679.
- BEBBINGTON A., 2005, "Donor-NGO relations and representations of livelihood in nongovernmental aid ahains," *World Development*, 33(6): 937-950.
- BERKES F., COLDING J. and FOLKE C., eds., 2003, *Navigating Social-Ecological Systems: Building Resilience for Complexity and Change*, Cambridge, Cambridge University Press.

- BERKES F., COLDING J. and FOLKE C., eds., 2003, *Navigating Social-Ecological Systems: Building Resilience For Complexity And Change*. Cambridge University Press, Cambridge, UK.
- BERNARD T., COLLION M.-H., DE JANVRY A., RONDOT P., SADOULET E., 2008, "Do village organizations make a difference in African rural development? A study for Senegal and Burkina Faso", *World Development* 36(11): 2188–2204.
- BRAVO G., 2011, "Agents' beliefs and the evolution of institutions for common-pool resource management", *Rationality and Society*, 23(1): 117-152.
- CAPOCCHINI R. and PEROTTI F., 2012, *Con I Piedi Per Terra. Lavorare Con Le Organizzazioni Contadine Nei Progetti Di Cooperazione Allo Sviluppo*, FrancoAngeli, Milano.
- DANSERO E., LANZANO C. and TECCO N., eds., 2013, *Sguardi Incrociati, Nature Svelate. Aree Protette, Cooperazione Decentrata E Rappresentazioni Della Natura Fra Piemonte E Africa Subsahariana*, Franco Angeli, Milano.
- EDMONDS E.V., 2003, "Development assistance and the construction of government-initiated community institutions", *Economic Development and Cultural Change*, 51(4): 897-928.
- EDWARDS M. and HULME D., 1995, eds., *Non-Governmental Organizations – Performance And Accountability: Beyond The Magic Bullet*, Earthscan Publications, London.
- FOWLER Alan, 1991. "Building partnerships between Northern and Southern development NGOs: issues for the 1990s", *Development in Practice*, 1(1).
- GARNETT S.T., SAYER J. and DU TOIT J., 2007, "Improving the effectiveness of interventions to balance conservation and development: a conceptual framework", *Ecology and Society* 12(1): 2.
- MANSURI G. and RAO V., 2013, *Localizing Development. Does Participation Work?* World Bank Policy Research Report, Washington DC.
- MURPHREE, M. W., 2002, "Protected areas and the commons", *The Common Property Resource Digest*, 60.
- PLATTEAU J.-P. and ABRAHAM A., 2002, "Participatory development in the presence of endogenous community imperfections", *The Journal of Development Studies*, 39(2): 104–136.

- PLATTEAU J.-P. and GASPART F., 2003, "The risk of resource misappropriation in community-driven development", *World Development*, 31(10): 1687–1703.
- PLATTEAU, J.-P., 2004, "Monitoring elite capture in community-driven development", *Development and Change*, 35: 223–246.
- VALDERRAMA, M., 1999, La cooperacion internacional entre la Union Europea y America Latina: Un Balance. In *Ayuda en Accion/Actionaid/ALOP, La Realidad de la Ayuda Externa. America Latina al 2000.* Actionaid 49-57.
- VALLINO E., 2009, "Community based management of a protected area: the case of GEPRENAF in Burkina Faso", *International Journal of Social Forestry*, 2(1): 24-42.
- VALLINO E., 2014, "The tragedy of the park: an agent-based model of endogenous and exogenous institutions for forest management". *Ecology and Society* 19 (1): 35. [online] URL: <http://www.ecologyandsociety.org/vol19/iss1/art35/>
- WERKER E. and AHMED F.Z., 2008. "What do Nongovernmental Organizations do?", *The Journal of Economic Perspectives*, 22(2): 73-92.
- WORLD BANK, 2005, *Issues And Options For Improving Engagement Between The World Bank And Civil Society Organizations*, The World Bank, Washington DC.