

## PDF hosted at the Radboud Repository of the Radboud University Nijmegen

The following full text is a publisher's version.

For additional information about this publication click this link.

<http://hdl.handle.net/2066/124305>

Please be advised that this information was generated on 2017-12-05 and may be subject to change.

## **The life cycle of Private Initiatives – the reasons behind, and consequences of, ending a small development organisation**

Lau Schulpen & Sara Kinsbergen  
Centre for International Development Issues Nijmegen (CIDIN)  
Radboud University Nijmegen (the Netherlands)

### *Abstract*

*In recent years, the world of international development (aid) has become increasingly complex due to the emergence of a large number of new development actors. In fact, new actors enter the field of development every year but only few move out. In effect, there is no systematic insight in the reasons behind and consequences of stopping as a development organisation. This paper provides a first explorative insight in this matter by looking at a small number of Dutch Private Initiatives (PIs) that have recently ended their development work. The study shows that these PIs seldom end their activities as a development actor for a single reason. In addition we find that internal reasons (i.e., those referring to the PI itself) are substantially more important than external ones (i.e., those referring to their Southern partner or their specific project). Still, the idea that the activity or project they set out to support was finalised was presented as the major reason. Also with regard to the consequences of stopping as PI, internal effects are considered to be more important than external ones. Whereas most PIs comfort themselves by claiming that their project will also continue without them, many expressed strong emotional reactions themselves. This is in line with the idea that many PIs start their work because of close personal relationships with specific people in developing countries and sentiments about the suffering they saw when visiting 'their' developing country. Finally, in looking back these former PIs strongly emphasise what they have learned from their work; experiences that might be of assistance to all who want to walk in their footsteps. We conclude with showing these lessons.*

Keywords: Private Initiatives, international development, aid.

### **1. Introduction: many birth announcements, few condolences**

With a neat distinction between bilateral, multilateral and civilateral (NGO) donors, development cooperation seems to be fairly well-organised. However, appearances are deceptive. In reality, the world of development cooperation is extremely fragmented with new donors joining every year. In 1969, the Pearson Commission warned 'that there were already too many aid donors' (Riddell, 2007: 52). Fifty years later, one wonders about the appropriate words in which a present-day Pearson Commission would have to issue such a warning (Schulpen et al. 2011).

In the bilateral sphere, for starters, the discussion is generally restricted to the so-called DAC donors. We seem to forget that there have not always been 23 DAC donors. In 1969, even at present well-known bilateral donors as Greece, Luxembourg, Spain and Portugal did not even dream of being an integral part of the international aid architecture. Perhaps more important is that we also often forget that there are many more bilateral donors outside of DAC. China, India, Brazil and South Africa are a case in point here. According to the World Bank (2008), there are at present at least 57 bilateral donors, many of which joined only in the last 10-15 years.

While the world of bilateral donors is in reality even more complex than this (think of regional and local governments becoming active in development cooperation or the division of bilateral aid in one country over several agencies), the multilateral channel is even more complicated. The discussion here is often restricted to only a handful of multilateral agencies (e.g., the World Bank, IMF or UNICEF) but this obscures the fact that there are over 200 of

such multilaterals. Every year, at least a few are added. At the end of the 1960s, there were about 80 of them. Ten years later, there were already more than 120 and from the 1980s onwards another 80 were added (Schulpen et al. 2011).

The third aid channel – the so-called civilateral or NGO channel – is far more difficult to pinpoint. Data on the numbers of NGOs worldwide are simply not available although there is broad agreement that their number has increased dramatically since the 1980s (i.e., the decade known as the NGO-decade). For the Netherlands we can fall back on the NGO database ([www.ngo-database.nl](http://www.ngo-database.nl)) which shows that (for the 188 Dutch NGOs for which such data are available) their number increased with 80% over the last twenty years; or with 350% since the Pearson Commission at the end of the 1960s. Schulpen et al. (2011) cautiously calculated on the basis of the Dutch case that there are some 10.000 development NGOs in the DAC countries only.

Tens of bilateral donors, hundreds of multilateral agencies and thousands of NGOs are, however, not the only development actors available. Particularly since the 1990s, a large number of non-traditional actors has become active in the field of development cooperation (Severino & Ray, 2010; Kharas et al., 2011; Shafik, 2010; Hulme, 2010).<sup>1</sup> Here, we group these actors under the philanteral aid channel for development aid, departing from the idea that the voluntary character is the most important trademark that binds the different actors in this channel (Kinsbergen & Schulpen, 2011). ‘Philanteral’ is then based on the definition of philanthropy as ‘contributing by money, goods and/or time, voluntarily supplied by individuals and organisations (funds, companies, churches) supporting primarily aims of public advancement’ (Schuyt et al., 2007: 18).

One of these non-traditional actors are private foundations which, according to De Haan (2009: 21), represent ‘the biggest change to the aid industry’ (also see Edwards 2008). Another one are private initiatives (PIs) referring to ‘the recent trend of individual citizens wanting to play a role which goes beyond contributing to charity and donating to organizations’ (WRR, 2010: 117). Knowledge about PIs is still in its infancy notwithstanding the fact that research in Belgium and the Netherlands has already provided substantial insights in this particular development actor (Kinsbergen & Schulpen, 2011; Develtere, 2012). The majority of these initiatives are initiated after the founder went on a holiday to a development country and decided to actively contribute to improving the living conditions of the people there. Most PIs are entirely run by volunteers and less than five (voluntary) staff members. They have an average annual budget of less than €50,000 and are especially depending on their own direct network (e.g., family, friends, relatives, local businesses) for fundraising. They mainly invest in projects related to children and education (e.g., constructing two extra classrooms for the local village school) and for the Dutch PIs counts that they are well represented in countries such as Kenya, India, Ghana and Indonesia (Kinsbergen & Schulpen, 2011).

While characterising PIs as small-scale, voluntary and providing direct (project) support to developing countries, it is estimated that there are between 6,400 (Brok & Bouzoubaa, 2005: 62) to 15,000 (Voorst, 2005: 9) of such private initiatives in the Netherlands alone. The big majority of Dutch PIs emerged after the turn of the century. Covering nearly 900 Dutch PIs, a

recent study shows that 54% of them were founded since 2000 with another 25% being no older than the 1990s (Kinsbergen & Schulpen, 2010).

The proliferation of the world of development not only makes that world increasingly complex but it also creates many problems. Generally, these are called transaction costs referring to such issues as reduced transparency, increased corruption, diffused policy dialogues, misallocated resources, underfunding of less attractive countries and sectors (and thus strengthening of aid orphans), wasting of resources, undermining the quality of governance, decreased stakes of donors in development outcomes, retarded development of public sector capacity, and increased orientation of recipients towards donor processes instead of their own (EC, 2007; Knack & Rahmann, 2007; Kanbur & Sandler, 1999; Acharya et al., 2006; Frot & Santiso, 2008; Deutscher & Fyson, 2008; Grimm, 2008; Grimm et al., 2009; Kharas, 2008; Kragelund, 2008; World Bank, 2008; OECD, 2008; OECD, 2009).

However, such problems are not central here. For now, this proliferation is principally important because it shows that the world of aid donors does not comply with a kind of population paradigm where growth is the outcome of birth minus death. On the contrary: the aid system seems to know only birth but hardly any actor moves out. That also means that there is no systematic insight into the reasons behind and consequences of stopping as a development organisation. This study sets out to provide such a first insight by taking a closer look at a small selection of Dutch PIs that in recent years decided to stop their activities and dissolve as a development actor.

#### *Methods, background and research questions*

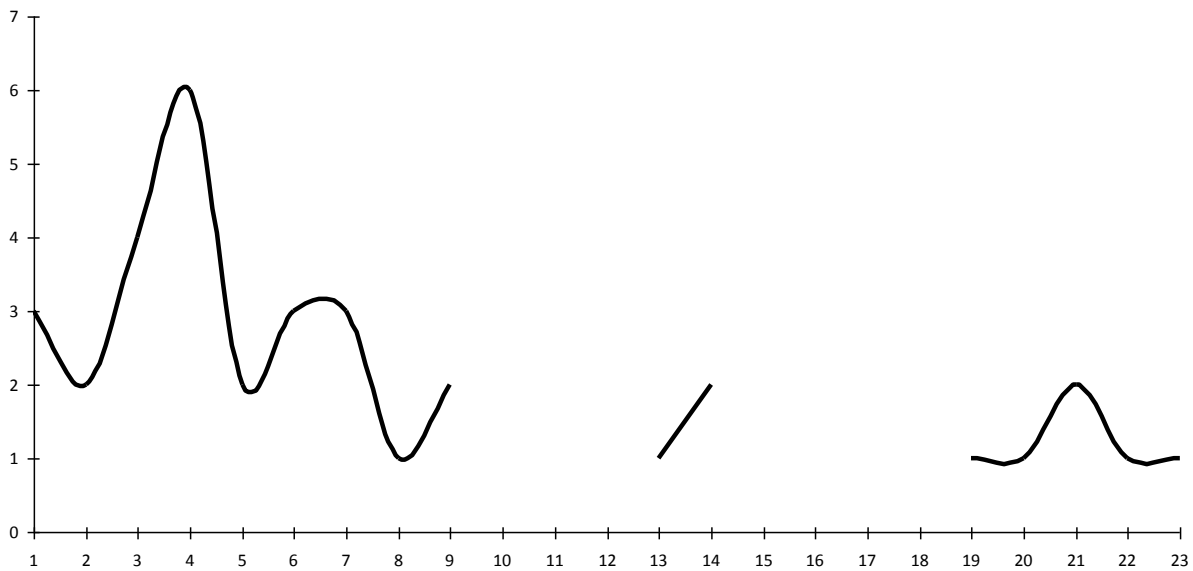
This study forms part of a larger research into 16 years of subsidising Private Initiatives by the Dutch organisation NCDO.<sup>2</sup> In this larger study, all (i.e., those that could still be tracked by way of email) earlier subsidised PIs received an invitation to participate in an online survey. It provided a one-time opportunity to reach a potentially large number of PIs that since receiving the NCDO-subsidy had ceased to exist and thus (at least partly) bypass the fact that it is by definition difficult to examine something that does not exist anymore. In the end a total of 42 former PIs were tracked down who filled out the relevant questions in the survey. Of these, 15 also indicated that they were willing to participate in a follow-up interview and 11 of them have indeed been included as such.

Although the response was felt to be satisfactory, considering the uncertainties involved in tracking down organisations that no longer exist, it is clear that no claims whatsoever can be made with regard to representativeness. This study should thus be seen as an exploration of the causes and consequences of ending a (small) development organisation. This exploration is based on the outcome of the survey and in-depth interviews with a (self-) selection of respondents. These interviews provided an opportunity to delve deeper into causes and consequences with representatives of the former PIs while simultaneously offering an opportunity for drawing lessons that might be useful for still active PIs and for those people that in future will start their own development organisation. At the same time, the interviews created a better understanding of their history, aims, ideals, activities and projects. The latter was helpful in putting the concerned PIs 'in perspective' but is not always relevant in an explorative study that tries to get a grip on reasons and consequences of ending their

activities. Besides, such 'background' information is only available for the 11 former PIs which were interviewed and not for the remaining 31 PIs that only filled out the survey.<sup>3</sup>

Such background information shows that in some ways the PIs are quite different. Their diversity, for instance, is exemplified by the different countries they work in, the type of activities ranging from support to youth prisons to HIV/Aids campaigns, and their 'founding sources' ranging from churches and service clubs to purely individual undertakings). Also in terms of 'age' they are different. Two of the PIs taken up here had been active for over 50 years, while the average PI 'lasts' nine years (in reality between one and 23 years). Figure 1 shows that a relatively large part (39%, N=38) manages to remain active no longer than four years. Three even stopped in the same year that they started indicating that part of the PIs is set up for a onetime project.

**Figure 1. Number of years PIs have been active (N=38)**



Source: NCDO survey 2010

Note: vertically the number of PIs are portrayed, horizontally the number of years a PI has been active

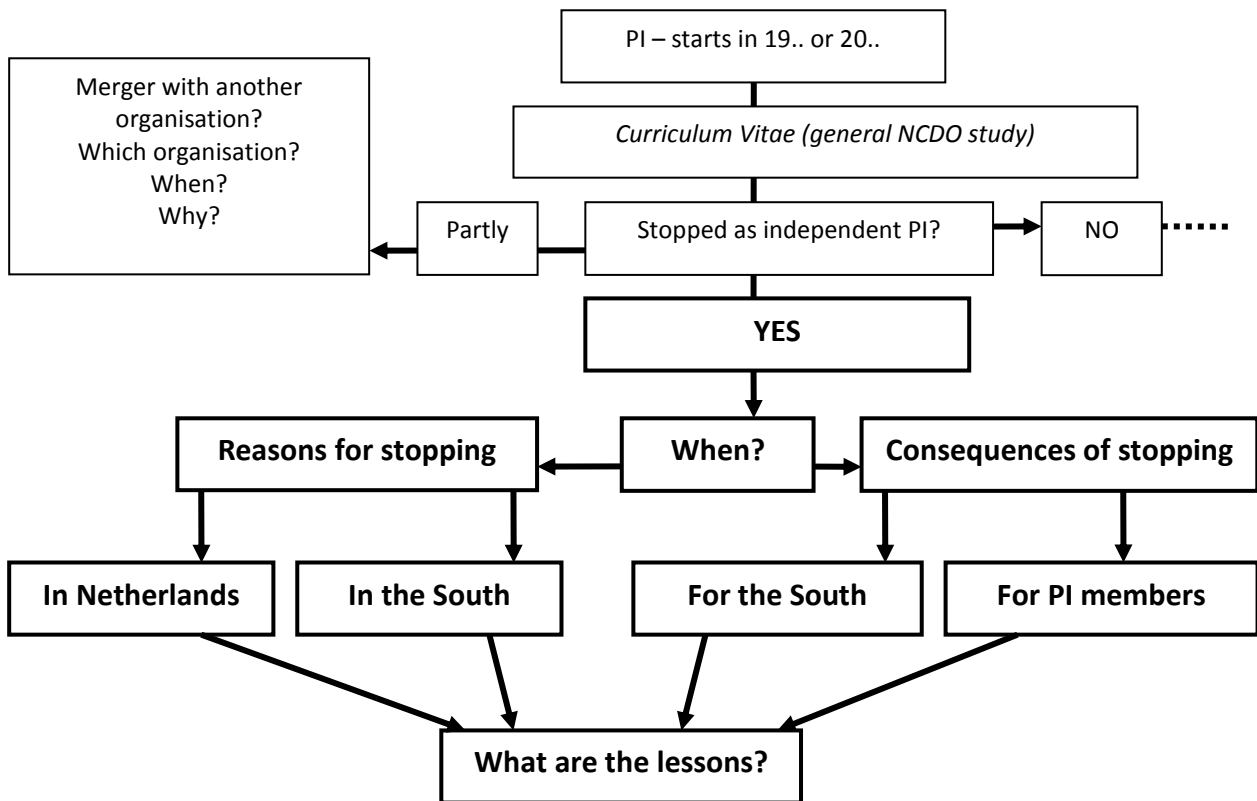
In many other ways, the PIs in this study are comparable. Many of them start with a clear (and concrete) target but without clear expectations and with limited knowledge of the country concerned or of development cooperation as such. 'We had no notion of working project-wise' as one of the PIs stated. For none of them it was (initially) difficult to raise money for 'their' project and essentially all of them used different ways of raising the required funds. Whereas a few PIs are run by individuals, the majority is officially registered with a board of some 4-5 members. Although the direct drivers for the people behind the PIs to become active themselves may differ, they are almost without exception of a personal nature: the death of a loved-one, ties of friendship with people in the South, family members who are active in development, dealing with personal trauma. For some also religion (or spirituality) plays an important role. All PIs feel a strong bond with individuals in 'their' country and share the feeling that 'something should be done' with some adding their own 'sense of honour' as a driver. Personal ambitions of those behind the PI do play a role if only because each time something goes well is 'flattering'. In many cases, the PI-volunteers/members interviewed feel they deserve recognition for their work. This does not mean that everything went smoothly.

On the contrary: they have encountered numerous obstacles and problems and they have learned a lot. And, above all, they all have decided to call an end to their PI.

Why they did so and what this meant is the subject of this paper which is guided by the following research questions (see overview in Figure 2 which also shows how this research fits into the overall NCDO study):

1. What are the most important (internal and external) reasons for PIs to stop?
2. What are the most important (internal and external) consequences of stopping as a PI?
3. What are the most important lessons and recommendations that these PIs draw from their own experience?

**Figure 2. Overview**



**2. From old age to confidence: the reasons to stop**

One doesn't just abolish a PI and, besides, one doesn't abolish a PI just for one reason. On the contrary: almost all 42 organisations of our survey that stopped gave several relevant reasons that finally lead to the decision to put an end to it. Tables 1 and 2 clearly show this. An illustration of this web of reasons is a PI that was active in Gambia for years and initiated 'the first kindergarten of the country'. Not only did the development of Gambia go much faster than the PI could keep up with, trusted contacts in the village got lost through death or change of address and the age and health of the Dutch initiator himself made further commitment impossible. Another PI that started its activities in former Yugoslavia during the war was confronted with the fact that 'their' country was not a 'topic' any more, resulting in a decrease of public support for its activities. In addition, as they stated during the interview, it

had never been the intention to ‘continue at all costs’, they themselves were a bit ‘tired’ after all these years, the need for ‘essential help’ (relief aid), core business for the PI, had become less relevant due to an increasing prosperity and, furthermore, their contact person died.

Such examples show at the same time that a distinction can be made between ‘internal’ and ‘external’ reasons. It is in the first place striking that all organisations mention one or more internal reasons that were (very) important for their decision to stop, but that 17 PIs (40%) gave no (very) important external reason. Internal reasons seem to be of greater importance.

### *Internal reasons*

The most important internal reason (mentioned by over three quarters of the PIs in the survey) is that the project, as intended, is finalised. Obviously that sounds good, but, we need to make two observations here. First, ‘finalisation of the project’ suggests that the foundation of the PI was aimed at a temporary effort and thus activity. As soon as that activity is completed, an important reason of existence seems to disappear. Some of them clarify this. The initiator of a PI active in Indonesia calls its activities ‘an idea that got out of hand’, another one in South Africa, active in the field of HIV/Aids, didn’t want to ‘support just one project for life’ and, for a PI active in Ghana, their project was a once-only activity and they were not planning on ‘keeping on carrying the load’.

Second, the question is whether a finalised project means a successful ending. For many PIs this is not a question but a certainty. An organisation founded to improve the living conditions of young people in a juvenile prison in Ukraine is convinced that their project was successful. According to the PI, the situation in the juvenile prison improved to such a degree ‘that no more money needed to be taken there’. The interest of other juvenile prisons in their work is an extra reason why the PI presents its project as ‘exemplary’. The PI active in Gambia too (see above) links the success of the kindergarten to the fact that others later ‘built twelve more kindergartens in the interior’, while the PI active in Indonesia acknowledges that the domestic science school they supported now generates its own funds and that it ‘can continue the project independently’. At the same time, this last PI observes that their project remains ‘just a drop in the ocean’.

**Table 1 Internal reasons to stop (N=42)\***

	<b>Reason</b>	<b>Number of organisations who indicated this as a (very) important reason</b>
1	The initiator(s) is/were lost for the organisation (e.g., through illness, old age etc.)	15 (35.7%)
2	We did not succeed (any more) in raising the necessary funding for the projects	12 (28.6%)
3	It was difficult to find new volunteers	10 (23.8%)
4	The project, as it was conceived by our organisation, was finalised	32 (76.2%)
5	The organisation took (too) much time	3 (7.1%)
6	We were no longer enthusiastic at a certain moment	6 (14.3%)
7	We realised that our work would always remain just a drop in the ocean	7 (16.7%)
8	We couldn’t reach an agreement within our organisation about our policy	3 (7.1%)

\* Most organisations gave more than one reason.

Such mixed feelings occur also with other PIs. A PI active in Georgia aimed at ‘improving and brightening up an orphanage’ said the project was successful. Later on, they found out that there were no more children in the orphanage and that this was the responsibility of to the government. For them, this was the main reason to stop besides that ‘they were fed up with this’ and they ‘got nowhere because nobody does what he says’. Whether or not a project is successful is mostly a matter of the time span one looks at or the glasses one looks through as is clear from the Ghanaian kindergarten project. At first, the PI indicates that the main reason to stop with the project was the fact that the goal was realised. Later on, they added that the local partner turned out not to be that reliable and that the project had little chance of continuing. This issue of sustainability is a matter of attention for various PIs.

Besides the (successful or not) finalisation of the project, the PIs mention the loss of the initiator(s) as a second reason to stop. This ‘loss’ has to be seen literally in some occasions, in other, old age is crucial. ‘We both started suffering from ailments of old age’, the Yugoslavia PI said, adding: ‘therefore we stopped, before things got worse.’ For a great part of the people behind the interviewed PIs, this old age (and the ailments that often come with it) was one of the reasons to stop; in some cases, it was the main reason. This was the case for example for an organisation affiliated with the church that, after more than 50 years, was more or less forced to stop due to old age of the complete board. This organisation also clearly indicated that ‘stopping was induced solely by reasons in the Netherlands; circumstances in the development country had no influence on it at all’.

This church-affiliated PI did not manage to find new board members, just like the initiator of the Indonesia PI did not succeed in having his children take over the project. As Table 1 shows, not being able to attract new volunteers was a reason for almost a quarter of the stopped organisations. Relatively important (with 28%) is also that PIs, at a certain moment, seem to have difficulties to raise the necessary funding for their work. During the interviews, financial reasons only came up a couple of times (as in the case of the PI that was active in former Yugoslavia).

#### *External reasons*

Although in general of less importance, in many cases, also external reasons play a role in the decision to put an end to the PI (also see Table 2). On number 1, we find practical reasons although they only are of importance for a quarter of the stopped PIs. Other reasons played an even smaller role for part of the PIs. This counts for the unreliability of the partner and the inadequate communication or for the idea that the target group wanted something different from what the PI could (or wanted) to deliver, and it also holds for the notion (or fact) that the people in the developing countries from now on were able to continue independently. Whereas the latter is directly related to the (internal) reason that the project was finalised, the remaining external reasons are of a different nature.

The interviews enliven these rather abstract reasons. A PI active in the field of fishponds in Kenya for example saw ‘no more perspective to continue’ due to problems with the management of saving groups that were created especially for this project. This is actually a euphemism for the disappearance of the money and the lack of justifications of payments. The support of a children’s home in former Yugoslavia was ended due to the fact that there



was no basis of trust in the new local director: ‘the new director didn’t give us satisfaction, the collaboration was not pleasant and we didn’t dare to trust him with our money’. The Gambia PI found it difficult, after the loss of their trusted contacts by death or moving, to trust new contacts from a distance. In Ghana, a matter of confidence also played a role. In this case, the partner was unable to ‘guarantee continuation’ and could not manage the offered help.

**Table 2 External reasons to stop (N=42)\***

Reason		Number of organisations who indicated this as a (very) important reason
1	We ran into too many practical problems in the country itself	11 (26.2%)
2	Our project partner turned out not to be (completely) trustworthy	7 (16.7%)
3	Our project partner(s) quit	9 (21.4%)
4	Communication with our project partner(s) was too problematic	9 (21.4%)
5	Our project partner(s) did not stick to the agreements	6 (14.3%)
6	We realised that our work had become superfluous – the people we worked for could do it themselves	9 (21.4%)
7	The security situation in the development country deteriorated	3 (7.1%)
8	The people we worked for wanted other things than we could supply	8 (19.0%)

\* Most organisations gave more than one reason.

Also the lack of confidence in (local) authorities emerges in a number of cases as an external reason to stop. This was already clear in the orphanage project in Georgia (see above), but also played in the Kenyan fisheries project where the many promises of authorities were never fulfilled. The Cambodian orphanage project ‘was not supported by the local authorities’. In fact, the authorities found it ‘a bad project’, to which the interviewee almost laconically added that ‘this contained an element of truth’.

That trust in the local partner (and more generally: in the local population) also played part in the decision of several PIs to stop, was made clear by them in sometimes no uncertain terms. Thus, the PI active in HIV/Aids states that it wanted, as an organisation, to have a say in how the partners were going to spend the money. This was also based on the view that ‘you shouldn’t make things too easy for them, they shouldn’t receive money just like that’. The initiator of the Ghana PI was even discouraged because ‘Ghanaians are only oriented on getting material wealth (like buying a car)’. Such images of local people are in some cases expressed point-blank. One of the PIs emphasizes that ‘people there are very different’, ‘they are not focussed’, ‘act out of self-interest’, ‘they only mess around’ and ‘only set to work when you are present yourself’. This other mentality the PI observed was a kind of ‘reality check’ for them.

### **3. From sadness to resigning calm: the consequences of stopping**

The survey gives a first insight into the consequences of stopping a (small) development organisation. Also here, a distinction is made between internal and external consequences. Internal consequences occur in the Netherlands, external ones in the country where the PI was active. Results of the survey (see also Table 3) seem to suggest that the consequences are not so bad. In a single case the project has not survived after the PI withdrew its support Over 20% (N=42) indicates that the development process that was set in motion by them had halted, but, on the other hand, the project was continued by another organisation in almost as

many cases and only in a relatively small number of cases the Dutch support group was disappointed they had stopped. And yes, one or two became more negative about the purpose of development work due to his/her experiences in the PI. At the same time, 29% of the participants in the survey became active in another way within development work after closing down their PI. Moreover, there were no cases among the participants in which the partner of the PI had to be disbanded and just a handful of the stopped PIs feel that stopping was a personal drama. These are not particularly world-shattering consequences.

**Table 3 Internal and external consequences of stopping (N=42)\***

	<b>Consequence</b>	<b>Number of organisations who indicated this as a (very) important consequence</b>
1	I have become more negative about the purpose of development cooperation	2 (4.8%)
2	The development process that we set in motion, has halted	9 (21.4%)
3	The projects we financed and executed have not survived	3 (7.1%)
4	Stopping our initiative was a personal drama	4 (9.5%)
5	Our Southern partner had to terminate itself	- (0.0%)
6	Our work is taken over by (an)other organisation(s)	8 (19.0%)
7	I have become active in another way within development cooperation	12 (28.6%)
8	Our Dutch support group was disappointed	6 (14.3%)

The interviews with stopped PIs show that a whole other world can be hidden behind the above relatively ‘neutral’ consequences. From the interviews emerges that, as in the case of the reasons, internal consequences of stopping are more prominent than external ones. Only a few examine the significance for the (former) target group of the PI, the partner or the development process in general, when talking about the consequences. The PI affiliated with the church for example states that ‘only long-term, small-scale projects run the risk of non-completion’ but it remains unclear what the exact consequences are. Partly, this minor attention for the external consequences is undoubtedly caused by the relatively positive feeling the PIs have about the work they supported (i.e., the finalisation of the project as the main reason to stop). Particularly the fact that the project is taken over or can (at least in their perception) continue independently seems to be important here. This works both ways as witnessed by the Ghana PI: ‘When the funding ran dry and the local initiators became too old, we tried to hand over the project. This didn’t succeed, the school ceased to exist’. Partly, the slight importance awarded to external consequences could also be due to ignorance. After stopping, one has ‘relatively little contact’ with the former partners (also because there is no former partner anymore). Stopping as a PI in practice often means alienation from the country and the people one was devoted to for years.

The latter already points in the direction of internal consequences and these appear prominently. The Gambia PI for example states that ‘the termination of my foundation had great personal consequences’ and adds that ‘if there would have been only a slight possibility, I would have continued’. Similar stories can be heard from other PIs. The termination was described as ‘a disaster’ and as ‘very emotional’ as you sever a relation of years or because the foundation and the work ‘were so much part of me’, ‘like one’s baby; in fact has become a part of oneself’ or ‘a part of one’s lifework’. Also other emotions play a role when looking back

on the termination of the project. Melancholy for example, but also anger and sadness ‘about the way we were cheated and disappointed by our partners’. Such negative emotions seem to ‘heal’ after some time. The initiator of the Georgia PI for example states that he ‘was really disappointed then’ but did not linger too much about it because ‘this just makes you a victim’. Others are a lot more laconic about it. A Brazilian PI says for example: ‘it’s all right this way, it is time, it’s ready’. Also for the initiator of the PI active in Indonesia, the decision to stop was ‘just OK’. He adds though that he ‘[...] now has much more spare time’ and can finally ‘make use of his retirement completely to practice his hobbies’.

In some of the interviews, PIs strongly emphasise that their experiences (how sad or even negative these may have been) gave no reason to change their view on development cooperation. ‘I am still enthusiastic about development cooperation’ or ‘I still see many people who deserve support’ are often heard judgements. Some enforce this image by campaigning against cutbacks or attacks against development cooperation. ‘The reduction of development cooperation by this government makes me furious’, says one. He adds that we have ‘such wealth that we should have a kind of moral notion that we have to help “them”’.

For a rather big part, the years of being active in a PI has worked mainly as an eye-opener from which they have learned a lot and has made them think ‘differently’ or even changed them. Such ‘lessons’ can be widely divergent. Because of her experiences, the initiator of the Ghana PI started to reflect on the (in her opinion ‘presumptuous’) idea that ‘Westerners have something of value to bring’ to the South. Added to this is the realisation that aid can also trigger negative reactions from local people because they regard that aid as ‘money to take over their culture’. It is therefore time for ‘a new view on development cooperation’, one that fits ‘the local situation’. Another PI adds that it may not have gained a different view about development cooperation through its work in Ukraine but has acquired a clearer image. Based on their experience, they found that ‘you can’t have two captains on a ship’ and that the idea of *co-responsibility* should be discarded as unworkable. Others call to forget about the discussion who does better work (small or big organisations), while only one or two strongly speak out against these bigger organisations because they ‘don’t spend the money efficiently’.

For most it was a ‘fascinating’ time. They look back upon their work with pleasure and especially on the relations that emerged from it. The Indonesia PI summarises this as follows: ‘when I look back now, I am pleased. I am so positive, I have achieved more than I would have thought in my wildest dreams’. Of course not everybody is so pleased. The initiator of the project in Kenya for example ‘was faced with the facts’ that showed ‘how naïve’ she had been. Besides, she also ‘had not maintained sufficient contact with the partner’ and, more in general, ‘had assessed the situation wrongly’. The latter already indicates that their time as PI was not only ‘fascinating’ but also ‘instructive’ and ‘enriching’: a time in which they learned a lot.

#### **4. Pitfalls and solutions: lessons for others**

These lessons are valuable if only because they implicitly show many of the things that may go wrong in the work of PIs (or development organisations more in general). We thus agree with our respondents’ eagerness to share them with others – and certainly with those that are still active as PI or with those people that are thinking of starting their own small development

organisation. Below, we classify the rather long list of lessons under seven headings following as much as possible a project chronological order.

### *Look before you leap*

The preparation of a project must be done 'well' and 'thoroughly'. In fact, says one of the terminated PIs, you 'should put as much time in the preparation as in the project itself'. It helps when there is a 'concise and clearly written plan' that 'forms the basis of the project'. An inextricable part of this preparation is 'thinking about the consequences of the project, both short- and long-term'; otherwise the question 'can or should I do this?' cannot be answered. This indicates already that 'good motivation' is crucial. This motivation can furthermore create public support and it is therefore not possible (or advisable) to 'concentrate all energy on the project itself'. Good preparation can prevent that 'mistakes in the field have bigger consequences' than necessary. It is important to take the time for it because of the necessary preparation, but also because 'the society somewhere else has its own speed and circumstances. You can't force things'. According to the same PI, we are 'too rational'. This already points at cultural differences. It is necessary to (get to) know them.

### *Knowing the order of the day*

One of the issues the PIs think of as decisively important, not only during the preparation of the project, but also during its execution, is constructing an understanding for each other. After all, the other lives in a strange country where norms and values [...] can be a paradox in relation to the situation at home. This requires 'leaving space for another culture' and, one has to be aware of the fact that 'it doesn't work when you enter a country and you think you know what has to be done'. Someone else calls it sensibility as this 'makes or breaks' the lot. Without sensibility, and thus the capacity to recognise signals, 'you will get nowhere' and 'overreach yourself'.

What helps is 'speaking the local language'. As an alternative, one can find 'local people who read and write English'. Apart from that, it is 'important to visit the area you are supporting often' and to communicate well 'with local people from your initiative'. Such communication is far from easy, however, as cultural differences and language problems sometimes play havoc. Some PIs regard 'culture' as plainly negative: 'people have no initiative', 'nobody dares to take responsibility', 'everybody just sits and waits'. The 'idea that these people also want to do something to improve their lives' was dismissed as a myth by one of the PIs.

Learning about local circumstances is, however, not something you do only from your direct partner. It is therefore worthwhile to try to 'work together or share with similar organisation(s)'. It happens that the PI tries to 're-invent the wheel'. There are most certainly 'similar projects' of which one can learn a lot. Good contacts are essential here, also with embassies for example.

### *Never too old to learn*

But of course not only with embassies; good communication is also necessary with the people targeted by the project. Even more so, 'a project [must be] rooted in the society'. The project can 'only succeed if [it] enters in a good initiative with wide support', if work is done on 'grassroot level', it is 'embedded [...] in the local community' and there is a 'local need' for it. This is clearly not about what we want or think is necessary and one of the PIs warns that

‘spontaneous ideas that develop after a holiday [...] in reality [are] most likely different’. It is much better to take care that ‘local people feel involved and responsible. Don’t leave them at the sideline of a project they don’t understand’. Go with ‘the national character’ as another one says. This need for ‘real cooperation with people’ and implying the local population is necessary in order to ‘tackle the problem’. This is far from easy in practice. Several PIs in this study put question marks at the extent in which they succeeded to respond to the (needs of) local people. One PI is very clear about this: ‘our project surpassed the intrinsic motivation and motives of the population’ with the consequence that the project ‘diverted from the needs of the population’.

Involvement is not only necessary for sustainable support, but also to protect PIs from the idea that ‘we know better’. It is necessary to learn from local circumstances, to taste the country and its circumstances on site. Personal experience with society and how it functions is highly recommended. This can be done by regular visits to the respective country, although one of the PIs considers ‘various holiday trips as insufficient’. One or two people think that it is better to ‘live in the country or on the project’ for a prolonged time. One of the terminated PIs lived indeed in Gambia for a longer period and actually founded the PI during her stay. For those who want to follow her example she has some additional recommendations (although they might be relevant in a wider frame). One such recommendation is to maintain good ties with the Netherlands or ‘you may get completely lost in your new country’. Also speaking the local language is important here and it is useful when you have ‘a certain degree of maturity and experience of life’, a ‘good basis of development cooperation’ (for example through ‘studying or experience related to it’), take a lesson in ‘humility’ and are an outgoing person.

#### *Leaving in the care of strangers*

That good and as many contacts as possible are of great importance will be clear by now. In these contacts – our search into the above reasons and consequences for stopping have already made that clear – trust is a central theme. This counts even more for the local partner the PI works with. You must be able ‘to trust [this partner] for 100%’ and it is therefore that the search for such a trustworthy party is an essential condition for success. This is not simple. The PIs unluckily have no other warning than not to ‘take people at their word’.

In any case: a local partner (whether set up by the PI itself or not) must be ‘independent from the local authorities and other organisations’ and ‘manage the project’. As ‘interlocutor of the Dutch organisation [that partner] has to supervise the execution’. That obviously requires that this partner has expertise and, the respective PI adds, ‘[has] a proper interest in the success of the project’. Someone else states moreover that ‘a project should not depend on one person or a too small group’.

#### *Trust is good, inspection is better*

According to the terminated PIs, a good preparation and a trustworthy partner are indeed crucial for a successful project, but that is not enough. ‘Guarantees that your money will be well spent’ are necessary, and you are responsible to create this guarantee. This can be done for example by establishing ‘a financial trajectory and a justification circuit along which the funding flows from the Netherlands to the project’. You cannot and should not ‘just send money off somewhere’. Several of the PIs in this study expressed experiences with dirty money tricks or partners using aid money for their own personal good. Some PIs reacted

somewhat stoic to such problems: 'of course we have been cheated often by local contacts, but without those contacts, we wouldn't have been able to do anything'.

Guarantees in this field are mainly build in by 'good' or 'strict' inspection. For this inspection it is necessary that PIs themselves 'go to the area concerned'. According to one of the terminated PIs 'you must demand that you will execute the inspection yourself'. Others think the need for inspection is linked to the need to learn from practice. In this sense, monitoring during the execution is of great importance. 'It is necessary to keep a finger on the pulse as long as the project continues'. Only when 'one is informed about the state of affairs' is 'steering' possible. For that matter it is necessary to know 'which steering measures are necessary at a certain moment and what the effects will be'.

Executing such an inspection during the execution phase may be important, but it doesn't stop there. Also evaluations are seen as 'good', 'necessary' and 'crucial'. This is certainly true, adds one of the PIs, for 'long-term projects or projects that are delivered in portions'. Communication about the outcome of such a 'final evaluation' has to be a fixed part. All interested parties have a right to it.

#### *Open and above board*

It is not always clear who are the interested parties. Terminated PIs single out one special party concerned: the support group of the PI. In this sense, the PIs find the so-called *upward accountability* more important than *downward accountability*. Therefore, account must be given to the support group, donors and contributors. According to some PIs, this support group is often forgotten. It is best not to lose 'track of the Dutch side'. They need to be informed (according to one of the PIs minimum four times a year) and acquaint themselves with the situation. Transparency and feedback are therefore keywords. Besides, think about 'thanking people personally' once in a while. This is not very complicated: 'If you send me 10 Euros today for example, you will have a letter of thanks in your mailbox tomorrow – only few people realise how important that is'.

Transparency not only creates 'a bit of acknowledgement', it also (and perhaps mainly) takes care of the necessary (financial) continuation of the project. Finally, one of the PIs states that 'Your contacts abroad can be very good, if you have no good contact with your donors, you cannot execute projects.'

#### *Watch yourself*

To conclude, there are a number of lessons that can be drawn in relation with the PI itself. It is recommended to 'establish one's own organisation' and to register it officially (i.e., as a foundation). This makes the PI 'more approachable' and the 'activities [...] are easier to control'. It also provides 'more trust from all kinds of partners'. Furthermore is it advisable to have 'a simple, but clear structure' and a solid base, founded on a 'clear and appealing vision that is made concrete in one or more clearly defined objectives'. Just like the partner, the PI itself has to be 'independent' and not hindered by 'proper interests' or 'depend of the policy or the objectives of the sponsors'. Concerning continuity, it is wise to 'create sufficient public support for the organisation'.

## **5. Some last words**

We have kept one of the recommendations until the end as it comes from the bottom of the heart of many. Therefore, we adopt this tip here in its entirety: 'see that you enjoy it, that the project gives you satisfaction and that you can be proud of the result'. Pride and satisfaction are two terms that PIs use frequently when they look back on their project – and that in spite of the pitfalls, problems and doubts about the (sustainability of) results. This is hardly surprising. For many PIs, becoming active in the field of development cooperation is not just inspired by the need to contribute to 'development there', but also by personal considerations. The greater importance of internal reasons and consequences already points in that direction. Therefore, PIs seem to fit perfectly in the notion that development cooperation is always inspired by both 'development related' and 'not development related' motives (Riddell 2007). The former can be summarised as ethical, humanitarian or development motives and the latter as 'enlightened self-interest'.

Nothing is wrong with such a mix. Whether this also should lead to following the call of one of the PIs to 'everybody who has never done something similar [...] to do it', is another question. After all: can the world of development cooperation bear even greater fragmentation? Does a continuing growth of Private Initiatives make the Development Cooperation system not even more complex and less workable, especially in practice? Everyone who feels called upon to become active him/herself should first answer this question. Then, many other questions follow. Questions that occurred in the above stories on terminated PIs. We can only hope that this explorative study among terminated PIs will help to pose these questions and, where possible, to answer them.

## References

- Acharya, A., de Lima, F., Moore, M. (2006). Proliferation and fragmentation: transactions costs and the value of aid, in: *Journal of Development Studies*. 42 (1): 1-21.
- Brok, M., & Bouzoubaa, H. (2005). *Particuliere Initiatieven op het gebied van ontwikkelingssamenwerking*. [Private Initiatives in the field of Development Cooperation]. Master's thesis, Radboud University Nijmegen, CIDIN / NCDO.
- Deutscher, E., & Fyson, S. (2008). Improving the Effectiveness of Aid. in: *Finance & Development*. 45 (3). September.
- EC (2007). *EU Code of Conduct on Division of Labour in Development Policy*. Commission of the European Communities: Brussels.
- Edwards, M. (2008). *Small change – why business won't save the world*. Berret-Koehler Publishers, Inc.: San Francisco.
- Develtere, P. (2012). *How do we help? – the free market in development aid*. Leuven University Press: Leuven.
- Frot, E., & Santiso, J. (2008). *OECD Development Aid and Portfolio Funds: Trends, volatility and Fragmentation*. OECD: Paris. (Working Paper No. 275).
- Grimm, S. (2008). *Reforms in the EU's Aid Architecture and Management - The Commission is no longer the key problem. Let's turn to the system*. German Development Institute: Bonn. (Discussion Paper 11/2008).
- Grimm, S., Humphrey, L., Lundsgaarde, E., & John de Sousa, S.-L. (2009). *European development cooperation to 2020: challenges by new actors in international development* (working paper). IDS: Sussex.
- Haan de, A. (2009). *How the aid industry works – an introduction to international development*. Kumarian Press: Sterling.
- Hulme, D. (2010). *Global Poverty – How global governance is failing the poor*. London. Routledge.
- Kanbur, R. & Sandler, T. (1999). *The Future of Development Assistance: Common Pools and International Public Goods*. (ODC Policy Essay No. 25). May
- Kharas, H. (2008). *Measuring the cost of aid volatility*. Washington D.C. Brookings Center for Development (Working paper 3). July.
- Kharas, H., Makino, K., & Jung, W. (2011). *Catalyzing Development – a new vision for aid*, Washington D.C. Brookings Institution Press.
- Kinsbergen, S., & Schulpen, L. (2011). Taking stock of PIs – the what, why and how of private initiatives in development, in: Hoebink, P. (ed.), *The Netherlands Yearbook on International Cooperation 2009*, Assen, Van Gorcum: 161-186.
- Knack, S., & Rahman, A. (2007). Donor fragmentation and bureaucratic quality in aid recipients. in: *Journal of Development Economics*. 83: 176-197.
- Kragelund, P. (2008). The Return of Non-DAC Donors to Africa: New Prospects for African Development?. in: *Development Policy Review*. 26 (5): 555-584.
- OECD (2008). *Scaling Up: aid fragmentation, aid allocation and aid predictability* (Report of 2008 survey of aid allocation policies and indicative forward spending plans), Paris, OECD.
- OECD (2009). *2009 OECD report on Division of Labour: addressing fragmentation and concentration of aid across countries*, Paris, OECD.
- Riddell, R. (2007). *Does foreign aid really work?*, Oxford, Oxford University Press.



- Schulpen, L., Loman, B., & Kinsbergen, S. (2011). Worse than expected? – a comparative analysis of donor proliferation and aid fragmentation, in: *Public Administration and Development*, Vol. 31, Issue 5: 321-339 (December)
- Schuyt, T., Gouwenberg, B., Bekkers, R., Meijer, M., & Wiepking, P. (eds.) (2007). *Geven in Nederland 2007. Giften, Legaten, Sponsoring en Vrijwilligerswerk* [Giving in the Netherlands 2007: Donations, bequests, sponsoring and volunteering work]. Reed Business: The Hague.
- Severino, J-M., & Ray, O. (2010). *The End of ODA (II): The Birth of Hypercollective Action*, Washington D.C., Center for Global Development (Working Paper 218), June.
- Shafik, N. (2010). *The Future of Aid* (eighth Luca d'Agliano Lecture in Development Economics), Centro Studi Luca D'Agliano (December).
- Voorst van, A. (2005). Draagvlak voor ontwikkelingssamenwerking binnen Nederland en de rol van de NCDO. [Public support for development cooperation in the Netherlands and the role of the NCDO]. Amsterdam: *Voorstrategie*.
- World Bank (2008). *Aid architecture – an overview of the main trends in official development assistance flows*, Washington D.C., World Bank.
- WRR (2010). *Less Pretension, more ambition – development policy at times of globalization*, The Hague, WRR (Scientific Council for Government Policy).

## Notes

---

<sup>1</sup> Non-traditional in the sense that they are not officially recognised development agencies seen as professionals but are in fact stemming from a process of socialisation (Develtere & Stessens 2006; Schulpen 2007; Develtere 2012; De Bruyn & Huysse 2009). Socialisation is defined here as the process where groups within society become active in a field (e.g., Development Cooperation) seen formerly as the exclusive domain of more or less professional groups. According to Develtere (2012), the three traditional aid channels have, and in spite of their ever increasing diversity, several issues in common. Apart from the fact that they are seen (and see themselves) as professionals, they have also developed 'a common, field-specific language; manners; methodologies; instruments; values and standards' (*Ibid*: 231). Besides, all have all been created with the explicit objective of working in Development Cooperation and the view to contribute to poverty reduction and closing the gap between and in countries. Following such common characteristics, Develtere (*Ibid*: 35) adds that this group of traditional development agencies 'is driven by an urge of self-determination' and is 'averse to interferences and interpellations of third parties'. As a group, they 'literally close [their] ranks and become [...] to a certain extent impenetrable'. The consequence is that new (alternative) actors are looked at with suspicion.

<sup>2</sup> NCDO is the Dutch expertise and advisory centre for citizenship and international cooperation. Between 1992 and 2010, NCDO subsidised a large number of Dutch Private Initiatives.

<sup>3</sup> The majority of the 42 PIs that participated in the survey only filled out those questions pertaining to the reasons and consequences of ending the organisation. Further background data on these PIs (captured in other parts of the survey) is thus not available.