

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

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ABSTRACT: *In this paper we deal with the relationship between external donors and village organizations (VOs) in Western Sub-Saharan Africa. 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 donors may have effects on the governance mechanisms of the village organization. We investigate to what extent differences in the foundation of the VO and of the partnership with the external donor can partially explain outcomes and membership structures of the VO itself. Our results go in the direction of possible diverging effects of a donor intervention in the village organization, according to the degree of proactivity and initiative that the VO displays.*

Wer hatte die Idee, eine Dorforganisation aufzubauen? Einige Befunde aus dem Senegal und aus Burkina Faso

In diesem Beitrag befassen wir uns mit der Beziehung zwischen externen Spendern und Dorforganisationen (village organizations, VOs) in Westafrika südlich der Sahara und verwenden hierfür einen großen Datensatz von Dorforganisationen in ländlichen Gebieten Senegals und Burkina Fasos. Wir legen dar, dass die Art der Beziehung, die zu Spendern aus dem Norden hergestellt wurde, Auswirkungen auf den Governance-Mechanismus der Dorforganisation haben kann. Untersucht

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wird, in welchem Ausmaß Unterschiede bei der Gründung der VO und der Partnerschaft mit dem externen Spender teilweise die Ergebnisse und Mitgliederstrukturen der VO selbst erklären können. Unsere Ergebnisse gehen in die Richtung, dass es möglicherweise divergierende Effekte einer Spenderintervention in der VO gibt, und zwar entsprechend dem Grad der Proaktivität und Initiative, die die VO aufweist.

¿Quién ha tenido la idea de crear una organización aldeana? Algunos elementos de análisis de casos de Senegal y de Burkina Faso

En este artículo se aborda la relación entre los proveedores de fondos y las organizaciones aldeanas en África Occidental. Se emplea una amplia base de datos sobre las organizaciones aldeanas en el ámbito rural en Senegal y en Burkina Faso. La tesis que se sostiene es que las consecuencias sobre la gobernanza de las organizaciones locales puede ser diferentes según el tipo de relación establecida con los proveedores de fondos. Se cuestiona, pues, si las diferencias en la creación de las organizaciones aldeanas y en el establecimiento de colaboración con los proveedores de fondos pueden explicar parcialmente los resultados y la composición de las propias organizaciones. Los resultados ponen de manifiesto que la intervención de un proveedor de fondos puede tener efectos divergentes en la organización aldeana según el grado de iniciativa y pro-actividad que la organización tenga.

Qui a eu l'idée de créer une organisation villageoise? Quelques éléments d'analyse des cas sénégalais et burkinabé

Dans cet article, les auteurs abordent la relation entre les bailleurs de fond et les organisations villageoises (OVs) en Afrique de l'Ouest. Ils utilisent une grande base de données sur les OVs en contexte rural au Sénégal et au Burkina Faso. Leur idée est que les conséquences sur la gouvernance des organisations locales peuvent être différentes selon le type de relation établie avec les bailleurs de fonds. Ils étudient dans quelle mesure des différences dans la création des OVs et dans l'établissement de partenariats avec des bailleurs de fonds peuvent expliquer partiellement les résultats et la composition des organisations mêmes. Leurs résultats indiquent que l'intervention d'un bailleur de fonds peut avoir des effets divergents dans l'OV selon le degré de proactivité et d'initiative qu'elle affiche.

1 Introduction

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 to VOs both in market-oriented production and in the

delivering of public goods. Moreover, VOs gained importance within the so-called ‘development discourse’, as they have been 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. 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, fostering participation in decision-making processes and overcoming problems of corruption at the State level (Bano 2008, Mansuri and Rao 2013, Holmen 2010). Often these processes take the labels of ‘local participatory development’ or ‘community development’, indicating ‘... fostering the effort of villages or (...) household groupings into the process of managing development resources and (...) expanding community engagement in service delivery, (...) without relying on formally constituted local governments’ (Mansuri and Rao 2013: 1).¹ Over the past decade the World Bank allocated 85 billion dollars to local participatory development (ibid.). As a consequence, 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, Holmen 2010) 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, 2010).

The effect of donor sponsorship on VOs outcomes and characteristics can be very complex. Expected positive effects are the reasons why donors intervene, such as empowerment of the poorest or marginalized groups and increase in resources for self-help group and productive organizations. Recent literature highlights possible negative effects, such as the prevalence of objectives defined by the donors that do not really match population’s need, incentives to misreport and create VOs just to attract aid, and crystallization of local inequalities (Mansuri and Rao 2013). In this work we do not address the question of whether donor sponsorship has positive or negative effects on VOs performance. We rather want to explore which are the differences, conditional on having a relationship with a foreign NGO, between VOs that have a higher degree of initiative in this relationship and VOs that are largely driven by donor initiative. To exemplify, we can imagine, on the one hand, a VO that has been created by a donor or by a development NGO in order to implement a project, and on the other hand, a local initiative of building up a village organization or a structure that manages common pool resources, asking then some technical or institutional support to the foreign NGO (Capocchini and Perotti 2012).

In order to answer empirically to our questions we utilize data about VOs 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

1 Hereafter we will use the term ‘participation’ indicating the effort of donors in giving resources and support for decision power to local village organizations.

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.

We assume different behaviours following the degree of proactivity of the VO. Using the classification proposed by Mansuri and Rao (2013), we aim at identifying the VOs of our dataset that followed a pattern of ‘induced’ or ‘organic’ participation. This dimension is difficult to measure and to observe, therefore we use three proxies for it. First, among the VOs built up in villages where an international donor intervened, we look if there are specific characteristics of the VOs that were born in the three years after an NGO intervention. Second, among the VOs that have a partnership with a donor, we look at the specificities of those who did not take the initiative to build such a partnership, that is to say those partnerships where the donor made the proposal. Third, again among the VOs that have a partnership with a donor, we look at those who declare having started that partnership before (or the same year of) their birth.

We are interested in the effect of these different patterns on four major characteristics and outcomes of the VOs: misreporting on membership, ability to mobilize members, members’ perceived benefits received from the VO, distribution of benefits within the VO and ‘elitism’. We expect an increased level of misreporting and a lower ability to mobilize members in cases of ‘donor-induced’ VOs. Regarding the perceived benefits and the level of elitism we expect the effects to go in different directions.

The results go, although weakly, in the expected directions, but they are not robust to some control. We consider our results as being informative, though at a descriptive level. Moreover, the results change substantially according to the indicator that is used, both as dependent and as explanatory variable. Differences among Senegal and Burkina Faso prove to be important, but still largely unexplained at this stage of the work.

2 The relevant literature

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 involving a local community in a process of ‘participation’ may have above all an intrinsic value: the 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 are supposed to 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, Holmen 2010). Following these arguments, 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 often supporting VOs is not anymore a mean to an end,

but becomes an end itself (Bano 2008, Barnes and Van Laerhoven 2013, Edwards and Hulme 1995, Aldashev and Navarra 2013, Holmen 2010).

Within the literature on international aid and VOs, we select the contributions that focus on the *kind* of relationship between the donor and the VO. We follow the intuition that the way in which donors support the VO may affect some dimensions of the VO itself (Edmonds 2003, Alcorn 2005, Bano 2008, Barnes and Van Laerhoven 2013). In the works summarized below we notice extensive researches based on the same intuition, although of course with differences in scale, methods and geographical focus. As we will explain in detail, these works deeply inspired us for the definition of the variables and for the specification of our empirical investigations.

Mansuri and Rao (2013) 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. Second, 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. Donors' institutional structures and incentives are tailored to projects with short timelines and linear trajectories of change, while 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 who have the support of international aid and 20 who rely mainly on public donations and volunteers. The aim of her study is to analyze the impact of development aid on organizations' membership and performance. 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 the other set of 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 organization. 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 the organizations, 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'.

Capocchini and Perotti (2012: 27–30), deriving observations from their extensive field work as practitioners in Sub-Saharan Africa, highlight that from the 70's many of government functions have been transferred to civil society organizations and peasants organizations (*Organisations Paysannes* in French speaking countries). The two authors identify 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 reforms), by economic factors (such as the 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 labelled 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, 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 protected area 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).

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. Edmonds observes that the institutional heterogeneity that is generated by differences in how donors support the reform may affect the success or failure of the reform.

Barnes and Van Laerhoven (2013) conduct a very interesting research in Maharashtra, India. According to the Joint Forest Management 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. NGOs have both a supportive role in motivating and organizing village communities, and an intermediate role between the Forest Department 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 did not previously exist.

Starting from this literature, we test the relationship between different modes of donor intervention towards village organizations, and some characteristics and outcomes of these organizations. We constructed variables taking inspiration from the indicators used by the authors presented and adapting them according to the information available in our data sets.

First, we define some measures that allow us to capture the VOs that have followed a path of 'induced participation' with respect to those who followed a path of 'organic participation'. We overlap this definition with the distinction proposed by Alcorn (2005) between 'design' and 'discovery' mode of intervention of an external aid actor. It has to be noted that we apply the category of 'induced participation' only to VOs that are induced by actors of the international cooperation, while Mansuri and Rao (2013) define a wider concept, including all cases of bureaucratic stimulus given by State entities to civil society organizations.

Second, we define some characteristics of the activities and outcomes of the VOs that may be affected by the different kinds of relationship that the VOs have with the development NGOs. We identify four different areas: misreporting on membership, ability to mobilize members, benefits that members declare to receive from the participation into the VO, and elitism in the composition of membership and in the distribution of benefits from the VO.

Following the findings of the literature, we hypothesize the following relationships to hold. First, we expect that VOs that followed an ‘induced’ or ‘design’ pattern are more likely to misreport information about the membership. This should hold because they are more likely to be prone to rent-seeking behaviours, with the aim of exploiting the resources that come from the donor. Moreover, because of the top-down approach, these organizations may be more distant from the local needs and thus they may have less impact on the local people, who do not report their participation to such organizations, although they are formally members (Bano 2008, Capocchini and Perotti 2012). Second, for the same reasons, we expect that ‘induced’ VOs are less able to mobilize members and this shall translate into a declining number of members in the VO life (Bano 2008). Third, regarding the benefits of participation perceived by members, the relationship can go in both directions: ‘induced’ VOs may have more resources given by the development NGO, but their activities are more likely to be driven by donors’ preferences rather than from members’ ones (Bernard et al. 2008). Fourth, the same twofold relation can hold in case of elitism: if rent-seeking prevails, these VOs may be more likely to be dominated by some form of local elite such as for example the wealthiest or the better connected families. However, the level of elitism may be lower in the case where the development NGO is deeply committed to equality and inclusiveness, and it is able to transfer to the VO this inclusive approach (Platteau 2004, Platteau and Gaspard 2003, Platteau and Abraham 2002, Bano 2008, Mansuri and Rao 2013).

Our contribution to the literature lies in the fact that the information about the history of the VO and about the actual kind of relationship between the VO and the aid industry contained in the large dataset allows us to provide empirical measures and analyze relationships in a field where contributions have been mostly theoretical or case studies. This is even more interesting considering the focus on these two African countries, in which associative movements have been particularly significant since decades.

3 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

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

ecologically and economically differentiated zones. Within these regions, four to seven administrative clusters are selected randomly (*Communautés Rurales* in Senegal, *Départements* in Burkina); 14 villages for each cluster are randomly chosen. The size of the sample is summarized in Table 1.²

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. Moreover 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’ (COs, provide local public goods or club goods) and ‘market-oriented organizations’ (MOs, 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 do not generate monetary revenues for their members, do not induce economic differentiation. Rainfall variability, as a measure of the instability of the conditions of production, constrains the emergence of MOs. On what concerns performance, the authors argue that this is 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 authors argue – 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, the 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.

² 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.

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 households. These authors interestingly investigate whether ‘elitism’ is correlated with donors’ sponsorship and their result is that donors’ support fail to make organizations more inclusive.

4 The main variables and descriptive statistics

4.1 The explanatory variables

In order to capture the nature of the relationship between the VO and external donors (‘induced’ participation or ‘organic’ participation), we use three sets of explanatory variables that provide information on the process of creation of the VO and on the way external partnerships have been built up. Later we will explain how we utilize these variables in interaction terms. We consider the following cases as proxies of a condition of ‘induced participation’³:

- (1) An intervention of a donor or of an NGO occurred in the village in the three years before (or the same year) the birth of the VO.
- (2) The VO already had a partnership with a donor or with an NGO at the moment of its birth, or established it the same year.
- (3) A partnership with a donor or with an NGO has been established following a donor’s own initiative.

In the first case, we only consider VOs in villages where at least one donor intervention occurred; in the second and the third, we consider only the VOs that established at least one partnership. We chose to use three different proxies, since we recognize that every single proxy suffers of limitations as a measure of ‘induced participation’, because of the very nature of this characteristic that is not clearly observable and measurable.

In the first set of explanatory variables we look at the characteristics of the VO formation. We know who had the idea of its creation and particularly whether it is an NGO or a donor agency (Table 2).

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 of NGOs. This is

³ For simplicity we will always use the expression ‘induced participation’ taken from Mansuri and Rao (2013), although it expresses the same concept of the ‘design mode’ of participatory conservation projects (Alcorn 2005) and of the ‘resource mobilization’ incentive for VOs creation (Capocchini and Perotti 2012).

Table 2 – Information on the idea of starting 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%
'fonctionnaire influent'	4.3%	–

Table 3 – Information on the donors' intervention in the village

	Burkina Faso	Share on total Burkinabe VOs	Senegal	Share on total Senegalese VOs
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 3 years before the creation of the VO	162	22.9%	143	32.9%
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 3 years before the creation of the VO and then left	75	10.5%	61	14.1%

confirmed by the variables at the village level that tell us if a donor or development NGO intervened in the village and when (Table 3).

We try to capture the distinction between 'induced' or 'organic participation' 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. Of course the fact that this approximation is correct is an important assumption. The belief that it is reasonable is corroborated by the fact that 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 has been present 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 where no NGO intervened in the village compared to more than 13.5% if an NGO intervened the same year the VO was born or in the three previous years (and 6.5% in case an NGO intervened, but not before the creation of the VO).

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

	Burkina Faso	Share on total Burkinabe VOs	Senegal	Share on total Senegalese VOs
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%
Has a partnership with an NGO or donor established at the time of the VO birth	116	16.2%	83	19.1%

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 3 years before the VO birth	26.6%	29.2%	34.4%
Has a partnership with an NGO or donor who came on its own initiative	27.7%	33.7%	38.6%

The second set of explanatory variables includes information on the kind of partnerships that the VO has with external actors⁴ (Table 4). We use information on the timing of the partnership. More than the half of the VOs that have a partnership with a donor or external NGO, established it at their birth. We use these cases as another possible approximation for conditions of ‘induced participation’. This is again a strong assumption, but we claim that it is reasonable: we observe that, among the VOs that have a partnership with a donor, the share of those who were founded following an idea of a donor, substantially increases if the partnership has been established at the VO birth (from 6.5% of cases to 16.1%).

In the third set of explanatory variables, 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, regardless the timing of the partnership. This variable is not related to the process of formation of the VO, but rather to the degree of initiative that the VO has in the relationship with the donors: VOs where the push to create a partnership came from the external agency may be more likely to be ‘supply-side-driven’, e.g. driven by the needs of the donor rather than from the needs of members.

4 In case of multiple partnerships, we select the oldest one.

In the next section we will use our three variables of interest as interactions, in order to use as much information as possible and to look at the differential effect of the following dimensions.

- (1) A donor intervention in the three years before the VO birth with respect to the effect of a donor intervention at other points in time.
- (2) A partnership established at birth with respect to the effect of a partnership with a donor established subsequently.
- (3) A partnership whose initiative has been taken by the donor with respect to a partnership established upon an idea coming from the VO.

We will do this when allowed by the specification used, e.g. when we will use models with dichotomous dependent variables, we will not interact the explanatory variables in order not to end up with coefficients whose interpretation is not clear.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).⁶ 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 market-oriented activities, both alone and combined in multipurpose VOs.

This distinction will be relevant when turning to the analysis of the declared benefit received from the participation in the VO, since the nature of the activities carried on is a big determinant of the services obtained and the benefit perceived.

4.2 The dependent variables

Turning to the dependent variables, we use indicators that capture different dimensions of the VO activities. We can group these measures in four sets, which are summarized in Table 6.

- (1) VO misreporting on membership.
- (2) VO ability to mobilize members.
- (3) Declaration of members on the services received by the VO.
- (4) Distribution of benefits within the VO and elitism in its composition.

⁵ We will develop more this part in further works. In dichotomous models, anyway, 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 or established at birth has to be read as conditional on the fact that a partnership was established.

⁶ 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 6 – The dependent variables

Set of variables	Reference supporting the variable	How the variable is constructed
1. VO misreporting on membership	Capocchini and Perotti (2012)	1.1 Dummy for 'empty shells': the VO exists on paper, but no household in the village declared to belong to these VO. 1.2 Discrepancy between declared members and actual members.
2. VO ability to mobilize members	Bano (2008); Capocchini and Perotti (2012)	2.1 Variation in the number of members from the birth of the VO to survey time.
3. Declaration of members' on the services received by the VO (Self-reported benefits organization)	Bernard et al. (2008); Barnes and Van Laerhoven (2013)	3.1 Share of the VO members that declared, in the household survey, to have benefited of their participation into the organization.
4. Distribution of benefits and 'selection of the wealthiest' into the VO	Arcand and Fatchamps (2012); Bano (2008); Barnes and Van Laerhoven (2013). Based on the idea of the elite capture problem: Platteau and Abraham (2002); Platteau and Gaspard (2003); Platteau (2004).	4.1 Share of members who are in the top quintile of landholding among those who declare of benefiting from services from the VO. 4.2 Average size of members' landholding as a ratio of the average landholding in the village.

Table 7 – Information on VOs' members. Standard deviations are in parentheses

	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)

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

	Only CO activities	Only MO activities	Both CO and MO
Share of members declaring having benefitted from VO services	50.6%	67%	67.3%

Table 9 – Information on landholding. Standard deviations are in parentheses

	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)
Share of members who belong to the landholding top quintile over those who receive services from the VO	0.47 (0.29)	0.56 (0.31)

The variables in the first set (1.1. and 1.2) can be used to approximate the rent-seeking attitude of the VO. The extreme 'negative' outcome is the case of the so-called 'empty shells' (1.1). 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. The discrepancy between the actual number of members and the declared one (1.2) is the ratio between the number of declared members by the VO itself and the actual number, which is measured by summing up all the household where at least one member is part of the VO (this is allowed by the fact that we have a household survey that is exhaustive at the village level).⁷ This can be both a measure of VO over-reporting in order to attract more funds and a measure of effectiveness in providing services: VOs that exist on paper but that are more or less inactive are more likely not to be mentioned by the interviewed household when asked to.

As a proxy for the ability to mobilize members, we use the change in the number of members between the origin of the VO and the time of the survey (2.1). We are aware that

⁷ 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.

this measure can capture many different aspects: a VO can lose members both because of inability to mobilize people or élite capturing and because of greater specialization with efficiency gains. At the same time, it is difficult to find other measures of social capital mobilization.

We also use as dependent variable the self-reported information whether members have benefited of services delivered by the VO (3.1) (Bernard et al. 2008): we create a variable indicating the share of members who declare having benefited from some services provided by the VO. It is a continuous variable, bounded between 0 and 1. Obviously, this is strongly linked to the type of activity carried on and to the fact that the VO 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.

The last set of variables relates to wealth differences and benefit distribution within the VOs. First, we look at how many of those who declare having received services from the VO belong to the top landholding quintile (4.1). We measure the ratio of those who declare to receive benefits from the participation to the VO and are in the top quintile of landholding, over the total number of members of the VO who declare receiving benefits from the VO. Second, we ask whether the organization gathers the wealthiest inhabitants of the village (4.2). We measure it by the ratio between the average landholding in the VO and the average landholding in the village.

An important disclaimer that has to be made is the heterogeneity of the VOs that we analyse: the same indicators (size, members declaring having received services, wealth composition, . . .) may have very different meaning for different VOs. For example, it matters whether VOs deal with agriculture or other rural activities, whether their main aim is public good provision or market-oriented activities. For this reason, we always control for the sector of activity of the VO. We also control for the age of the VO, since organizations built up in different times may have very different characteristics. Moreover, we systematically exclude the VOs that organize collection and trade of cotton in Burkina Faso, since they are quasi-public organizations and the affiliation is compulsory for cotton producers.

Another major disclaimer concerns the difficulty in establishing causality links because of large endogeneity issues we are facing. The same characteristics of the villages may indeed explain the arrival of a donor or aid agency and the birth of a VO, and the same characteristics of the VOs may explain some characteristics and the relationship with foreign donors. The relationship can nevertheless go in both directions: donors may prefer to address towards areas with strong VOs in order to easily find partners or towards areas with weaker VOs since they are plausibly poorer. In order to control for some context-specific drivers, we introduce some controls at the village level: population size, number of VOs in the village, distance to the closest market (in order to measure the remoteness of the area), presence of a health centre and of a formal school (as proxies of 'institutional infrastructure').

We will try to discuss the possible endogeneity bias case by case. Still, we invite the reader to consider the following results as mainly descriptive, but we will argue that they are nevertheless informative with respect to our research question.

5 The results: correlates of the VO misreporting

A first relationship that we want to test is whether those characteristics that identify ‘induced’ VOs are positively correlated with the risk of being tools to capture the aid rent. One of the possible ways to detect this rent-seeking behaviour is to identify VOs that only exist on paper (‘empty shell’ variable, 1.1). As we explained, we capture through a dummy variable that takes value of 1 if no household in the village declares to be member of this VO. We use the fact that an international NGO intervened in the village in the three previous years of the VO birth as a proxy for the VO being born upon the pressure and the initiative of the external donor: we thus want to compare these cases with those where an NGO intervened, but with a different timing. Looking at the descriptive statistics, we see that the difference between the share of ‘empty shells’ among the VOs who were born three years after an NGO intervention and the other cases, is overall very small (20% and 19.8%). Moreover, it seems that there are two different patterns in Senegal and Burkina Faso: in Burkina the share of ‘empty shells’ is higher where an NGO intervened just prior to the VO birth (25.9% against 19.5%), while in Senegal it is the opposite (13.3% against 20.3%).

This is confirmed if we perform the following *probit* model:

$$Y_i = \alpha + \beta (\text{donor 3 years before})_i + \gamma (\text{VO controls})_i + \delta (\text{village controls})_i + \varepsilon$$

where Y_i is the dummy ‘empty shell’.

The controls that we introduce are, at the VO level, the age of the VO and sector dummies; at the village level, they are the population size, the number of the existing VOs, the distance to the closest market, the presence of a health centre and of a formal school. We both control for the VO being in Senegal and we split the sample between the Senegalese and the Burkinabe observations; we include district level fixed effects and we cluster standard errors at the village level.⁸

From this specification we see that our assumption is verified in Burkina Faso: the presence of a donor in the village in the three years before the VO birth increases the probability that the VO is an ‘empty shell’ (Table 10). In Senegal the relationship goes in the opposite direction.

This diverging effect between Senegal and Burkina is confirmed if we use as explanatory variable the fact of having had a partnership with an external donor at birth. Here, the signs of the relationship are the same as in the previous specification, but the coefficient of the Burkinabe subsample is no more significant.

Among the controls, it is interesting to notice that in both specifications a greater number of VOs in the same village increases the probability that the i th VO is an ‘empty shell’. This is an interesting subject for further research. Its interpretation can follow different lines: it can be motivated by a negative effect of within-village competition, or by rent-seeking attitudes towards the ‘development rent’. Another striking result is the positive coefficient of the presence of a formal school in the village. This needs further

⁸ In the discrete dependent variable models, we do not use interacted terms in order to keep the interpretation of the coefficient simple. We plan to develop these specifications further in future works.

Table 10 – Probability of being an ‘empty shell’. Probit model. Standard errors are in parentheses

	Total	Senegal	Burkina Faso
NGO intervention 3 years before the VO birth (dummy)	0.105 (0.131)	-0.425 (0.192)**	0.334 (0.166)**
Senegal (dummy)	-0.621 (0.482)		
Age of the VO	-0.009 (0.010)	-0.040 (0.017)**	0.004 (0.012)
Number of VO in the village	0.064 (0.024)***	0.105 (0.056)*	0.050 (0.026)*
Number of inhabitants of the village (hundreds)	0.000 (0.004)	-0.009 (0.005)*	0.013 (0.008)
Distance from the market	0.064 (0.188)	-0.101 (0.340)	0.210 (0.222)
Cattle growing (dummy)	0.207 (0.181)	0.607 (0.311)*	0.084 (0.229)
Credit (dummy)	-0.120 (0.301)	0.033 (0.377)	
Processing and trading (dummy)	0.216 (0.151)	0.237 (0.252)	0.057 (0.198)
Collective productive activity (dummy)	-0.374 (0.158)**	-0.609 (0.264)**	-0.171 (0.215)
Collective field (dummy)	0.082 (0.152)	-0.724 (0.285)**	0.136 (0.178)
Services to agriculture (dummy)	-0.033 (0.209)	-0.158 (0.782)	-0.132 (0.220)
Services to the community (dummy)	-0.187 (0.163)	-0.394 (0.244)	-0.131 (0.224)
Health centre in the village (dummy)	0.074 (0.169)	0.219 (0.352)	0.034 (0.198)
Formal school in the village (dummy)	0.577 (0.205)***	0.809 (0.480)*	0.486 (0.229)**
Constant	-2.067 (0.616)***	-2.418 (0.968)**	-2.694 (0.715)***
N	693	294	397

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level.

deepening, but it may be interpreted as a sign of greater rent seeking behaviours in better connected areas.

Among the VOs who have an external partnership, if we look for the correlation between the ‘empty shell’ dummy and the information we have on ‘who had the idea of the partnership’, we do not find coefficients significantly different from zero, even though the sign goes in the expected direction. Among the VOs that have a partnership with a donor or NGO, we find a positive (but not significant) coefficient of those cases where the partnership has been established upon initiative of the external actor.

Besides the extreme case of ‘empty shells’, a broader indicator of VO misreporting is the discrepancy between actual and declared members (variable 1.2). We use the ratio between the number of members declared by the VO and the number of households

that self-declare as members in the household questionnaire. The higher the ratio, the lower is the discrepancy. The dependent variable takes value of zero in the case of empty shells.

In Table 11 we present the results of the following OLS specification:

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{a donor intervened in the village})_i \\
 & + \gamma (\text{a donor intervened in the village in the 6 years around the VO birth})_i \\
 & + \delta (\text{a donor intervened in the village in the 3 years before the VO birth})_i \\
 & + \zeta (\text{VO controls})_i + \eta(\text{village controls})_j + \varepsilon
 \end{aligned}$$

In order to exploit the maximum information available, we introduce a triple interaction variable, as explained in the previous section, in order to disentangle the effect of a donor intervention in the three years before and the three years after the VO birth. The ‘induced versus organic participation’ argument makes us expect a positive or null effect of an intervention just after the VO birth, and a negative one of an intervention just before. Nevertheless, we have a weak but interesting evidence that goes in our direction: a positive and significant correlation with the donor intervention arriving just after the VO birth and a negative (although non-significant) correlation with the opposite situation (a VO who was born just after an intervention). This is nevertheless true only when controlling for village-level fixed effects without clustering standard errors (the last three columns).

When turning to partnership variables as proxies for ‘induced’ or ‘organic participation’ we find no significant correlation with the fact that a partnership was established under an external pressure (Table 12). However, we find an interesting result if we look at the partnerships that have been established at the birth of the VO or before, conditional on the VO having a partnership. We perform the following OLS, where Y_i is again the ratio between the number of members declared by the VO and the number of households that self-declare as members in the household questionnaire:

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{partnership with donor})_i \\
 & + \gamma (\text{partnership that started at VO birth})_i \\
 & + \delta (\text{partnership with donor} * \text{partnership that started at VO birth})_i \\
 & + \gamma (\text{partnership with donor at VO birth})_i \\
 & + \zeta (\text{VO controls})_i + \eta(\text{village controls})_j + \varepsilon
 \end{aligned}$$

This specification tells us that the correlation of accuracy of reporting with the presence of a partnership with a donor established later in the life of the VO is not significantly different from zero; when the partnership is established at the VO birth, it becomes significantly negative. A partnership with a donor at the VO birth seems thus to increase misreporting at the time of the survey.

In Senegal the effect of having a partnership at birth with a non-donor external actor is positive, but it is more than compensated by the negative effect in cases of partnership established at birth with donors. The corresponding coefficients in the Burkinabe subsample are not significant. This result suffers of a main limitation,

Table 11 – Discrepancy between actual and declared members (the higher the ratio, the lower is the discrepancy). OLS model. Standard errors are in parentheses

	total	Senegal	Burkina Faso	total	Senegal	Burkina Faso
A donor (NGO) intervened in the village (dummy)	0.000 (0.030)	-0.060 (0.044)	0.030 (0.039)	-0.315 (0.210)	-0.008 (0.206)	0.223 (0.358)
A donor (NGO) intervened in the village in the 6 years around the birth of VO (dummy)	0.010 (0.030)	0.021 (0.042)	-0.004 (0.041)	0.096 (0.038)**	0.081 (0.054)	0.096 (0.054)*
NGO intervention 3 years before the VO birth (dummy)	0.004 (0.031)	-0.037 (0.041)	0.042 (0.044)	-0.050 (0.037)	-0.068 (0.050)	-0.025 (0.055)
Senegal (dummy)	0.339 (0.063)***			-0.031 (0.206)		
Age	0.001 (0.002)	-0.004 (0.002)*	0.005 (0.002)**	0.004 (0.002)**	-0.000 (0.003)	0.007 (0.003)***
Average landholding	0.001 (0.004)	0.000 (0.006)	0.002 (0.004)	-0.002 (0.007)	-0.017 (0.018)	-0.001 (0.008)
Cattle growing (dummy)	-0.040 (0.030)	-0.013 (0.055)	-0.049 (0.037)	-0.038 (0.042)	-0.040 (0.068)	-0.019 (0.055)
Credit (dummy)	-0.097 (0.050)*	-0.076 (0.055)	-0.190 (0.077)**	-0.043 (0.066)	-0.085 (0.070)	-0.029 (0.145)
Processing and trading (dummy)	0.015 (0.023)	0.027 (0.030)	-0.006 (0.035)	0.029 (0.032)	0.087 (0.041)**	-0.027 (0.049)
Collective productive activity (dummy)	-0.008 (0.026)	-0.007 (0.032)	-0.010 (0.041)	-0.031 (0.034)	-0.026 (0.043)	-0.013 (0.054)
Collective field (dummy)	0.067 (0.026)**	0.040 (0.039)	0.071 (0.035)**	0.011 (0.036)	-0.052 (0.067)	0.030 (0.046)
Services to agriculture (dummy)	0.037 (0.042)	-0.187 (0.077)**	0.047 (0.046)	0.054 (0.047)	-0.067 (0.127)	0.054 (0.054)
Services to the community (dummy)	-0.036 (0.024)	-0.080 (0.029)***	0.005 (0.039)	-0.075 (0.033)**	-0.106 (0.043)**	-0.060 (0.052)

Continued

Table 11 – Continued

	total	Senegal	Burkina Faso	total	Senegal	Burkina Faso
Number of VO in the village	-0.004 (0.005)	-0.013 (0.008)*	0.001 (0.005)	0.012 (0.011)	0.004 (0.016)	0.005 (0.015)
Number of inhabitants of the village (hundreds)	-0.002 (0.001)***	-0.002 (0.001)**	-0.002 (0.001)*	-0.002 (0.002)	-0.003 (0.002)*	-0.004 (0.004)
Distance from the market	0.054 (0.029)*	0.090 (0.045)**	0.030 (0.039)	0.213 (0.219)	-0.347 (0.217)	-0.092 (0.242)
Health centre in the village (dummy)	-0.066 (0.029)**	-0.051 (0.049)	-0.062 (0.034)*	0.019 (0.201)	0.276 (0.209)	-0.346 (0.225)
Formal school in the village (dummy)	0.010 (0.028)	0.127 (0.043)***	-0.060 (0.036)*	0.030 (0.214)	-0.226 (0.209)	0.124 (0.198)
District fixed effects	YES	YES	YES	NO	NO	NO
Village fixed effects	NO	NO	NO	YES	YES	YES
Cluster standard errors at the village level	YES	YES	YES	NO	NO	NO
Constant	0.139 (0.062)**	0.454 (0.125)**	0.151 (0.075)**	0.353 (0.408)	0.899 (0.342)***	0.570 (0.470)
R ²	0.25	0.29	0.28	0.71	0.75	0.69
N	819	363	456	819	363	456

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

Table 12 – Discrepancy between actual and declared members. OLS model. Standard errors are in parentheses

	Total	Senegal	Burkina Faso
VO has a partnership with a donor (dummy)	0.017 (0.036)	0.018 (0.047)	0.017 (0.057)
VO has a partnership that started at its birth (dummy)	0.029 (0.043)	0.112 (0.066)*	0.005 (0.065)
Partnership with a donor at the VO birth (dummy)	-0.098 (0.052)*	-0.138 (0.079)*	-0.083 (0.078)
Senegal (dummy)	0.060 (0.039)		
Age	-0.002 (0.002)	-0.005 (0.003)*	0.001 (0.004)
Average landholding	0.007 (0.005)	0.002 (0.007)	0.008 (0.005)
Cattle growing (dummy)	0.030 (0.042)	0.084 (0.072)	-0.001 (0.057)
Credit (dummy)	-0.055 (0.058)	0.004 (0.076)	-0.215 (0.071)***
Processing and trading (dummy)	0.009 (0.031)	0.012 (0.041)	-0.007 (0.053)
Collective productive activity (dummy)	-0.016 (0.035)	-0.053 (0.039)	0.013 (0.065)
Collective field (dummy)	0.139 (0.033)***	0.117 (0.048)**	0.134 (0.049)***
Services to agriculture (dummy)	-0.011 (0.057)	-0.193 (0.167)	0.011 (0.064)
Services to the community (dummy)	-0.009 (0.034)	-0.069 (0.038)*	0.046 (0.057)
Number of VO in the village	0.001 (0.006)	-0.008 (0.006)	0.011 (0.010)
Number of inhabitants of the village (hundreds)	-0.002 (0.001)**	-0.001 (0.001)**	-0.003 (0.002)*
Distance from the market	0.093 (0.043)**	0.099 (0.054)*	0.073 (0.064)
Health centre in the village (dummy)	-0.070 (0.039)*	-0.058 (0.060)	-0.096 (0.054)*
Formal school in the village (dummy)	0.003 (0.041)	0.100 (0.057)*	-0.066 (0.059)
Constant	0.198 (0.099)**	0.241 (0.126)*	0.236 (0.144)
<i>R</i> ²	0.14	0.21	0.18
<i>N</i>	477	224	253

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$; standard errors clustered at the village level.

since it loses significance controlling for district fixed effects. This means that, within the same district, the differences we are looking for are not significantly different from zero, even though they keep having the same signs. Of course, possible endogeneity biases may lead to overestimate the effect: if there are some other reasons of deep inefficiency of the VO, this can explain both the need of a partner since the beginning and a high misreporting, since we can interpret a low number of people declaring to be member as a measure of poor efficiency in service delivery.

Overall, we can say that our expectations on what concerns the ‘misreporting’ variables is partly verified, although not very robust. The ‘empty shell’ determinants strongly differ between Senegal and Burkina Faso and this, in our opinion, captures different institutional settings and VO trajectories in the two countries. In Senegal the associative movement has a long history and is deeply rooted both in rural and in urban context. Partnerships with donors are frequent, but less likely to happen at the very birth of the VOs; most of the VOs, ‘induced’ and ‘organic’, are embedded in value-chain or national networks of VOs. This may explain what seems to be a better outcome of the ‘induced’ form of participation. On what concerns the ratio between actual and declared members, the correlations go in the expected directions, but they are not robust to some important controls.

6 The results: correlates of the VO ability to mobilize members

If we look at the variation in the number of members, we do not 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 (Table 13)). Our specification is the following:

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{partnership with a donor})_i \\
 & + \gamma (\text{partner came on his own initiative}) \\
 & + \delta (\text{partnership with a donor} * \text{partner came on his own initiative})_i \\
 & + \zeta (\text{VO controls})_i + \eta (\text{village controls})_j + \varepsilon
 \end{aligned}$$

where Y_i is the variation in the number of members declared by the VO between the origin and survey time.

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. This relationship – although it does not hold in the Burkinabe subsample – is the one we expected: the effect of a partnership with a donor is positive, provided that the VO has a proactive role in the relationship.

The result suffers of some limitations: first, it risks to be endogenous, since VO that loose members are more likely to be weaker and – provided that they have a partnership- to be unable to be the engine of such a partnership. A second limitation is the difficulty to understand what the variation of the number of members exactly captures: it may not necessarily be a measure of capacity to mobilize members, but it may be a measure of specialization. In this case, a reduction in the number of members may not be a negative outcome.

Table 13 – Variation in the number of members declared by the VO between the origin and survey time. OLS model. Standard errors are in parentheses

	Total	Senegal	Burkina Faso
Has a partnership with a donor (dummy)	16.460 (6.369)**	28.900 (11.424)**	1.238 (4.929)
Has a partner who came on his own initiative (dummy)	-0.785 (4.961)	1.884 (12.296)	-3.376 (4.487)
Has a partnership with a donor who came on his own initiative (dummy)	-17.507 (8.148)**	-29.695 (16.234)*	1.632 (5.827)
Senegal	41.024 (9.301)***		
Age	0.497 (0.279)*	1.792 (0.460)***	-0.338 (0.284)
Cattle growing (dummy)	3.286 (9.316)	26.404 (21.366)	-8.880 (4.498)*
Credit (dummy)	9.287 (9.506)	22.104 (12.511)*	-1.780 (8.428)
Processing and trading (dummy)	5.770 (6.037)	20.516 (12.236)*	-2.507 (3.563)
Collective productive activity (dummy)	-2.524 (5.876)	-5.048 (11.538)	-2.695 (4.874)
Collective field (dummy)	-1.409 (5.480)	20.061 (18.726)	-4.068 (3.254)
Services to agriculture (dummy)	0.509 (6.490)	45.262 (24.719)*	4.920 (4.901)
Services to the community (dummy)	10.617 (6.021)*	12.765 (7.991)	11.171 (9.124)
Number of VO in the village	-0.158 (0.912)	1.508 (1.737)	-0.658 (0.866)
Number of inhabitants of the village (hundreds)	-0.038 (0.107)	0.047 (0.135)	-0.120 (0.200)
Distance from the market	-6.901 (4.284)	-14.837 (9.001)	-3.394 (4.694)
Average landholding	-1.219 (0.611)**	-2.186 (1.081)**	-0.235 (0.523)
Health centre in the village (dummy)	-0.420 (5.758)	-14.303 (10.755)	1.454 (6.453)
Formal school in the village (dummy)	2.154 (5.843)	17.347 (8.906)*	-9.795 (5.862)*
Constant	4.107 (11.047)	-6.124 (24.158)	18.009 (10.834)*
R^2	0.20	0.31	0.14
N	470	219	251

*p < 0.1; **p < 0.05; ***p < 0.01; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level; robust to the exclusion of the outliers.

7 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, that is the answer households give about whether they benefited from the VO services. This measure 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. For this reason, besides controlling for the sector of activity, we run separate regression for organizations that carry on some market-oriented activities and for organizations that just produce public goods. We assume that it is more likely that market-oriented VOs produce services that are more easily measurable by members and therefore more likely to be reported. Our specification is the following (OLS):

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{a donor intervened in the village})_i \\
 & + \gamma (\text{a donor intervened in the village in the 6 years around the VO birth})_i \\
 & + \delta (\text{a donor intervened in the village in the 3 years before the VO birth})_i \\
 & + \zeta (\text{VO controls})_i + \eta (\text{village controls})_j + \varepsilon
 \end{aligned}$$

Where Y_i is the share of members who declared having benefitted from the VO services on the total of members. The results are reported in Table 14.

Most of the coefficients are not significant. We can nevertheless see that we find the expected signs in the Senegalese subsample, both looking at all typologies of VOs and at market-oriented ones: a positive or null γ and a negative δ . This seems to be in contradiction with the positive specificity of the Senegalese VO that we found in the first specification.

In order to analyse deeper the specificity of the Senegalese observations, we define another OLS specification where we interact our variable of interest with a dummy variable indicating if the VO belongs to the Senegalese sample (Table 15).

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{Senegal})_i \\
 & + \gamma (\text{NGO intervention 3 years before the VO birth})_i \\
 & + \delta (\text{NGO intervention 3 years before the VO birth} * \text{Senegal})_i \\
 & + \zeta (\text{VO controls})_i + \eta (\text{village controls})_j + \varepsilon
 \end{aligned}$$

Among the VOs in villages where a donor intervened, we observe a different effect of an intervention that has been held in the three years prior to the VO birth according to the country of the VO. If we look at market-oriented VOs, there is a positive correlation with the share of members who declare having benefitted from the VO services in Burkina Faso, that nevertheless reduces almost to zero in the case of Senegal. Moreover, the negative correlation in Senegal between a donor intervention and the VO perceived performance is significant regardless the timing of the intervention, but is stronger in case this occurred just before the VO birth.

The limitation of this specification is that the geographical dummy does not say much about the reasons of the different effects following the country and may hide complex historical and institutional differences.

This nevertheless highlights an interesting result: if we look at the determinants of misreporting, we find a negative effect of the 'induced participation' pattern in Burkina Faso, while this is not the case in Senegal. The opposite is true if we look at the determinants of the perceived success of the VO (in terms of the share of members declaring receiving benefits and services): a donor intervention in the three years preceding the VO birth has a negative effect only in the Senegalese sample. Here, it

Table 14 – Self-reported perception of benefits and services received from the VO. Standard errors are in parentheses

	Total	Senegal	Burkina Faso	MO total	MO Senegal	MO Burkina Faso
A donor (NGO) intervened in the village (dummy)	0.053 (0.048)	-0.060 (0.044)	0.030 (0.039)	-0.052 (0.040)	-0.101 (0.050)**	0.018 (0.070)
A donor (NGO) intervened in the village in the 6 years around the birth of VO (dummy)	0.011 (0.046)	0.021 (0.042)	-0.004 (0.041)	0.039 (0.039)	0.046 (0.048)	0.014 (0.058)
NGO intervention 3 years before the VO birth (dummy)	0.033 (0.040)	-0.037 (0.041)	0.042 (0.044)	-0.013 (0.038)	-0.034 (0.045)	0.078 (0.060)
Senegal (dummy)	0.054 (0.234)			0.163 (0.097)*		
Average landholding	-0.009 (0.006)	0.000 (0.006)	0.002 (0.004)	-0.009 (0.004)**	-0.009 (0.006)	-0.007 (0.006)
Cattle growing (dummy)	0.060 (0.044)	-0.013 (0.055)	-0.049 (0.037)	-0.043 (0.040)	-0.018 (0.059)	-0.081 (0.071)
Credit (dummy)	0.191 (0.050)***	-0.076 (0.055)	-0.190 (0.077)**	-0.071 (0.056)	-0.069 (0.061)	-0.111 (0.117)
Processing and trading (dummy)	0.114 (0.035)***	0.027 (0.030)	-0.006 (0.035)	-0.004 (0.035)	-0.007 (0.042)	-0.025 (0.074)
Collective productive activity (dummy)	0.010 (0.032)	-0.007 (0.032)	-0.010 (0.041)	-0.036 (0.037)	-0.037 (0.044)	-0.066 (0.081)
Collective field (dummy)	0.070 (0.039)*	0.040 (0.039)	0.071 (0.035)**	0.135 (0.037)***	0.057 (0.054)	0.146 (0.058)**
Services to agriculture (dummy)	0.079 (0.057)	-0.187 (0.077)**	0.047 (0.046)	0.010 (0.058)	-0.172 (0.084)**	0.029 (0.069)
Services to the community (dummy)	0.036 (0.035)	-0.080 (0.029)***	0.005 (0.039)	-0.040 (0.033)	-0.065 (0.035)*	0.028 (0.080)
Age	-0.000 (0.002)	-0.004 (0.002)*	0.005 (0.002)**	-0.001 (0.002)	-0.006 (0.003)**	0.008 (0.004)*
Number of VO in the village	0.002 (0.006)	-0.013 (0.008)*	0.001 (0.005)	-0.004 (0.006)	-0.011 (0.009)	0.003 (0.007)

Continued

Table 14 – Continued

	Total	Senegal	Burkina Faso	MO total	MO Senegal	MO Burkina Faso
Number of inhabitants of the village (hundreds)	-0.000 (0.001)	-0.002 (0.001)**	-0.002 (0.001)*	-0.002 (0.001)**	-0.002 (0.001)**	-0.002 (0.001)
Distance from the market	-0.078 (0.045)*	0.090 (0.045)**	0.030 (0.039)	0.083 (0.039)**	0.079 (0.053)	0.088 (0.053)
Health centre in the village (dummy)	-0.045 (0.048)	-0.051 (0.049)	-0.062 (0.034)*	-0.064 (0.040)	-0.039 (0.061)	-0.074 (0.044)*
Formal school in the village (dummy)	-0.060 (0.046)	0.127 (0.043)***	-0.060 (0.036)*	0.043 (0.037)	0.119 (0.052)**	-0.041 (0.058)
Constant	0.525 (0.233)**	0.454 (0.125)***	0.151 (0.075)**	0.188 (0.095)**	0.216 (0.152)	0.177 (0.254)
R ²	0.25	0.29	0.28	0.28	0.28	0.41
N	824	363	456	461	285	176

*p < 0.1; **p < 0.05; ***p < 0.01; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level.

Table 15 – Self-reported perception of benefits and services received from the VO.
Standard errors are in parentheses

	Total	MO total
Senegal (dummy)	0.194 (0.213)	-0.309 (0.141)**
NGO intervention 3 years before the VO birth (dummy)	0.080 (0.045)*	0.160 (0.064)**
NGO intervention 3 years before the VO birth in Senegal (dummy)	-0.083 (0.059)	-0.145 (0.074)*
Average landholding	0.004 (0.007)	-0.006 (0.008)
Age	0.003 (0.002)	0.001 (0.003)
Cattle growing (dummy)	0.050 (0.048)	0.012 (0.053)
Credit (dummy)	0.168 (0.059)***	0.127 (0.060)**
Processing and trading (dummy)	0.125 (0.038)***	0.035 (0.046)
Collective productive activity (dummy)	-0.003 (0.034)	-0.054 (0.045)
Collective field (dummy)	0.018 (0.046)	-0.015 (0.045)
Services to agriculture (dummy)	0.043 (0.068)	-0.168 (0.096)*
Services to the community (dummy)	0.016 (0.039)	0.058 (0.042)
Number of VO in the village	0.003 (0.006)	0.004 (0.005)
Number of inhabitants of the village (hundreds)	0.001 (0.001)	0.001 (0.001)
Distance from the market	-0.115 (0.051)**	-0.031 (0.051)
Health centre in the village (dummy)	-0.023 (0.053)	0.001 (0.053)
Formal school in the village (dummy)	-0.115 (0.052)**	-0.083 (0.058)
Constant	0.596 (0.229)***	1.024 (0.179)***
R^2	0.27	0.28
N	629	364

*p < 0.1; **p < 0.05; ***p < 0.01; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level.

seems that the negative effect of the ‘induced participation’ of VOs that are driven more by the preferences of donors than by those of the members, more than compensate the possible positive effect, that is the greater availability of resources.

If we turn to the partnership variables, we do not find significant correlations if we look at the differential effect of a partnership established upon external or VO initiative, while more interesting is the result if we interact the partnership with a donor and the timing of the partnership (Table 16).

Table 16 – Self-reported perception of benefits and services received from the VO. Standard errors are in parentheses

	Total	Senegal	Burkina Faso	MO Total	MO Senegal	MO Burkina Faso
VO has a partnership with a donor (dummy)	0.016 (0.047)	0.010 (0.061)	0.032 (0.070)	0.113 (0.059)*	0.097 (0.066)	0.219 (0.138)
VO has a partnership that started at its birth (dummy)	0.004 (0.048)	0.029 (0.066)	0.040 (0.076)	0.108 (0.062)*	0.081 (0.064)	0.298 (0.208)
Partnership with a donor at the VO birth (dummy)	-0.054 (0.060)	-0.070 (0.083)	-0.073 (0.089)	-0.178 (0.080)**	-0.146 (0.090)	-0.313 (0.191)
Senegal (dummy)	0.557 (0.213)***			-0.123 (0.268)		
Age	0.005 (0.003)	0.000 (0.003)	0.008 (0.005)*	0.001 (0.004)	-0.003 (0.004)	0.015 (0.011)
Average landholding	0.024 (0.012)*	-0.053 (0.030)*	0.034 (0.015)**	-0.008 (0.025)	-0.032 (0.032)	0.022 (0.054)
Cattle growing (dummy)	-0.014 (0.057)	0.021 (0.088)	-0.016 (0.077)	-0.022 (0.070)	0.061 (0.085)	-0.028 (0.172)
Credit (dummy)	0.081 (0.084)	0.021 (0.091)	0.198 (0.164)	-0.005 (0.100)	0.034 (0.099)	-0.054 (0.303)
Processing and trading (dummy)	0.075 (0.042)*	-0.020 (0.056)	0.110 (0.063)*	0.006 (0.061)	-0.039 (0.066)	0.090 (0.159)
Collective productive activity (dummy)	-0.025 (0.045)	0.007 (0.052)	-0.041 (0.074)	-0.046 (0.065)	-0.027 (0.070)	0.013 (0.174)
Collective field (dummy)	-0.024 (0.046)	-0.062 (0.084)	-0.044 (0.060)	-0.034 (0.076)	0.016 (0.095)	-0.100 (0.165)
Services to agriculture (dummy)	0.072 (0.059)	0.018 (0.157)	0.078 (0.071)	-0.009 (0.098)	0.053 (0.141)	-0.085 (0.189)
Services to the community (dummy)	0.047 (0.044)	0.132 (0.054)**	-0.031 (0.069)	0.064 (0.062)	0.144 (0.059)**	-0.221 (0.197)

Continued

Table 16 – Continued

	Total	Senegal	Burkina Faso	MO Total	MO Senegal	MO Burkina Faso
Number of VO in the village	0.076 (0.016) ^{***}	-0.003 (0.015)	0.068 (0.018) ^{***}	0.015 (0.024)	0.006 (0.015)	-0.038 (0.035)
Number of inhabitants of the village (hundreds)	-0.000 (0.002)	0.002 (0.002)	0.004 (0.003)	0.001 (0.002)	-0.002 (0.002)	0.016 (0.008) ^{**}
Distance from the market	0.187 (0.196)	0.218 (0.198)	-0.643 (0.233) ^{***}	0.096 (0.238)	-0.191 (0.205)	-1.027 (0.412) ^{**}
Health centre in the village (dummy)	-0.251 (0.208)	-0.108 (0.212)	-0.853 (0.299) ^{***}	-0.197 (0.227)	0.158 (0.226)	0.161 (0.320)
Formal school in the village (dummy)	-0.342 (0.214)	-0.045 (0.228)	-0.580 (0.238) ^{**}	-0.067 (0.209)	0.011 (0.229)	0.217 (0.439)
Constant	-0.120 (0.395)	0.764 (0.337) ^{**}	1.468 (0.433) ^{***}	0.885 (0.517) [*]	1.239 (0.344) ^{***}	1.366 (0.793) [*]
R ²	0.87	0.85	0.86	0.88	0.89	0.88
N	482	228	254	297	196	101

* p < 0.1; ** p < 0.05; *** p < 0.01; controlled for village fixed effects.

$$\begin{aligned}
Y_i = & \alpha + \beta \text{ (partnership with donor)}_i \\
& + \gamma \text{ (partnership that started at VO birth)}_i \\
& + \delta \text{ (partnership with donor * partnership at VO birth)}_i \\
& + \zeta \text{ (VO controls)}_i + \eta \text{ (village controls)}_j + \varepsilon
\end{aligned}$$

If we look at the market-oriented VO subsample, we see that the correlation of with a partnership established with a donor is positive, but, in case the partnership with a donor has been established at the VO birth, this positive effect is more than compensated by a negative one. Interestingly, in case of a partnership with a different actor (namely the State or a federation of organizations), the inauguration of the partnership at the VO birth has no negative effect. This may be explained by the fact that the birth of a VO under the stimulus of a federation or a public agency has some positive consequences that improves the results of the ‘induced’ mode of participation. For example, the embeddedness of the VO in a network of organizations or in a public policy plan, that are more long-lasting frameworks than the intervention of a donor.

The limitation of this specification is that it is not robust to clustering standard errors (but we control for village fixed effects). Moreover, a potential endogeneity bias exists, since stronger organizations that are more able to provide benefits to his members are also more able to attract partnerships and donors during their lives.

8 Results: correlates of the distribution of benefits and the ‘selection of the wealthiest’ into the VO

First, we look at the distribution of the perceived benefits: our dependent variable is the share –on the total of members declaring having received services from the VO– of those belonging to the top quintile of the land distribution. From a descriptive standpoint, we look whether the distribution of this variable changes between the ‘induced’ VOs on the one hand, and the ‘organic’ VOs on the other. We can expect correlations going in both directions: an ‘induced’ VO can distribute more unequally its benefits if it is dominated by a rent seeking motivation and thus more captured by the wealthiest or more connected members. On the contrary, the opposite relation can also occur if the donor is strongly committed to equality concerns and forces the VO in this direction.

We do not find any significant difference among the VOs that were born just after a donor intervention. On the contrary, we find some difference, among the VOs that have a partnership with a donor, between the VOs that have had a partnership immediately at birth and those establishing a partnership later. This is shown in Figure 1 There are more fully captured VOs among those that established a partnership at birth (where 100% of those who declare to benefit belong to the top landholding quintile).

The graph on the left concerns VOs that have partnerships established during the VO life; the graph on the right concerns VOs that have partnerships established at the VO birth.

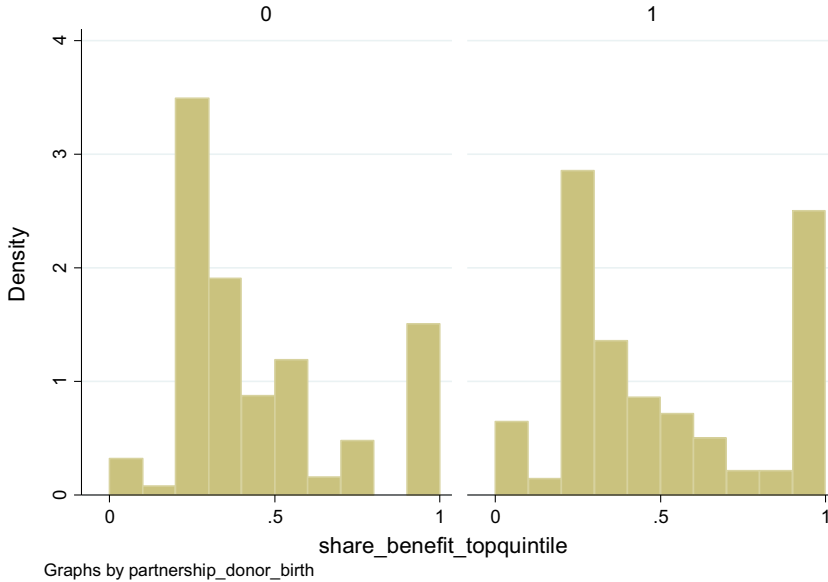


Figure 1 – Share – on the total of members declaring having received services from the VO – of those belonging to the top quintile of the land distribution.

Passing to multivariate analysis,⁹ the result is no more significant, as it is shown in Table 17. Our specification is the following OLS:

$$\begin{aligned}
 Y_i = & \alpha + \beta (\text{partnership with donor})_i \\
 & + \gamma (\text{partnership that started at VO birth})_i \\
 & + \delta (\text{partnership with donor} * \text{partnership at VO birth})_i \\
 & + \zeta (\text{VO controls})_i + \eta (\text{village controls})_i + \varepsilon
 \end{aligned}$$

where Y_i is the share, on the total of members declaring to benefit from the VO, of those belonging to the top quintile of the land distribution. A VO having a partnership with a donor started later distributes benefits more equally; the effect of beginning of the partnership at birth has a positive, but not significant effect. This means that we cannot rule out the hypothesis that the differential effect of a partnership established at birth in case of a donor is equal to zero. The effect of having a partnership at birth in case of other kind of partners is inequality-increasing.

Turning to the composition of the VO, we look at the determinants of the ratio between the average landholding in the VO and the average landholding in the village. This is a measure of the wealth composition of the VO: does it select the wealthiest in the village? We try to see if an ‘induced’ VO is more ‘elitist’ in its composition. As before, the relation can go in both directions, since the ‘induced’ pattern may lead to the

⁹ Multivariate analysis is particularly crucial since we use landholding as a measure of wealth. This may be not an appropriate measure in case of non-agricultural organizations.

Table 17 – Share –on the total of members declaring having received services from the VO- of those belonging to the top quintile of the land distribution. OLS model. Standard errors in parentheses

	Total	Senegal	Burkina Faso
VO has a partnership with a donor (dummy)	-0.104 (0.044)**	-0.157 (0.046)***	-0.019 (0.072)
VO has a partnership that started at its birth (dummy)	0.082 (0.046)*	0.047 (0.063)	0.092 (0.066)
Partnership with a donor at the VO birth (dummy)	0.055 (0.060)	0.069 (0.079)	0.014 (0.093)
Senegal (dummy)	-0.051 (0.092)		
Age	0.001 (0.002)	0.002 (0.003)	0.001 (0.004)
Cattle growing (dummy)	0.002 (0.050)	-0.097 (0.046)**	0.058 (0.084)
Processing and trading (dummy)	0.019 (0.037)	0.015 (0.047)	-0.006 (0.061)
Collective productive activity (dummy)	-0.049 (0.040)	-0.079 (0.051)	-0.057 (0.072)
Collective field (dummy)	-0.039 (0.041)	-0.013 (0.055)	-0.029 (0.057)
Services to agriculture (dummy)	0.039 (0.066)	0.438 (0.097)***	-0.038 (0.069)
Services to the community (dummy)	-0.015 (0.036)	-0.035 (0.043)	0.026 (0.063)
Cattle growing (dummy)	0.013 (0.006)**	0.014 (0.008)*	0.004 (0.010)
Number of VO in the village	-0.001 (0.001)	-0.001 (0.001)	0.001 (0.002)
Number of inhabitants of the village (hundreds)	-0.086 (0.043)**	-0.092 (0.059)	-0.084 (0.059)
Health centre in the village (dummy)	-0.019 (0.041)	-0.120 (0.061)*	0.092 (0.065)
Formal school in the village (dummy)	-0.065 (0.046)	-0.033 (0.062)	-0.059 (0.065)
Constant	0.764 (0.090)***	0.775 (0.147)***	0.530 (0.184)***
R^2	0.31	0.46	0.18
N	417	218	199

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level.

creation of VOs among the better-connected people in the village, but also –if the donor is committed to the wellbeing of the poorest- to a greater control on the inclusiveness of the organization. We do not find any correlation with the timing of the arrival of a donor, in case a donor intervened in the village ever. We report in Table 18 the results relative to the correlation with the characteristics of the partnerships of the VOs. We use two specifications:

Table 18 – Ratio between the average landholding in the VO and the average landholding in the village. OLS model. Standard errors in parentheses

	Total Model 1	Senegal	Burkina Faso	Total Model 2	Senegal	Burkina Faso
Has a partner who came on his own initiative (dummy)	-0.161 (0.098)	-0.267 (0.261)	-0.114 (0.074)			
Has a partnership with a donor who came on his own initiative (dummy)	0.229 (0.137)*	0.472 (0.350)	0.060 (0.107)			
VO has a partnership with a donor (dummy)	-0.140 (0.131)	-0.358 (0.310)	0.040 (0.085)	-0.058 (0.077)	0.037 (0.088)	-0.068 (0.122)
VO has a partnership that started at its birth (dummy)				0.005 (0.124)	0.395 (0.288)	-0.203 (0.113)*
Partnership with a donor at the VO birth (dummy)				0.074 (0.112)	-0.272 (0.208)	0.247 (0.147)*
Senegal (dummy)	-0.019 (0.280)			-0.542 (0.282)*		
Age	-0.004 (0.004)	-0.006 (0.005)	-0.002 (0.006)	-0.003 (0.005)	-0.002 (0.005)	-0.006 (0.008)
Cattle growing (dummy)	0.179 (0.205)	0.550 (0.474)	-0.075 (0.093)	0.183 (0.217)	0.583 (0.500)	-0.086 (0.094)
Processing and trading (dummy)	-0.145 (0.057)**	-0.085 (0.079)	-0.166 (0.080)**	-0.142 (0.058)**	-0.092 (0.081)	-0.137 (0.075)*
Collective productive activity (dummy)	-0.033 (0.127)	-0.176 (0.179)	0.154 (0.122)	-0.030 (0.120)	-0.179 (0.188)	0.134 (0.115)
Collective field (dummy)	0.031 (0.050)	0.009 (0.127)	0.019 (0.069)	0.024 (0.051)	0.043 (0.110)	0.002 (0.067)
Services to agriculture (dummy)	-0.042 (0.064)	-0.143 (0.168)	-0.069 (0.071)	-0.030 (0.063)	-0.214 (0.260)	-0.023 (0.073)
Services to the community (dummy)	-0.118 (0.052)**	-0.186 (0.123)	-0.149 (0.075)**	-0.132 (0.055)**	-0.177 (0.120)	-0.121 (0.066)*

Continued

Table 18 – Continued

	Total Model 1	Senegal	Burkina Faso	Total Model 2	Senegal	Burkina Faso
Number of VO in the village	-0.019 (0.019)	-0.020 (0.028)	-0.009 (0.011)	-0.021 (0.019)	-0.018 (0.028)	-0.011 (0.011)
Number of inhabitants of the village (hundreds)	-0.001 (0.002)	-0.000 (0.002)	0.002 (0.002)	-0.001 (0.001)	0.000 (0.002)	0.000 (0.002)
Distance from the market	-0.033 (0.063)	-0.091 (0.091)	0.037 (0.061)	-0.033 (0.066)	-0.114 (0.096)	0.059 (0.061)
Health centre in the village (dummy)	0.159 (0.070)**	0.142 (0.122)	0.135 (0.073)*	0.171 (0.074)**	0.178 (0.139)	0.156 (0.071)**
Formal school in the village (dummy)	-0.032 (0.054)	-0.083 (0.085)	-0.032 (0.057)	-0.030 (0.052)	-0.131 (0.088)	-0.012 (0.058)
Constant	1.398 (0.095)***	1.406 (0.314)***	1.519 (0.261)***	1.783 (0.309)***	1.164 (0.223)***	1.594 (0.242)***
R ²	0.11	0.17	0.13	0.10	0.17	0.14
N	469	218	251	472	218	254

* p < 0.1; ** p < 0.05; *** p < 0.01; controlled for Département/Communauté Rurale fixed effects; standard errors clustered at the village level.

Model 1:

$$\begin{aligned}
 Y_i &= \alpha + \beta (\text{partnership with a donor})_i \\
 &+ \gamma (\text{partner came on his own initiative})_i \\
 &+ \delta (\text{partnership with a donor} * \text{partner came on his own initiative})_i \\
 &+ \zeta (\text{VO controls})_I + \eta (\text{village controls})_j + \varepsilon
 \end{aligned}$$

Model 2:

$$\begin{aligned}
 Y_i &= \alpha + \beta (\text{partnership with donor})_i \\
 &+ \gamma (\text{partnership that started at VO birth})_i \\
 &+ \delta (\text{partnership with donor} * \text{partnership that started at VO birth})_i \\
 &+ \gamma (\text{partnership with donor at VO birth})_I \\
 &+ \zeta (\text{VO controls})_I + \eta (\text{village controls})_j + \varepsilon
 \end{aligned}$$

where Y_i is the average wealth of the VO members as a share of the average in the village.

The two results we want to underline are the differential effects of the interaction terms: in both cases – although not very robust – they confirm the hypothesis that the ‘induced’ patterns are correlated with a greater selection of the wealthiest in the VOs. In model 1, the partnership of a donor *per se* has no effect on the wealth composition of the VO, but it becomes positive if the donor established the partnership on his own initiative, without a local VO-driven initiative. This effect is significant on the whole sample, but it is not robust to the splitting of the sample according to the country. In model 2, there is a similar effect, but that just holds for the Burkinabe observation: the correlation of our measure of ‘elitism’ with the presence of a donor partner is null, but becomes positive if the partnership has been established at the VO birth.

This result risks overestimating the correlation because of endogeneity issues: wealthiest informal groups are better connected and more able to attract donors when they want to formalize into an association; they are also likely to be more visible and vocal, such that a donor, looking for local partners, addresses to them.

This evidence, although weak and potentially endogenous, goes in the direction of a positive correlation between ‘elitism’ in the VO composition and an ‘induced’ pattern.

8 Conclusions

In this paper, we have tried to analyze the relationship between the intervention of a development NGO or an external donor and some characteristics and outcomes of village organizations in Developing Countries. We address this question by means of an analysis on a large dataset of Village Organizations (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 donor. We thus distinguish between those VOs that are ‘donor-induced’ or have been brought to a partnership with the development aid agency by initiative of the agency itself, and those who have an ‘organic’ origin, and where the donor sponsorship has been pushed by the VO.

Development practitioners working on the field and academic scholars are familiar with the issue of the complex relationship between VOs and donors (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 identify three features in the history of the VO, that make us define it as ‘donor-induced’:

- (1) An intervention of a donor/NGO occurred in the village in the three years before (or the same year) the birth of the VO (when considering the villages where at least one donor intervention has taken place);
- (2) The VO already had a partnership with a donor/NGO at the moment of its birth, or established it the same year (again, among the cases where the VO has at least a partnership).
- (3) A partnership with a donor/NGO has been established following a donor’s own initiative (among the cases where the VO has at least a partnership).

As dependent variables, we use indicators of four different characteristics: VO misreporting on membership, VO ability to mobilize members, declaration of members’ on the services received by the VO, distribution of benefits within the VO and elitism in the composition of membership. Results changes a lot according to the dependent variable used and to the country of analysis. We find some evidence, although not very robust, that VOs that followed an ‘induced’ pattern are more likely to misreport information on the membership. This results only hold for Burkinabe subsample, while the opposite is true in Senegal. This can be explained by the fact that these kinds of VOs are more likely to be prone to rent-seeking behaviours. Second, because of the top-down pattern, these VOs may be more distant from the local needs and thus less important for local people, who do not report their participation to such organizations, although formally they are members. Similar reasons may explain that ‘induced’ VOs are less able to mobilize members. This dimension is measured by a declining number of members during the VO life. On what concerns the benefits of participation perceived by members, the country-specific effect is reversed: the positive correlation with the ‘induced’ pattern is found in Burkina Faso, but goes to zero in Senegal. If we look at the timing of the partnership, we see that for market-oriented VOs, the positive effect of having a partnership with a donor is cancelled out if the partnership was established at the VO birth. This can be due to the fact that in these cases VO activities are more likely to be driven by donors’ preferences rather than from members ones.

We also find out that – even though there is no robust effect on benefit distribution- an ‘induced’ VO is more likely to have a membership composition more skewed towards the wealthiest.

Overall, we find evidence that confirm our expectation, but the results are not robust and change according to the indicators used. Moreover, 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.

We think nevertheless 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, observing 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.

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