ARE NGOS MAKING A DIFFERENCE? A COMMUNITY APPROACH TO MEASURING
NON-GOVERNMENT ORGANIZATIONS (NGOS) EFFECTIVENESS IN NEPAL

A Dissertation in
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by
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Abstract

Globally and locally, NGOs have emerged as important actors in development, especially in developing countries like Nepal. The number of NGOs in Nepal increased from 249 in 1990 to over 29,000 in 2010. However, this growth does not necessarily mean NGOs are effective at improving rural livelihoods. Despite their presence, rural areas have experienced little change. Furthermore, the lack of evaluative studies on the effectiveness of NGOs challenges claims of success made in their reports, which often feature testaments from local people on program success and are otherwise self-produced and not independent. Moreover, those independent evaluations conducted have too often, analyzed a single NGO or just one project of an NGO. Therefore, neither NGO reports nor prevailing independent research provide a comprehensive and realistic assessment of the impacts of NGOs on the communities in which they work.

In order to fill this gap, this research adopted a community approach to study the effectiveness of NGOs in Nepal. The community approach reflected the premise that local people’s perceptions would better reflect the performance of NGOs in their community. The study was conducted in two rural village development committees (VDC is the lowest level administrative unit in Nepal) - Hatiya and Narayansthan- in Baglung district. The level of NGO activities in the past five years was used to identify selected VDCs. Analysis of key informant interviews (n=80), survey responses (n=265), and secondary data implied that NGO activities in the district were having mixed impacts in the communities where they worked. Positive impacts were limited to a single sector and to a small geographical area. Failures of NGO programs were common in both VDCs. Many of the implemented projects were abandoned once they ended or were poorly maintained. NGOs blamed local people for poor management, while the local people faulted NGOs for implementing short-term projects and discontinuing funding once they were completed. Furthermore, local people criticized NGOs for not making any efforts to fix failed projects.

Study findings indicated local people had mixed perceptions of NGOs with a majority expressing dualistic views. On the one hand, they praised the NGOs for their work; on the other hand, they criticized them for not addressing local issues, catering to needs of donors and political leaders, implementing short-term projects, and making money from the projects. The positive attitude reflected the view that “it is better to have something than have nothing.” An overwhelming number of respondents preferred government to NGOs for rural development efforts. However, a majority of the key informants suggested NGOs should collaborate with the government on development activities. They were aware that both NGOs and the government had strengths and weaknesses; therefore, collaborative efforts would benefit local communities.

Implications from this study recommend using multiple methods to evaluate NGO activities. The findings indicate local people are the best source of information to measure NGO performance. Furthermore, the future of rural development depends on collaboration between the local people, NGOs, and the government. To achieve this, an interactional approach to rural development is recommended.
# Table of Contents

List of Tables .......................................................................................................................... viii
List of Figures ........................................................................................................................... ix
Acknowledgements .................................................................................................................. x
Introduction and Problem Statement ......................................................................................... 1
Literature Review ....................................................................................................................... 4
  Non-governmental Organizations (NGOs) ................................................................................. 4
    An Overview of NGOs ........................................................................................................... 4
    NGO Criticism ...................................................................................................................... 10
    Future of NGOs .................................................................................................................. 13
NGOs and Development ........................................................................................................... 14
  Development .......................................................................................................................... 14
  NGOs and Development ........................................................................................................ 17
Rural Development ................................................................................................................... 20
Evaluation ................................................................................................................................. 23
NGOs and Development in Nepal .............................................................................................. 27
Chapter Summary .................................................................................................................... 31
Theoretical Framework .............................................................................................................. 32
  Rural Development ............................................................................................................... 32
  NGO-led Rural Development ............................................................................................... 37
Evaluation as a Tool to Improve the NGO Sector ...................................................................... 39
Framework of Analysis ............................................................................................................. 43
  NGO-led Community Development ...................................................................................... 44
  Sociodemographic Factors ................................................................................................. 45
  Satisfaction with Life ......................................................................................................... 46
  NGO Activities and Community Involvement .................................................................... 46
Summary and Research Hypotheses ......................................................................................... 48
Methodology ............................................................................................................................ 50
  Unit and Level of Analysis ................................................................................................. 50
  Site Selection ....................................................................................................................... 51
<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hatiya VDC</td>
<td>56</td>
</tr>
<tr>
<td>Narayansthan VDC</td>
<td>59</td>
</tr>
<tr>
<td>Research Design</td>
<td>61</td>
</tr>
<tr>
<td>Secondary Data</td>
<td>63</td>
</tr>
<tr>
<td>Key Informant Interview</td>
<td>63</td>
</tr>
<tr>
<td>Key Informant Sampling</td>
<td>64</td>
</tr>
<tr>
<td>Interview Procedure</td>
<td>66</td>
</tr>
<tr>
<td>Household Survey</td>
<td>68</td>
</tr>
<tr>
<td>Operationalization of Variables</td>
<td>69</td>
</tr>
<tr>
<td>Dependent Variable</td>
<td>69</td>
</tr>
<tr>
<td>Independent Variables</td>
<td>71</td>
</tr>
<tr>
<td>Sociodemographic Control Variables</td>
<td>71</td>
</tr>
<tr>
<td>NGO Involvement Variables</td>
<td>73</td>
</tr>
<tr>
<td>Community Participation Variables</td>
<td>74</td>
</tr>
<tr>
<td>Personal Satisfaction Variables</td>
<td>75</td>
</tr>
<tr>
<td>Community Change Variables</td>
<td>75</td>
</tr>
<tr>
<td>Other NGO Characteristics Variables</td>
<td>76</td>
</tr>
<tr>
<td>Reliability and Validity</td>
<td>77</td>
</tr>
<tr>
<td>Chapter Summary</td>
<td>79</td>
</tr>
<tr>
<td>NGOs and Rural Development in Nepal</td>
<td>81</td>
</tr>
<tr>
<td>NGOs in Nepal</td>
<td>81</td>
</tr>
<tr>
<td>Types of NGOs</td>
<td>84</td>
</tr>
<tr>
<td>Distribution of NGOs</td>
<td>88</td>
</tr>
<tr>
<td>Sectors Addressed by NGOs</td>
<td>89</td>
</tr>
<tr>
<td>Funding</td>
<td>91</td>
</tr>
<tr>
<td>Monitoring and Evaluation</td>
<td>94</td>
</tr>
<tr>
<td>NGOs in Baglung</td>
<td>97</td>
</tr>
<tr>
<td>NGOs and Rural Development at the VDC Level</td>
<td>100</td>
</tr>
<tr>
<td>Chapter Summary</td>
<td>104</td>
</tr>
<tr>
<td>Analysis of Key Informant Interviews</td>
<td>105</td>
</tr>
<tr>
<td>Hatiya VDC</td>
<td>107</td>
</tr>
</tbody>
</table>
Community Change Variables ................................................................. 161
Perceptions of NGOs .............................................................................. 165
Government vs. NGOs ............................................................................. 168
Other NGOs Characteristics .................................................................... 169
NGOs Involvement .................................................................................. 171
Bivariate Analysis .................................................................................... 173
Perceptions of NGO ................................................................................ 173
Other Bivariate Relationships .................................................................. 175
Multivariate Analysis ................................................................................ 177
Perceptions of NGOs for the Aggregate Dataset ..................................... 177
Analysis of Differences between VDCs .................................................. 181
Chapter Summary .................................................................................... 183
Discussion and Conclusion ....................................................................... 185
Findings and Implications .......................................................................... 186
H1: Local people’s perceptions about NGOs vary with socioeconomic characteristics ................................................................................ 186
H2: People who reported high quality of life in the community have positive relationship with perceptions of NGOs ................................................................ 188
H3: Individuals who are members of community organizations perceive NGOs positively ........................................................................ 192
H4: Presence of NGOs and their activities influence perceptions about NGOs ................................................................................ 196
Study Limitations ...................................................................................... 198
Conclusion: Are NGOs Making a Difference? ......................................... 200
Bibliography ............................................................................................... 211
APPENDIX A .............................................................................................. 227
APPENDIX B .............................................................................................. 228
APPENDIX C .............................................................................................. 229
APPENDIX D .............................................................................................. 231
APPENDIX E .............................................................................................. 239
List of Tables

Chapter 4
Table 4.1 Sociodemographic and Socioeconomic Indicators of Nepal and Baglung ........... 55
Table 4.2 Sociodemographic Indicators for Hatiya and Narayansthan VDCs .................. 56
Table 4.3 Demography of the Six Communities from Hatiya and Narayansthan VDCs ..... 61
Table 4.4 General Characteristics of Key Informants in Hatiya and Narayansthan .......... 65
Table 4.5 Number of Key Interview Respondents from Narayansthan, Hatiya, Baglung and Social Welfare Council ................................................................. 66
Table 4.6 Descriptive Statistics of Statements about Community Change ...................... 76

Chapter 5
Table 5.1 Distribution of NGOs across Geographical and Development Regions in Nepal ... 90
Table 5.2 Estimated Amount of Money Received by NGOs in Nepal .............................. 92
Table 5.3 Annual Budget and Expenditures of a National NGO ...................................... 93
Table 5.4 Budget and Expenditures of a Drinking Water and Sanitation Project Implemented by a NGO in Baglung (2008/2009) ................................................................. 94
Table 5.5 Funding Sources for NGOs in Baglung in 2005 ................................................. 99
Table 5.6 Number of NGO Implemented Projects in Baglung (2005-2009) .................... 100
Table 5.7 Names of NGOs That Worked in Narayansthan and Hatiya in the Past 10 Years . 102
Table 5.8 Sectors Addressed by NGOs Identified by Survey Respondents in Narayansthan and Hatiya ........................................................................................................... 103
Table 5.9 Perceptions about NGOs Implemented Project Failure in the Two VDCs ......... 104

Chapter 6
Table 6.1 General Characteristics of Key Informants in Hatiya and Narayansthan ........... 105
Table 6.2 Sociodemographic Characteristics of Key Informants ..................................... 106

Chapter 7
Table 7.1 Sociodemographic Characteristics of Survey Respondents in Narayansthan and Hatiya ................................................................................................................. 157
Table 7.2 Community Participation among Survey Respondents in Narayansthan and Hatiya 159
Table 7.3 Personal Satisfaction and Quality of Life in the Community ............................. 161
Table 7.4 Measurement of Community Change Variables in Narayansthan and Hatiya ..... 163
Table 7.5 NGO Perceptions of Survey Respondents in Narayansthan and Hatiya ............ 166
Table 7.6 Knowledge of NGO Involvement in the Last 10 Years in Narayansthan and Hatiya 172
Table 7.7 Bivariate Correlation between Variables related to Socioeconomic Characteristics, Satisfaction with Life, Community Involvement and NGO Activity (DV= Perception of NGOs) ......................................................................................................................... 174
Table 7.8 Bivariate Relationship between NGOs Involvement and Community Change Variables in Narayansthan and Hatiya ................................................................. 176
Table 7.9 Comparison of Five Regression Models on Perception of NGOs among Survey Respondents in Hatiya and Narayansthan .......................................................... 180
Table 7.10 Comparison of Two Regression Models on Perception of NGOs among Survey Respondents between Hatiya and Narayansthan ........................................... 182
List of Figures

Chapter 3
Figure 3. 1 Framework of Analysis ................................................................. 48

Chapter 4
Figure 4. 1 Map of Nepal .............................................................................. 52
Figure 4. 2 Map of Baglung District ................................................................. 54
Figure 4. 3 Some Images from Hatiya VDC .................................................... 58
Figure 4. 4 Some Images from Narayansthan VDC ........................................ 60

Chapter 5
Figure 5. 1 Number of NGOs Registered with the SWC, Nepal (1978-2009) .......... 82
Figure 5. 2 Sectors Addressed by INGOs Registered with the SWC in Nepal .......... 86
Figure 5. 3 Sectors Addressed by Nepali NGOs Registered With the SWC, Nepal .... 90
Figure 5. 4 Goals of a District NGO, Dhaulagiri Community Resource Development Centre (DCRDC), Baglung ................................................................. 91
Figure 5. 5 Number of NGOs Registered with the District Administration Office, Baglung (1977-2009) ........................................................................ 97
Figure 5. 6 Sectors Addressed by NGOs Registered in Baglung ......................... 98

Chapter 6
Figure 6. 1 Incomplete Water Tank Constructed by a NGO in Ward Three, Narayansthan ..... 135

Chapter 7
Figure 7. 1 Who Should Address Important Issues in Your Community? ............... 168
Figure 7. 2 Whom Would You Approach to Discuss Community Issues? .............. 169
Figure 7. 3 Knowledge of NGO Accountability of Survey Respondents in Narayansthan and Hatiya ........................................................................ 169
Figure 7. 4 Reported Sustainability of Completed NGO Projects in Years by Survey Respondents in Narayansthan and Hatiya .................................................. 170
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Chapter One
Introduction and Problem Statement

Rural development means the improvement of quality of life of rural people. It is a multi-disciplinary and crosscutting concept, as it is an intersection of agricultural, social, behavioral, engineering, and management sciences (Chambers, 1983; Singh, 1999). After 1950, many countries in the developing world had no choice and chose economic development as a means to develop rural areas (McMichael, 2008). This involved a top-down, centralized approach and investment in large projects in agriculture, energy, and transportation sectors (Ashley and Maxwell, 2001; Ellis and Biggs, 2001; Chambers, 1993).

Since that time, rural development has gone through several phases of development models. Recently, a new paradigm, under the principles of decentralization and privatization, proposed a reduced role for the state coupled to the involvement of non-state actors such as private firms and non-governmental organizations (NGOs) in the development sector (Chambers, 1993; Najam, 1999). NGOs, in this new model, are typically viewed as effective, efficient, participatory, capable of functioning more democratically, and as a result, less corrupt than typical state systems (Cernea, 1988; Collingwood, 2006; Madon, 1999).

Even though NGOs were established with good intentions, results associated with NGO-led development in developing countries are mixed. On the positive side, NGOs are credited for promoting democratic values, advocating human rights, encouraging inclusiveness, protecting and conserving natural resources, and empowering indigenous populations and women in rural communities.

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1 In the 1950s and 1960s, rural development focused on agricultural extension and community development. In the 1970s, it was conducted as integrated rural development programs (IRDPs; Chambers, 1993; Ashley and Maxwell, 2001). By the 1980s, it had shifted towards decentralization and privatization. Then during the 1990s, it was discussed as a process, and an approach focused on livelihoods (Ellis and Biggs, 2001).
2 NGOs are non-profit organizations with objectives of promoting the interests of poor and disadvantaged groups (Vakil, 1997).
communities (Castells, 2005; Collingwood, 2006; Edwards and Hulme, 1995; Fisher, 1997; Korten, 1987; Madon, 1999; Mitlin et al., 2007; Rugendyke, 2007; Willis, 2005). Alternatively, they have been criticized over issues of legitimacy, accountability, transparency, representation, and performance (Anderson, 2007; Bebbington, 1997; Edwards and Hulme, 1995; Hudson, 2001; Najam, 1999; Petras, 1999; Werker and Ahmed, 2008). Building on these reviews, this dissertation examines whether NGOs in Nepal are affecting change in rural areas.

Nepal is, for several reasons, an ideal location for studying the impact of NGOs in rural development. First, Nepal is predominantly rural. More than 85 percent of its population lives in rural areas (CBS, 2001). Second, rural areas (as in other developing nations) have high levels of poverty, few economic opportunities, high rates of out-migration, lack infrastructure development, are marked by their low literacy rate, are highly dependent on natural resources, and are poorly represented in decision making processes (Cooke, 1998). Third, the history of development in Nepal is of experimentation and implementation of dominant development paradigms including centralized planning in the 1960s, integrated rural development in 1970s, and decentralization and privatization in 1980s that facilitated the growth of NGOs. Finally, the NGO sector in Nepal is one of the fastest growing in the world. The number of NGOs grew from just 293 in 1990 to over 27,000 in 2010 (SWC, 2010).

NGOs in Nepal have established themselves as important stakeholders in the development process. They claim to have positively impacted the lives of rural families and as a result, are demanding recognition as full partners in the development process; however, some scholars are skeptical about the role of NGOs in Nepal (Acharya, 1992; Bhattachan, 2004; Gautam, 1992; Siwakoti, 2000). Despite more than two decades of their involvement in rural development, rural areas in Nepal have changed little (Bhattachan, 2004; Issacson, 2009). Lack
of a good evaluation of Nepal’s NGO sector challenges any generalization about the role NGOs play there.

In this study, NGO work was assessed by interacting with two communities where such organizations operated. This study is novel in that it departs from the traditional method, which focused on a single project and/or only interacted with the NGOs, by analyzing the entire NGO sector from local people’s perspective. This was done by interfacing with community members using both qualitative and quantitative research methods. Since, the objectives and rationale of the NGO sector are to serve communities and deliver services to them; communities are seen as the best sources of information for evaluating NGOs.

My central research question concerns how communities perceive the role of NGOs in rural development. This question explores the performance of NGOs in rural areas using the community approach. The research was undertaken with the intent of producing recommendations to improve the NGO sector and lead to potential policy changes to enhance the role of non-state actors in rural development.

This dissertation is organized as follows. A review of literature on NGOs, rural development, evaluation, NGOs and development, and NGOs in Nepal is presented in Chapter Two. Chapter Three discusses various theoretical frameworks for NGOs, rural development and evaluation, and the conceptual framework guiding the study. Chapter Four presents a description of the methodology. Chapters Five and Six present analysis of qualitative data. Chapter Seven presents survey data analysis. Chapter Eight provides summary, conclusions and recommendations from this study.
Chapter Two

Literature Review

Non-governmental Organizations (NGOs)

An Overview of NGOs

NGOs are defined as “private, professionally staffed, non-membership and intermediary development organizations” (Bebbington, 1997:1756). Alternatively, they are described as not-for-profit organizations geared toward improving the quality of life of disadvantaged people (Vakil, 1997). The NGO Network at the United Nations defines these organizations as:

… any non-profit, voluntary citizens’ group, which is organized on a local, national or international level… NGOs perform a variety of service and humanitarian functions, bring citizen concerns to governments, advocate and monitor policies and encourage political participation through provision of information (http://www.ngos.net/index.html).

In recent years, the number of NGOs has increased in both developed and developing countries. There are now over 50,000 NGOs operating at the international level; 90 percent of these were founded during the last 30 years (Collingwood, 2006). This rate of increase was more significant in the developing world after 1980. For example, there are about two million NGOs in India alone (Rugendyke, 2007). NGOs have not only increased in numbers but also have become the new billionaires. The top three largest international NGOs had earnings of over one billion dollars in 2008. According to Ronald (2010), some of the highest earning organizations include: Oxfam (1.4 billion dollars); World Vision (2.4 billion dollars); and Save the Children (1.2 billion dollars). NGOs in the developing world have increased their earnings as well. For example, Bangladesh Rural Advancement Committee (BRAC) earned 360 million dollars in
2007 mostly from its microfinance programs (ibid). As more NGOs move towards financial gains, the distinction between non-profit and for-profit (private) organizations has blurred.

The economic value (their total budget) of the NGO sector in total is larger than the economies of many poor countries. A comparative study of the NGO sector in developed and developing countries by Salamon et al. (2003) indicated this sector was a 1.3 trillion dollar industry. The study further found it to be the world’s seventh largest economy, employing about 39.5 million people, more than the textile and food industry in these countries. In addition, the sector attracted 190 million volunteers who supported various NGO activities from free labor to fundraising.

Several factors have contributed to the growth in NGOs. One prominent reason is the belief the international donor community would play a significant role filling the gap created by the failure of governments and politicians to deliver services to disadvantaged and marginalized populations in developing countries. Much attention focused on The World Bank and its associated organizations (such as the International Bank for Reconstruction and Development and International Development Association) in this regard (Castells, 2005; Clark, 1991; Collingwood, 2006; Madon, 1999; Mitlin et al., 2007; Willis, 2005). In this framework, NGOs became alternatives to development where many government programs had failed. Many believed NGOs were more effective, efficient, and transparent than government agencies in implementing development programs.

Other reasons for NGO expansion included increased environmental degradation because of industrialization, increased development funding for developing nations following the Cold War, advances in information and technology, and increased interconnectedness between

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3 The study compared non-profit sectors in 36 countries across all five continents. For a detailed listing of individual countries, visit the Center for Civil Society Studies at The John Hopkins University (http://www.ccss.jhu.edu/).
countries because of globalization, and the spread of globalization to poor countries (Castells, 2005; Edwards and Hulme, 1995; Keck and Sikkink, 1998; Ronald, 2010). Further, rapid progress in literacy and technology during the 1990s awakened people to the reality that change was possible and helped them come together to create such organizations (Salamon et al., 2003). Moreover, the presence and involvement of NGOs in developing nations was often used as an indicator of good governance\(^4\) and economic development (Bailer et al., 2006). As a result, many developing nations’ governmental policies became friendly towards NGO establishment. Numerous countries, including Nepal, started to include NGOs in their rural development strategies in the late 1970s and early 1980s (Nepal Government, 2004).

The history of modern NGOs can be studied in three phases (Korten, 1987; Mitlin et al., 2007). The first phase focused on NGOs through the 1960s. These NGOs centered their efforts on relief work, primarily in terms of supporting the poor in developing countries. The headquarters of such NGOs were in developed nations. The second phase applies to NGOs established between the 1960s and 1980s. This period saw an increase in formation of southern\(^5\) based NGOs supported by northern NGOs and northern-based religious organizations. The final phase concentrated on the post-cold war period (1990s and later). This was the period of NGO boom; political liberalization and the development of the concept of civil society facilitated their growth.\(^6\) As a result, researchers and practitioners discuss NGOs within two broad contexts—as nonprofits\(^7\) or in the civil society sector.

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4 According Bailer et al. (2006), states that are better governed and that promote bottom-up approach in development are conducive for the establishment of a vibrant civil society. Therefore, the extant of NGOs in a country could be used as an indicator of governance.

5 Southern NGOs (SNGOs) are those established in developing countries whereas NGOs established in developed countries are known as Northern NGOs (NNGOs). Except for a few SNGOs, the majority are funded and supported by NNGOs.

6 Civil society and non-profit sector are mostly used interchangeably. Like non-profit organizations, organizations constituting a civil society are private in character, and expected to serve the community (Salamon et al., 2003).
Anheier and Salamon (2006) distinguish NGOs as organizations lying within the nonprofit sector that focus on very specific issues and share five features characterizing the nonprofit sector: organized, private, nonprofit in distribution, self-governing, and voluntary. Similarly, Castells (2005) cites non-governmental features that characterize NGOs. First, in contrast to governments, NGOs have popularity and legitimacy and therefore receive many donations and volunteers. Second, they focus on practical issues including education, human trafficking, development, and environment. Third, they focus on results and gain support from both the media and politicians. In general, the non-government and nonprofit aspects of NGOs are two central characteristics routinely used to define an NGO. Despite this commonality, NGOs differ in many ways.

NGOs vary according to size, sectors addressed, location, and/or programming strategy. NGOs can simply be a small group of people organized at the local level or an organization employing thousands of people and working in many countries like the World Vision International (Ronalds, 2010). Likewise, they can be an organization working specifically on environment, human rights, indigenous people’s rights, democracy, conflict resolution, or child trafficking (Keck and Sikkink, 1998). In terms of location, they can be based in a developing country or a developed nation but operate globally.⁸ NGOs can be sorted into three types based on programming strategy: (1) relief and welfare organizations involved in food distribution and

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However, I consider civil society as a very broad concept that includes NGOs and several other organizations many of which are not strictly non-profit.

⁷ The non-profit sector includes all organizations and institutions that redistribute their profits to their beneficiaries. Steinberg and Powell (2006:1) define a non-profit organization as: “One that is precluded by external regulation or its own governance structure, from distributing its financial resources to those who control the use of organizational assets.” This includes public schools, universities, charity organization, NGOs and other similarly organized organizations.

⁸ Based on their location, NGOs generally fall into three categories; (1) Local NGOs include those organizations located and operating at a district or village level; (2) National NGOs are larger than local NGOs and work all over the country; and (3) International NGOs implement programs in multiple countries and have capacity to support national and local NGOs. Keck and Sikkink (2005) use the term ‘transnational NGOs’ to distinguish organizations working in three or more countries.
relief work; (2) local self-reliance organizations which operate like parallel governments and are involved in assisting one particular community or a group; or (3) advocacy organizations which focus on policies at regional and national levels and work with government units as opposed to local people (Korten, 1987).

Vakil (1997) identified four types using actions taken as a basis for sorting NGOs: (1) principled – those that are neutral, impartial, independent, and advocate for human rights; (2) pragmatists – those which focus on action even if against their principles; (3) solidarist – those which address root causes of poverty, social transformations, and are advocates; and (4) faith based–charitable organizations which function on the basis of religious beliefs. Despite these multiple definitions and characteristics, NGOs have evolved as important actors in the development sector. As a result, many from rural areas of developing nations view NGOs positively.

According to Tuijl and Jordan (1999), there is optimism for the role of NGOs at local, national, and international levels. NGOs promotion of democracy, local participation, empowerment, sustainability, decentralization, and human rights is the basis of this optimism (Clark, 1995; Collingwood, 2006; Edwards and Hulme, 1995; Fisher, 1997; Hilhorst, 2002; Korten, 1987; Werker and Ahmed, 2008). In addition, NGOs are considered a bridge between politics and ecology, and ecology and economics (Gunter, 2004). As well, they are viewed as connecting local communities with national governments and international organizations (Jepson, 2005). Thus, NGOs play an important intermediary role in bringing local issues to the attention of those at the international level (Carrolla, 1992). Because of their intermediary role, NGOs have become indispensable to the rural development process in many developing countries.
People like local NGOs because they are flexible and innovative, respond more quickly than international organizations, implement projects at lower costs, work with and through local bodies, and work in remote areas (Rugendyke, 2007). Further, local NGOs are seen as a source of employment for local people (Hossain, 2000; Meyers, 1993; Schuurman, 2009; Sen, 1998). According to Clark (1995), local people like NGOs because they advocate for people’s rights and guard them against government actions.

NGOs assist citizens in finding out about activities of the government and others which might affect them; they use advocacy and political influence to hold local officials accountable for activities (or inactivity) which are damaging to the poor; they help communities mobilize and form societies to express their concerns, and help guard against reprisals; they construct fora in which officials can consult people about development plans and listen to alternatives presented by people; and they help ensure that individuals disadvantaged by government decisions receive just compensation, negotiated with affected parties (p. 594).

Despite their claims of representing and addressing local issues, NGO actions have mixed impacts on the sectors they address (Issacson, 2009; Redford et al., 2008; Roe, 2008; Tendler, 1982). For example, biodiversity losses and rural poverty remain persistent problems plaguing poor communities regardless of NGO investments (Petras, 1999; Zaidi, 1999). It is not surprising that in the 1990s, many NGOs realized that despite spending significant funds and energy in various sectors, their results were limited, temporary, and subject to fluctuations in policies (Hudson, 2001). Since then, challenges about NGO claims of reaching out to the poor and/or supporting biodiversity conservation emerged. Two recent publications, Can NGOs Make a Difference? The Challenge of Development Alternatives edited by Bebbington, Hickey and Mitlin (2008), and The Change Imperative: Creating the Next Generation NGO by Ronald (2010), questioned the achievements of NGOs. These two books and numerous other
publications have challenged the effectiveness of NGOs, mostly in developing nations. The next section discusses some of the major criticisms of NGOs.

**NGO Criticism**

In recent years, NGOs received criticism for their inability to bring about changes in communities where they worked. These claims focused on NGOs lack of legitimacy, accountability, transparency, representation, and performance. NGO criticism originated from their close ties with aid agencies rather than the communities where they worked (Anderson, 2007).

According to Ronald (2010), NGOs arose to fulfill the legitimacy gap formed because of actions of government and multinational corporations; however, in recent years legitimacy has become the major criticism of NGOs. Najam (1996) saw NGOs taking advantage of rural areas’ powerlessness to implement their programs, as there were no mechanisms available to local people to prevent NGO involvement. Powerless communities have sometimes become hostage to particular projects planned by an NGO (Werker and Ahmed, 2008). In these areas, even the local government was influenced by NGOs that brought large projects and extra funds to them (Mitlin et al., 2007). In such a situation, it is typical for local policies to reflect NGO rather than local interests (Suar et al., 2006).

Weak NGO legitimacy is further visible from the way they work. Edwards and Hulme (1995) found NGOs working as contractors to donors by providing services at a fixed rate and of a given standard within a given timeframe (see Ahmad, 2006). These practices are contradictory

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to the assumption about NGOs working for the community and relates to accountability issues in the NGO sector.

NGOs work with multiple stakeholders – donors, governments, local leaders, and communities – at any given time during a project. As a result, it is sometimes difficult to ascertain to whom NGOs are accountable (Moore and Stewart, 1998; Zaidi, 1999). This is most evident among International NGOs (INGOs\textsuperscript{10}). According to Ronald (2010), large INGOs are contradictory and ambiguous organizations as: “They are accountable to donors in developed countries and to the communities in which they work in developing countries” (p.151). But researchers are increasingly finding the majority of INGOs are actually accountable to line-managers, donors, trustees, and board governors, with little evidence to suggest they are accountable to the local community which contradicts many of their mission statements (cf., Edwards and Hulme, 1995; Hudson, 2001; Petras, 1999). Similar to INGOs, local NGOs have been found to be more accountable to their donors than the people they work with. As such, these NGOs, primarily because of their reliance on external funding, are perceived as reluctant to criticize funder policies (Anderson, 2007). Such donor-dependent NGOs exist and survive at the mercy of INGOs and donor agencies. Several scholars have criticized such local NGOs as agents of neoliberalism and capitalism (Petras, 1999; Siwakoti, 2000).

Likewise, weak downward accountability of NGOs towards the community is further reflected in their false claims of representing local communities (Zaidi, 1999; Gordon, 2006). Gordon (2006) found many NGOs in Mexico were located in the capital city and closer to national and international agencies than the communities they claimed to represent. Likewise, Fisher (1997) found the rhetoric of local participation in development programs was not met by

\textsuperscript{10} INGOs are very similar to NGOs but are international in scope and work in many countries.
the NGOs, and the notion of representation of certain groups was vague. NGOs have been criticized as being “pseudo representative of the poor” (Mitlin et al., 2007). Accountability weaknesses are the result of two organizational characteristics: First, as NGOs increase their ties with international organizations, their ability or willingness to represent local communities decreases (Jepson, 2005; Ronald, 2010); second, as organizations become larger they tend toward “inward focused and decision making dominated by international politics rather than the best interests of beneficiaries” (Ronald, 2010, p.115). While close ties with international agencies benefits NGOs, such ties can widen the gap between NGOs and the community over time.

Another criticism revolves around the nonprofit aspect of the NGO sector. Even though, NGOs claim to be a part of the nonprofit sector, there is a blurred distinction between market forces and NGOs, as both operate under the same principle (Mitlin et al., 2007). Both follow the neoliberal agenda of reducing the role of the government while promoting decentralization at the local level (Zaidi, 1999). In addition, there has been a trend within the NGO community of developing countries to promote market-oriented activities, including microfinance, which is associated with generating profits (Bebbington, 1997). Bangladesh’s BRAC is an example of an NGO making profit from its micro-finance programs (Ronald, 2010). Likewise, the majority of NGOs are managed by paid staffs and not by volunteers, as is often assumed (Schuurman, 2009). Such NGO leaders often earn more money than public service officials. As a result, in Nepal for example, the NGOs got the nickname of “Pajero NGOs” because their leaders owned expensive vehicles and buildings bought with resources drawn from community development oriented funds (Khanal, 2006).

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11 Pajero is a high-end model of Sport Utility Vehicle (SUV) manufactured by Mitsubishi Motors and is popular in Nepal as a symbol of wealth and power.
An important aspect of NGO criticism, which is rarely discussed, is the lack of an effective evaluation mechanism (Moore and Stewart, 1998). Currently, the NGO notion of success is evaluated by the amount of financial support received from donor agencies, and not based on long-term impacts of these funds on the receiving communities (Lane, 1992). Such evaluations are conducted to meet donor demands and are not designed around program improvement (Estrella, 2000). The study presented in this dissertation specifically addresses this gap in the literature, as it is designed to contribute to the growing body of literature on NGO performance.

Despite these criticisms, the NGO sector continues to expand and is emerging as a ‘third sector’ in the development paradigm. The above criticisms must not be seen as rejecting the role of NGOs but as tools to improve their actions. For example, greater NGO accountability is an opportunity, not a threat, for NGOs to enhance their role in improving social life (Unerman and O’Dwyer, 2006).

**Future of NGOs**

Clark (1995) was one of the first to suggest that the future of NGOs lies in transforming their operation from supplying development to the communities to addressing the immediate issues facing these communities. Their role is to help communities become self-reliant rather than becoming hostage to NGOs and donor agencies. As Clark suggested:

> … the moving beyond the development “supply-side” to “demand-side” activities requires that NGOs developed new skills, partnerships and ways of working in order to help communities articulate their concerns and preferences, to maneuver into a negotiation position with official bodies, and to mix technical operational skills with “information age” communication, advocacy and networking skills (1995, p.594).

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12 The other two are market system and the State.
Edwards and Hulme (1995) advised NGOs to stick to their values and principles, promote learning and action research, improve participation, address the accountability issue, and employ skilled and qualified staff (see also Fowler, 2000). To Fowler such alternatives were not solutions but only options to improve this sector. Furthermore, NGOs are not development alternatives to government, but serve as the latter’s partner in such efforts (Najam, 1996; Ahmad, 2006). Simply said, NGOs alone cannot meet local development goals without government support (Clark, 1995).

**NGOs and Development**

**Development**

Development is a broad concept; there is no single definition of development nor is there an accepted model for its achievement. In the last six decades, scholars and policy makers in developed and developing nations have identified multiple versions of the development concept. According to McMichael (2008), development originated during the colonial period and was interpreted as “social engineering of emerging national societies (indigenous population they encountered)” (p.25) by the colonial powers.

After World War II, development became a dominant paradigm. Various development theories were formulated, mostly with an aim to transform and make former colonies, which accounted for 28 percent of the world’s population, more productive (Holmen, 2010; Leys, 2005). According to Leys (2005), modern development theories have their roots in the success of the Marshall Plan in Europe. European and American scholars began to envision development as economic growth. They assumed economic growth led to jobs and ultimately, improved well-being for the people in former colonies (McMichael, 2008).
Currently development is understood as three things: modernity, economic growth, and human development (Willis, 2005). According to Willis, development as modernity means, it is viewed as industrialization, urbanization, and the use of technology. From an economic perspective, development is viewed as an increase in private wealth, which brings improvements in health, education, and quality of life, and has been measured as gross national product (GNP), gross domestic product (GDP), and gross national income (GNI). Finally, human development – often measured with the human development index (HDI) – uses multiple factors, including health, education, and standards of living, as well as economic wealth as signal indicators. Despite these differences, the history of development indicates that the economic growth model dominates this sector, especially among developing nations.

However, several scholars have criticized the economic growth model of development. Some including Escobar, Esteva, Shiva, and Sachs argued that in practice economic development was a top-down project dominated by northern states (Goldman, 2005). According to Sachs (1992 in Schuurman, 2000), many reasons for the failure of such development in developing countries included: (1) technology dependence led to massive ecological disasters; (2) development was used as an ideological weapon by the northern states; (3) despite discourse on global growth, the gap between the south and north widened; and (4) development led to loss of diversity. Beyond the economic growth model, scholars have searched for alternative models to bring changes to poor nations.

In an effort to advance development beyond economic growth, a new concept of “sustainable development” was created in 1987. In its simplest form, sustainable development is the:

development that meets the needs of the present without compromising the ability of future generations to meet their needs… the concept of needs, in
particular of the essential needs of the world’s poor to which overriding priority should be given; and the idea of limitations imposed by state of technology and social organization on the environment’s ability to meet the present and future needs (WCED, 1987, p.54).

Dryzek (2005) added:

Sustainable development is a much more ambitious concept in that it refers to the ensemble of life-support systems and seeks perpetual growth in the sum of human needs that might be satisfied not through simple resource garnering, but rather through intelligent operation of natural systems and human systems in combination (p.146).

By 1990, sustainable development and sustainability had become the new buzzwords. One reason they became so popular was their ability to accommodate many issues typically neglected by other approaches, especially economic growth. Some of these issues were development, global environmental issues, population growth, peace and security, equity, distribution of resources, and social justice (Dryzek, 2005).

Recent questions about the maturity level of ‘development theory’ have emerged. According to Herath (2010), the theory of development reached its maturity from its initial inception as modernization to the latest inclusion of multiple indicators such as the HDI. These theories of development “… stand testimony to the fact that with the course of time, development theory has acquired maturity and refinement to include a wide variety of the needs and aspirations of human beings” (p.1458).

At the community level, development is seen as a balanced relationship among community members to solve local problems (Maser, 1997). Maintenance of balance occurs through constant interactions on issues pertaining to community development. Such interaction among people enables them to strengthen community and ultimately improve the well-being of people living in the community (Bridger and Luloff, 1999; Bridger et al., 2011; Wilkinson, 1991). In addition to interaction and close ties, development for rural people means access to
transportation, health services, employment, modern education, and/or a modern lifestyle of the developed world as seen on television. As a result, people expect big infrastructure projects and rapid changes from the government. According to Mathews (2004), however, such a perspective on economic growth fails, as it does not account for the diversity of experiences, needs, and aspirations in the developing world. Further, the inability of governments in developing countries to fund and implement big projects has moved people towards small-scale projects as an alternative. This alternative allowed grassroots organizations, local people, and other civil society organizations to become involved in solving local problems.

**NGOs and Development**

Globally NGOs established themselves as a major force in development beyond governments and the market system (Uphoff, 1993). Many communities and nations in the developing world depend on NGOs to fund and implement public services programs. Some believed the more NGOs present in a community, the better were the chances for successful development (Bailer et al., 2006). This reflected the belief that development projects run by NGOs were flexible, innovative, participatory, cost-effective, and directed to the poor (Hossain, 2000). According to Cernea (1988), NGOs could enhance the effectiveness of aid agencies by connecting them to local communities.

Edwards’s (1999) study in Bangladesh and India found improvements in material well-being, organizational skills and capacities, and empowerment associated with NGO activities. Other positive impacts from NGO activities have included improved access to resources, increased women’s participation in micro-credit programs, and empowerment for women. NGOs have influenced the political process by linking grassroots interests to decision makers and leveraging government resources. In India, NGOs’ role in rural development has been to reach
the unreached, build hope, awareness, and capacity (Bhose, 2003). To Robinson (1992), some reasons for NGO success in India included: (1) their objective of promoting genuine participation; (2) having a strong and effective management style; (3) employing a dedicated, skilled, and committed staff; (4) having very carefully planned projects; and (5) a commitment to addressing the priorities of the poor.

A majority of NGOs in developing nations were involved in conservation and development projects (Hirsch, 2007). In recent years, many NGOs promoted rural development through conservation programs (Gordon, 2006). In Mexico, local NGOs negotiated with INGOs to fund rural development projects. For Gordon (2006), this bargaining was vital for conserving biodiversity since transnational NGOs were headquartered and funded by developed nations, while the focus of their efforts were in developing countries. Similar strategies were initiated by local NGOs in Malaysia. Eccleston (1996) found that while local NGOs received financial and material support from northern-based INGOs they remained very skeptical about their funders. Local NGOs believed such relationships increased their dependency and prevented them from questioning INGOs.

Some Malaysian NGOs felt that northern NGOs were more interested in positions which would improve their own fund-raising capacity than in real problems facing people in the south (Eccleston, 1996, p.82).

Another trend in the NGO sector has been their adoption of advocacy as opposed to development. This transformation is a result of the failure of the modernization/development ideal and the inability to improve the lives of poor (Hirsch, 2007). Similarly, the increased use of the sustainable development concept shifted the role of some NGOs to advocate for reform at the national level rather than deal with local issues raised concerns (Price, 1994). As a result, NGOs that promoted environmental values and human rights have boomed in developing nations.
Advocacy NGOs have been successful in opposing large projects that threaten local environments. For example, the Narmada Dam in India is a well-known example of a “David vs. Goliath” battle where the World Bank faced opposition from local NGOs and community groups. Similarly, NGOs in Thailand opposed construction of the World Bank- funded Nam Choan Dam of the Mekong River (Hirsch, 2007). NGOs in the region also protested construction of other dams along the Mekong funded by the Asian Development Bank (Soutar, 2007).

NGOs have failed in many places. Pearce (2007) found many NGOs in Latin America became facilitators of grassroots agencies supporting change, rather than actually being the agents of change. In some places, NGOs could only implement projects for donors and/or the government. As a result, many local people viewed NGOs as temporary and their impacts limited. For example, a study by Narayan et al. (2010) found that only 0.3 percent of the villagers in India mentioned NGOs as helping them move out of poverty in the last ten to twenty years.

Extensive discussion over the role of politics and economics on NGO activities exists. NGOs face challenges from politically motivated groups, especially those with political and profit making objectives (Bhatta, 2001; Korten, 1992). Many NGOs also lack a basic understanding of the local socioeconomic context and use community-based natural resource management to focus only on income generation activities (Campbell and Vainio-Mattila, 2003). In addition, NGOs working in rural areas often implement experimental projects with intangible goals making it hard to evaluate their impacts (Salmen, 1987; Moore and Stewart, 1998). Such projects routinely have short-term goals and their failure is very common (Ahmad, 2006; Fowler, 2000; Zaidi, 1999).
Finally, NGO activities in developing countries also depend on the policies of donor agencies. For example, Bebington (1997) in his study in the Andes found NGOs were initially expected to assume roles played by state and market organizations in the name of sustainable, participatory, and efficient development. In the 1970s, NGOs were involved in criticizing states with authoritarian regimes in Latin America. Democratization of many nations in the region compelled NGOs to change their agendas. Bebington further noted a change in donor policies towards development had forced NGOs to undertake programs contrary to their objectives. As donors directly supported development efforts of democratically elected governments in Latin America, the NGO share of development fund decreased. As a survival strategy, NGOs performed consultancy jobs and operated social enterprises using a market approach (i.e., credit, savings, and insurance). Despite their failures in recent years, NGOs have become important for implementing rural development programs in many developing countries. Their programs are as broad as the meaning of rural development, which is discussed in the next section.

**Rural Development**

Even though the global population has become urban, rural areas still account for the majority of populations in many developing countries. Except for minor differences, rural areas in both developed and developing countries share similar characteristics: distance from urban areas, persistent poverty, underdevelopment, low literacy rates, and dependence upon agriculture or other natural resources (Singh, 1999). Many of these rural areas depend on a single industry, such as agriculture, tourism, mining, manufacturing, or retirement migration (in case of developed countries) to survive (Moseley, 2003). Since rural areas are often dependent on a

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13 These differences are manifestation of the development of the respective country. For example, rural areas in developed countries have access to basic needs like transportation, electricity, health facilities and communication. However, rural areas in developing countries lack all of these.
single industry that makes them vulnerable to policy and economic system changes. As a result, rural development is a governmental priority in both the developed and developing world.

Rural development has a long history. Just like the term rural, rural development is a multidimensional concept and value laden (Singh, 1999). Rural development means the improvement of the quality of life of rural people. Singh (1999) sees rural development as a phenomenon, strategy, and discipline. As a phenomenon, it is the result of interactions between physical, technological, economic, sociocultural, and institutional factors. As a strategy, it is a plan to improve the social and economic well-being of rural people (see also Chambers, 1983). As a discipline, it is multi-disciplinary and a crosscutting concept as an intersection of agricultural, social, behavioral, engineering, and management sciences.

For Mosely (2003), effective rural development has the following characteristics: it should be sustainable or long-term; include economic, social, and cultural well-being; account for environmental values; and be supportive of overall community well-being. Likewise, van der Ploeg et al. (2000) viewed rural development as a multi-level, multi-actor, and multi-facetted process rooted in historical traditions. Rural development, therefore, is not just economic development but a process integrating socio-cultural, economic and environmental objectives. This holistic concept of rural development is more prevalent in developing nations. Discussing rural development in Nepal, Dharamdasani (1984) wrote:

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14 ‘Rural’ is mostly defined as being opposite to ‘urban’ (Sorokin and Zimmerman, 1929; Redfield, 1947). However, the definition of rural also includes culture (Miller and Luloff, 1981), and interaction within the community (Wilkinson, 1991).

15 According to Chambers (1993:147), “Rural development is a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of rural development. The group includes small scale farmers, tenants, and the landless.”
Rural development does not mean simply a rise in agricultural productivity; it must encompass numerous factors like extension of health services, building infrastructures, extension of small traders, establishment of handicraft industries, etc. Basically, rural development is a medium to move traditional economy into more dynamic and productive economy (p.9).

Since 1950, rural development has gone through different phases: community development, intensive agricultural development, integrated rural development, livelihood approaches, and participatory models (Ashley and Maxwell, 2001; Ellis and Biggs, 2001). In the 1950s and 1960s, rural or community development focused on agricultural extension and the dissemination of innovations (Chambers, 1993). This period was the zenith of centralized planning for rural development; governments initiated large intensive agricultural development programs like the Green Revolution in the agriculture sector in most of the developing world (i.e., Asia, Africa and Latin America).

The 1970s saw the rural development budget diverted to social programs under integrated rural development programs (IRDPs; Ashley and Maxwell, 2001). IRDPs were targeted programs based on the notion of redistributing the benefits of economic growth and ideas of ‘basic needs’ (Chambers, 1993; Ellis and Biggs, 2001). In the 1980s, the global economic system made a major shift towards privatization and decentralization. This shift reduced the role of governments in rural development and encouraged the rise of INGOs and NGOs to implement rural development programs (Chambers, 1993). In the 1990s and 2000s, rural development was described in terms of a process, empowerment, participation, and livelihood (Ellis and Biggs, 2001).

Despite six decades of rural development efforts, rural areas remain far behind urban areas in education, economy, health, infrastructure, and transportation. According to McCalla and Ayres (1997), the poor performance of these efforts reflected both the national governments
and international agencies neglect of rural areas. Even though governments implemented several rural development programs, they considered agriculture in rural areas as a declining industry and moved resources to other sectors. Even today, they perceive rural poor as having little political power. Policies often do not favor the agricultural sector, and state resources are concentrated in the hands of few people. The authors further stated that projects failed because they were mostly top-down in approach, expensive, and suffered interference from government. As a result, non-state actors like NGOs and INGOs were viewed as alternatives to government in rural development (Cernea, 1988); however, Chambers (1993) saw the role of government as remaining significant for rural development:

To do more for the poor, government must grow. The solution to rural poverty is not less government but more (p.60).

Similarly, many early rural development projects were poorly evaluated in terms of their effectiveness. Therefore, for successful rural development, in addition to the need for an effective evaluation system, there is an urgency to identify rural problems and use appropriate methods to solve them. Many of these problems require multi-disciplinary and pluralist approaches that integrate hardware (infrastructure and agriculture technologies) with software (institutions and capacity building; Csaki, 2001). Most importantly, the role of community is vital in every solution targeted towards rural problems (see also Wilkinson, 1991):

Solutions in rural development must be based on community participation and empowerment, must strengthen rural governance, and must foster growth of the private sector (Csaki, 2001, p.565).

**Evaluation**

Evaluation is a relatively new discipline, which developed in the late 1960s and early 1970s in the US (Shadish et al., 1991; Henry, 2001). According to Henry (2001); “Evaluation is fundamentally concerned with enhancing the innate human activity of making judgments”
(p.423). For Miller (1980), evaluation means documenting program accomplishments and identifying their methodological strengths and weaknesses. According to Stem et al. (2005), evaluation can be used for generating knowledge, improving program accountability and transparency, allocating resources, and as for assessing impact. Evaluation, therefore, can be used to achieve many purposes, even evaluating evaluation (Shadish et al., 1991).

Many organizations involved in international development use evaluation to assess their program’s impact at the community, regional, and country level. One reason why evaluation is popular has to do with the failures of past development programs (Rossi et al., 2004). Despite investing large amounts of resources on rural development programs, social problems persist, especially in rural areas (Miller, 1980). For example, an evaluation of the US Agency for International Development’s (USAID) involvement in Nepal found 50 years of aid had had no substantial impact on rural problems (Issacson et al., 2001; Panday, 1999). However, international aid continues to fund NGO-led development in Nepal and elsewhere. Since NGOs are favored by international aid agencies, evaluation of the NGO-sector has become critical to the success of international development.

The fundamental reason for evaluating NGOs is their poor performance at the local level. Even though there is a huge body of knowledge on NGO performance, these evaluations have only assessed if NGOs met their objectives (Edwards and Hulme, 1995). Moreover, these assessments focused only on one aspect of the problem. For example, the success of conservation and development projects were often evaluated based on the status of biodiversity alone (Redford et al., 2008).

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16 To Crawford et al. (2004), evaluation can have objectives to improve farm productivity, improve natural resource management and enhance community cooperation (see also Rossi et al., 2004; Bellamy et al., 2001; Cracknel, 1996; and White, 2009).
There has also been a lack of detailed scientific studies to assess the impact of NGOs on local communities (Werker and Ahmed, 2008). Many of the NGO evaluation reports were descriptive and lacked statistical analysis. Further, they relied on a single characteristic of the NGO in determining its effectiveness. As a result, many scholars advocated the use of multiple criteria such as performance, legitimacy, accountability, and organizational responses to evaluate the NGO sector (Bebbington, 1997; Edwards and Hulme, 1995; Jepson, 2005; Pearce, 2007). These criteria can broaden an understanding of NGO claims of being cost-effective, participatory, innovative, sustainable, representative of local communities, and contributing to improvement in well-being.

Past NGO projects evaluation have yielded mixed results. Edwards (1999) evaluated four INGO funded projects in India and Bangladesh using three factors: impacts, sustainability, and cost-effectiveness. Findings suggested the four projects differed in their performances at the local level. The projects varied in their social and political conditions, influence of donor agencies, long-term vs. short-term goals, flexibility, relationships of NGOs with local communities and government, and the age of the NGO implementing the projects. They also had high cost-to-benefit ratios, overhead costs, and struggled to sustain their activities.

Robinson (1992) found similar results in an evaluation of projects in India, Zimbabwe, and Bangladesh. He found only two-thirds of the projects were successful in alleviating poverty; however, their benefits were inconsistent. Successful projects led to an improved economic status; yet, they failed to reach the poorest. Only a few project benefits outweighed their intervention costs and the majority of NGOs spent too much on staff. Likewise, very few projects showed any potential to sustain themselves; many projects were closed after the program ended.
Efforts to monitor and evaluate NGO work face multiple challenges. One prominent method to evaluate development is by creating indicators and measurement standards; however, implementing standards at the local level is challenging. For example, local NGOs might view such standards as interfering with their work and claim they represent the imposition of foreign ideas (Hilhorst, 2002). NGOs also fear the government might use such standards as a political tool to control them (Gugerty, 2008).

Western and capitalist ideals are conflated with development in many developing nations, and viewed as an intervention to the existing system (Pearce, 2007). As a result, questions about who develops the standards of quality and implements them occur. Governments often find standards developed by donor agencies as infringements on their sovereignty and oppose them. As well, evaluation is affected by differences in understanding of given projects by NGOs and local people (Lane, 1992). Nevertheless, evaluation is critical to the success of any public service program government or NGO sponsored. According to Zaidi (1999), the best way to evaluate NGOs is to evaluate the entire sector\(^\text{17}\), rather than assess the work of an NGO or one of its programs (see also Tendler, 1982 and Salmen, 1987).

There is also a need for a locally based (contextual) evaluation system, which incorporates interests of all actors in the sector. Such an effort requires cooperation and support from donor agencies, governments, communities, and the NGOs themselves. Participatory monitoring and evaluation is an effort to involve local people in the process (Estrella, 2000); however, there are questions related to who participates and in what capacity.

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\(^{17}\) By sector, I mean all the NGOs working in the particular community.
NGOs and Development in Nepal

Voluntary organizations were and still are integral components of Nepali societies. Many informal, indigenous local organizations have been functioning in rural areas of the nation for a long time (Shrestha, 1992). These rural area groups have made life easier in the villages (Khanal, 2006). The first formal NGOs were the Nepal Gandhi Charkha Pracharak Trust (1926), Paropkar Sanstha (1948), Tharu Welfare Assembly (1951), and Nepal Family Planning Association (1960) (Bhattachan, 2004; Lane, 1992). The first INGO to work in Nepal was the United Mission to Nepal in 1954 (Dhakal, 2006). Currently there are more than 27,000 NGOs and over 200 INGOs registered with the government of Nepal.

NGOs in Nepal are involved in both development and advocacy. They implement development projects at both national and local levels. At the local level, NGOs are involved in activities including school repair, sports materials distribution, adult learning, mobile clinic, medicine and contraceptive distribution, toilet construction, drinking water access, seeds/seedling distribution, artisan training, leadership training, credit programs, and immunization camps (Dhakal, 2006; Devkota, 1991).

In terms of advocacy, NGOs promote the rights of disadvantaged people, mostly Dalits, and oppose government and sometimes donor policies (Rademacher, 1993; Karki, 2004). One such example is the opposition by local NGOs against the construction of the Arun hydroelectric project with funding from The World Bank (Forbes, 1999). In this case, NGOs used the local and indigenous rights agenda to gain support from other international NGOs, which led to

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18 Dalits occupy the lowest position in the hierarchical caste system in Nepal. They are among the most disadvantaged group-- politically, economically and socially-- in Nepal and are involved in menial jobs like carpentry, tailoring, iron-smithing, and leather works.
cancellation of the project. Such activities helped NGOs create a perception of furthering
democratic ideals and initiating people centered development in Nepal (Rademacher, 1993).

NGOs associated with environment and forestry are well represented. Many INGOs
working in the conservation sector in Nepal used local NGOs to implement their programs
(Chitrakar, 1996). Luintel (2006) explained how the involvement of various civil society
organizations in conservation and development work in Nepal had benefitted the community
forestry program. A study by Ito et al. (2007) found that NGOs in Nepal had helped increase
self-reliance and knowledge within community forestry user groups. According to Ito et al.,
NGO involvement in bilateral donor agency projects was preferred because: (1) there was an
insufficient number of government staff; (2) they promoted a bottom-up approach in project
areas; (3) strengthened the capacity of civil society; (4) were effective and available to meet local
needs; (5) had expertise, which was lacking in governmental organizations; (6) performed their
work quickly; and (7) made the project transparent, accountable and efficient to local people.

Literature on NGO involvement in Nepal suggests it is a double-edged sword. On the
positive side, NGOs are seen as bringing changes to communities (Cameron, 2006; Chand, 2000;
Dhakal, 2000; Hossain, 2000; Rademacher, 1993). They have increased efficiency and
participation of people in a transparent manner, worked to improve the livelihoods of
disadvantaged groups, and brought projects and money to villages (Cox, 1994; Dhakal, 2000).
In addition, they were viewed as less bureaucratic and more flexible than government agencies
(Upadhyaya, 1982). Further, NGOs provided employment opportunities to educated Nepalese
and paid higher salaries than the public service sector (Yadama and Messerschmidt, 2004).

A dominant theme found in the literature suggests NGOs are better in social mobilization
at the local level. Many scholars concluded that since the NGOs are close to the target groups
and operate using a bottom-up approach they are better than the government at mobilizing people for community work. (Devkota, 1991; Kandel, 2004; Khanal, 2006; Lakhey, 1992; Rademacher, 1993).

… after their (NGOs) participation in the mobilization process in their respective villages, critical awareness has been created among the rural women about their basic rights utilization of resources, and maximization of their income (Devkota, 1991, p.21).

NGOs by reaching out directly to the poor and mobilizing them for group action, can not only loosen ties of vertical dependency, but also promote horizontal linkages amongst the poor… NGOs enable the poor to enhance their bargaining power for influential political or other decisions in their favor (Khanal, 2006, p.252).

On the negative side, stakeholders discussed NGOs as having little impact on the sectors with which they were involved. Broadly, they were seen as agents of imperialism and promoters of western ideology (Phuyal, 2004). Scholars criticized them for being city-based and dominated by political and social elites (Rademacher, 1993; Shrestha, 1992; Yadama and Messerschidt, 2004).

Popular criticisms of NGOs also focused on their performance at the local level. One charge tied to their focus on completing projects rather than bringing changes to the community (Chapagain, 2004). Evaluation of NGO projects in rural areas by Dhakal (2006) showed only a few people benefitted from their programs. For example, only one out of the eight households that had constructed toilets with assistance from NGOs was using it. Toilets in other households were broken and not used. Likewise, their distribution of agricultural crop seeds benefited only 20 percent of the population. Thirty-six percent said the project was not helpful and 26 percent did not know anything about the project even when it was located in their community (Dhakal, 2006).
Other NGO involvement concerns within Nepal included: (1) their accountability to donors only (Hossain, 2000; Gyawali, 2000); (2) over-spending on staff salaries (Pokharel, 2000); (3) promotion of their own and donor’s agendas, and the fact many NGOs were urban based and insensitive to rural issues (Dhakal, 2000; Siwakoti, 2000); and (4) interventions on domestic politics, and forcing privatization of public services, which contributed to the emergence of a new form of corruption (Siwakoti, 2000). In addition, NGOs were criticized for being dependent on donors, leaving out target groups, being elite-driven, focusing on seminars and workshops, lacking a targeted approach to reach the poor and Dalits, having a low degree of accountability and transparency, caring more about the sustainability of NGOs themselves, and having a weak monitoring and evaluation aspect to their programs (Khanal, 2006).

To summarize, the NGO sector in Nepal contributed to both development and underdevelopment at the community level. By promoting democratic ideals and implementing projects they were contributing to rural development. On the other hand, by using donor funds, and giving away money to individuals or households and implementing projects they have increased dependency among the people in given communities. Overall, NGOs in Nepal get less praise and more criticism from the public (Wasti, 2004):

They suggest people to eat local foods, which they themselves do not eat. They run their projects with the dollar they get as foreign aid but they teach us to be self-independent (Wasti, 2004, p.107).

Despite a big NGO movement, neither the dominant political, economic and social structure facilitating the marginalization of the deprived could be changed, nor could a perceptible improvement in living conditions of the poor be made (Khanal, 2006, p.256).

The question that arises is: How should efforts of more than 27,000 NGOs in Nepal working to bring changes to rural areas be directed? To answer this question, policymakers and NGOs must work together to effectively mobilize resources and to secure the future for NGOs in
Nepal. Since Nepal’s development depends on the availability of foreign aid, which requires the involvement of NGOs, such collaboration would result in effective development. Nepal’s dependence on foreign aid indicates NGOs would cater to donor needs. Therefore, redirected efforts that integrates all three major stakeholders, donors, government and NGOs, are highly recommended.

NGO services are mostly realized by the donors only. In the project paper, the need for NGOs is written and hence NGOs are employed… NGO selection is the job of the superior; the officers never discuss the quality, type and need for NGOs. So NGOs appear on superior’s will and disappear by that person’s will… Expatriate NGOs are for the donor’s interest alone. They are donor driven and depend on the interest of the donor. If we had discussion of such NGOs, donors will be offended and hence, money does not come (Neupane, 1992, p.32).

Chapter Summary

This chapter has focused on the NGO literature and specified their roles in the rural development process. In developing nations, NGOs are the third sector in the development process. Unfortunately, they have experienced limited success in bringing change to rural areas. This review supports Ronald’s (2010) conclusion that the NGO-sector must transform to be more effective. Further, support for the role of evaluation efforts for improving the effectiveness of NGO activities in rural areas existed; however, a methodological and knowledge gap existed in the area of conducting proper evaluations. This gap was particularly noticeable in Nepal where NGOs were rapidly expanding in number; but, there were few independent studies assessing their impact on rural communities. This research addressed this problem by taking a community approach to evaluating NGO-led rural development in Nepal. By doing this, it contributes to the literature on NGOs and rural development. In the next chapter, I discuss various theoretical understandings of NGOs, rural development and evaluation, and describe the conceptual framework guiding this research.
Chapter Three

Theoretical Framework

In Chapter Two I discussed rural development, involvement of NGOs in development, and the role of evaluation in the development process. In addition, I discussed the broad changes associated with rural development activities designed to improve the quality of life in rural areas. There were some positive outcomes; however, the majority of scholars criticized the dominance of the economic growth model within traditional rural development programs. NGOs were seen as both contributing to the improvement of rural areas and failing to perform as expected. There seems to be an absence of consensus on the effectiveness of NGOs in rural development. In addition, evaluation was identified as an important tool for improving rural development projects implemented by NGOs, but little evidence of formal evaluations was found.

In this chapter, I elaborate on the dominant theoretical frameworks tied to rural development, NGOs and evaluation. Then, I present my conceptual framework for evaluating the effectiveness of NGOs in rural development using a transdisciplinary framework.

Rural Development

As described in the previous chapter, rural development is a complex and value laden concept (Singh, 1999). For both the government and NGOs, rural areas are the target for development in many developing countries. In countries like Nepal, rural development has become the de facto development. Despite decades of research and practice there is no consensus on describing rural development and no agreed upon theory or model to guide it. Rural development now includes almost everything—for example, forest management, better education, transportation, and voting practices.
The majority of rural development programs view rural areas as homogenous communities vulnerable to economic changes that are remote and have relatively low connectivity to the global economic system (Chambers, 1983). It is not surprising, then, that efforts designed to diversify the economy, enhance education and health services, and develop new skills are seen as ways to improve life in rural areas (Reinert, 2007). The last six decades have witnessed governments, scholars, and international development agencies attempting to achieve these goals in multiple ways. In this process, every decade after 1950 saw the emergence of a new approach to attaining rural development.

Two theoretical frameworks have dominated rural development over the last six decades: ‘top-down’ and ‘bottom-up.’ Top-down centralized planning dominated from the 1950s to 1970s. It is still the most applied model for rural development in developing countries. This model used Rostow’s Modernization Theory, which focused on industrialization and modernization of society. It assumed, “the benefits of the modern sector would trickle-down and as the economy moved towards take-off, the rural sector would be carried on the back of the urban industrial sector” (Haque et al., 1975, p.1). Following this approach, in an effort to modernize rural areas, the state typically implemented various programs under a centralized system.

The foremost of these programs was community development,19 which dominated the 1950s and 1960s (Korten, 1980). Community development focused on social services like health, education, and rural infrastructure projects. In many developing countries, the government implemented these projects with little involvement of rural people. The only effort to involve rural people in the development process was through the establishment of cooperatives in rural

19 This community development involved projects implemented by the government strictly under the top-down model. In contrast, current understanding of community development is based on active involvement of local people throughout the development process.
areas (Korten, 1980). Many developing nations in their efforts to fund and implement these development programs borrowed money in the form of economic aid or loans from foreign countries, bilateral and multilateral organizations, and INGOs.

Despite its dominance, the government initiated community development approach disappeared from many countries in the late 1960s. Its demise was attributed to its reliance on centralized planning, elites capturing local power as it involved no structural changes, little or no effort to increase rural income, the programs were implemented through a bureaucratic top-down structure, no initiatives existed to create independent organizations, and program depended on foreign aid which weakened local autonomy (Korten, 1980; Haque et al., 1975).

The donor community criticized the host government for the failure of community development because of corruption and inefficiency during the process. As a result, donors directly implemented several large-scale development programs in many developing countries including Nepal in the 1970s with objectives to modernize rural communities. One such effort was the integrated rural development program (IRDP), which originally conceptualized as a means for implementing rural development in an integrated manner (Korten, 1980; Chambers, 1997). Promoters of IRDP used ideals based on neo-liberal economics coupled to science and technology as a means of improving local development, education, health, and economy. IRDPs were to increase rural income, which the ‘community development’ approach failed to include. IRDPs became the new ‘mantra’ for rural development in the 1970s and 1980s. For example, The World Bank spent $19 billion between 1973 and 1986 on 498 IRDPs worldwide (Chambers, 1997). During the same period, 11 IRDPs emerged in Nepal (Gurung, 1998).

Direct implementation of development programs by donors also failed because of two fundamental reasons. First, the donors had less knowledge about local communities than the
earlier state-driven efforts. Simply, programs planned and designed outside the communities failed to achieve their goals. Second, despite the rhetoric of the new initiative, these programs had the fundamental weakness of being a government initiated community development effort (Korten, 1980; Chambers, 1983, 1997). IRDPs were implemented under the dominant ‘top-down’ system as a supply-driven initiative (Chambers, 1997; Gurung, 1998). Thus, IRDPs were co-opted into the old system and could not deliver any new solutions. In turn, the international community continued to blame existing governments in developing nations for these failures and instituted new preconditions for successful rural development: decentralization and privatization.

Under decentralization, the central government devolved its authority to local government agencies. This empowered local government agencies to make decisions at the local level (Porter and Olsen, 1976). Democracy is one of the key indicators for decentralization. Under democracy, decentralization implies a governance system where local public officials are responsible and accountable to their citizens (Johnson, 2001). In democracy, civil society monitors local officials elected through democratic means to prevent power abuse by the officials (Saito, 2001). It can be said, although decentralization was not the sole reason for proliferation of NGOs in many developing countries such as Nepal, it definitely facilitated their growth. In these nations, newly framed decentralization policies mandated an active role for NGOs in the development process (Shatkin, 2003; Mugunieri and Omiti, 2005; Feldman, 1997).

In many countries, decentralization and privatization of social sectors were promoted as a strategy to address extant inefficiencies of public systems by placing their management in the hands of private entities (Boycko et al., 1996). As a result, the role of government was reduced to that of a facilitator and protector of business community interests. The World Bank took the lead in privatizing the social sector through its structural adjustment program (SAP) in developing
countries (Reinert, 2007; Rich, 1994). Contrary to the beliefs and promises of SAP, it failed in many nations resulting in more poverty and a weakened social system. SAP was finally abandoned in the late 1990s; however, privatization is now promoted under globalization, a more enticing theme. Even though globalization has been evolving for several centuries, it has emerged as one of the most important concepts in the twenty-first century (Robinson, 2007). It has transformed governance at both state and global levels by creating a structure that protects the expansion of privatization (Farazmand, 2002). Under globalization, privatization transcends nation states.

The failures of centralized planning, IRDP, SAP, and privatization gave rise to the alternative ‘bottom-up’ development paradigm. This paradigm argued for development that was sustainable, participatory, democratic, empowering, and environmentally friendly (Zaidi, 1999). The model was conceptualized in the 1980s after two seminal publications: Rural Development: Putting the Last First, 1983 by Chambers and Putting People First: Sociological Variables in Development, 1985 by Cernea. Both authors argued for involving local people in rural development projects. This model gained attention from development practitioners who had become increasingly frustrated by the failures of past projects.

By 1990, donors also realized the need for participation by local organizations, who were attached to the communities and could implement their programs, in the rural development process (Hudson, 2001). Further, 1990 marked the end of the cold war and democratization of many countries in Africa, Latin America, and Asia, including Nepal. The bottom-up approach

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20 The World Bank recommended SAP with a logic that it will stimulate economic growth and generate revenue by cutting expenditures, mostly in health care and other social services (Shandra et al., 2011). To receive new loans under the SAP the host government had to devalue currency, reduce government spending, liberalize trade and privatize government assets (Bryant and Bailey, 1997).

21 Globalization is another vague concept like development. See Friedman (2005) on the optimism international organizations have for globalization. For criticism of globalization, see Farazmand (2002) and Stiglitz (2005).
viewed local organizations\textsuperscript{22} and community groups as alternatives to both the state and the market system. As a result, starting in 1990 there was an upsurge in the number of NGOs in many countries.

**NGO-led Rural Development**

In recent years, NGOs under the bottom-up model have developed into important stakeholders in rural development. In this model, NGOs are viewed as being more efficient, effective, and democratic than the government in implementing their programs (Madon, 1999; Mitlin et al., 2007; Willis, 2005). Under this development paradigm, the international community and national governments of developing nations adopted policies to recognize the role of NGOs in rural development.

Today, the NGO movement is rooted to the concept of civil society discussed by Aristotle, Hagel, Habermas, Gramsci, Tocqueville, and Marx (in Wiarda, 2003; Steinberg and Powell, 2006). These scholars conceived civil society as the space between family and the state. Later, this space grew into a society organized to challenge the authoritarian power of the state. For example, Gramsci saw civil society as a “legitimizing agent for challenging existing structures of power” (in Anheier and Salamon, 2006, p.93). Similarly, Salamon et al. (2003) wrote:

> The civil society sector is the natural home of social movements and functions as a critical social safety valve, permitting aggrieved groups to bring their concerns to broader public attention and to rally support to improve their circumstances (p.20).

\textsuperscript{22} By local, I mean organizations where people have face-face communication and engage in “collective action” (Korten, 1980). Collective action is seen as fundamental to the success of these organizations (Edwards, 2004). These organizations have various names: NGO, community supported organization (CSO), grassroots organizations (GRO), and community based organizations (CBO) (Uphoff, 1993).
According to Edwards (2004), there are three dominant theories of civil society. The first posits civil society focuses on associational life in the community. The second views civil society as characterized by norms and goals to meet particular social goals. The third views civil society as a public sphere in which people communicate and interact. The modern image of civil society, as seen today, is dominated by the first two theories that promote NGOs as a sign of a healthy associational life in the society.

To Edwards (2004), civil society depends on collective action and associational life of its members. To him, civil society succeeds only if we abandon the false hopes of panacea, magic bullets, and universality. Even though civil society can improve livelihoods, produce social stability, and promote transparency, accountability, and good governance of both state and market systems, it is not an alternative to the state (Najam, 1996; Chambers, 1993). Another view considers civil society organizations are interdependent of government and therefore, needs to be seen as a ‘micro climate’ where, “skills are learned, values and loyalties developed, and caring and cooperation-instead of competition and violence- become rational ways to behave” (Edwards, 2004, p.41).

In recent years, civil society is viewed as enhancing social capital by decentralizing power, promoting pluralism, and nurturing trust and cooperation (Edwards, 2004). Civil society, therefore, increases social capital by connecting individuals and engaging them to cooperate (Salamon et al., 2004; Eberly, 2008). However, because people vary by characteristics, purposes and beliefs, this is not always the case. As Putnam warned, “The rebirth of civil society is always riddled with dangers since it gives freedom to despots and democrats alike” (quoted in Edwards, 2004, p.43). Edwards added, “To say that a civil society ‘requires’ trust and mutuality is true, but

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associational life doesn’t generate these things by itself, especially in deeply fractured societies” (p.48).

Finally, for many development practitioners, NGOs offer the best alternative to failures of state and market-initiated development. Critics suggest NGOs are another form of western ‘missionary’ organizations riding on the neo-liberal agenda by weakening the role of the state in developing countries (Najam, 1996; Petras, 1997 and 1999; Rist, 2008; Rooy, 2001; Schuurman, 2009; Zaidi, 1999). There are advantages and disadvantages associated with NGO-led rural development (Cernea, 1988). Advantages include their capacity to reach rural poor and remote areas, promote local participation, operate on low costs, and innovate and adapt. On the other hand, they are limited in their sustainability and technical capacity, and lack broad programming context and ability to be replicated. NGOs are a ‘double edged sword;’ their role defines their relevancy in rural development. As Cernea (1988) wrote “NGOs have great potential, but they are not the ultimate panacea to the contradictions and difficulties of planned change and induced development” (p.20). Next, I discuss evaluation as one of the ways to recognize NGO potential and to improve the sector.

**Evaluation as a Tool to Improve the NGO Sector**

Until the 1990s, NGOs were rarely evaluated. This largely reflected the inherent faith The World Bank and other international agencies had in them (Cracknel, 1996). These agencies assumed NGOs could do no wrong and were well equipped to reach the poor people that aid agencies could not reach; however, in recent years NGOs have been under attack from all sides. Leftist scholars criticize them for weakening social movements in the south and for becoming agents of neo-liberalism (Petras, 1996, 1997; Zaidi, 1999). Academics criticized NGOs for their ineffectiveness in bringing changes to communities where they worked (Ahmad, 2006; Edwards
and Hulme, 1995; Lane, 1992). Many scholars, therefore, have seen the need for transformation and improvement in NGO performance (Ronald, 2010; Rooy, 2001; Robinson, 1992; Tandon, 2001).

Of the many ways to improve the NGO sector, this research focused on evaluation as a tool to enhance the performance of NGOs. There were several reasons for taking this approach. First, there is little evaluative research on communities where NGOs work (Khang and Moe, 2008). Second, evaluation is a pragmatic way to improve NGO accountability (Bellamy et al., 2001; Crawford et al., 2004; Stem et al., 2005). Third, evaluation can be used to understand the development process (Alkin and Christie, 2004; Rossi et al., 2004). Fourth, it serves as an early warning system for problem identification (Moore and Stewart, 1998). Fifth, it can be used to assess if interventions are attaining designed goals (Stem et al., 2005). Even though, monitoring and evaluation are used interchangeably by the NGOs, they are different and the reason I focus on evaluation:

Evaluations introduce values into our determination of what constitutes success, based on the current social norms and principles of twentieth-century western culture … Good evaluations go beyond assessing whether goals were reached to assess the adequacy of the goals and the reasons for success or failure (Kleiman et al., 2000, p.357).

According to Alkin and Christie (2004), evaluation theory is based on accountability and social inquiry. From these two roots, evaluation branched into three main areas: use, methods, and valuing (see also Shadish et al., 1991). The first branch is a continuation of social inquiry and deals with the methods of obtaining generalizability or knowledge construction. The second branch is about establishing the role of evaluation in valuing. The final branch is about using evaluation in decision-making. Therefore, a researcher can use different theoretical positions to conduct an evaluation. Some common approaches are consumer oriented, participatory, decision
support, and solving social problems (Scriven, 2001). The best option is to follow the goals and objectives of the evaluation. According to Knaap (2004); “… everything cannot be expressed in theories …. Performance data and objectives may escape the attention of both decision makers and evaluators…” (p.18).

There are two types of evaluations: formative and summative (Love and Russon, 2004). Formative evaluation is conducted during the planning and implementation of the program to check if the program is progressing as designed. Summative evaluation assesses the use and quality of completed programs. In both kinds of evaluations a set of standards are used. These standards are also of two types: universal and open (Love and Russon, 2004). A majority of the universal standards are the same across nations, whereas open standards can be modified to fit the context. Standards can also be voluntary or compulsory (Russon, 2004). According to Russon, standards created by a non-government regulatory body are voluntary, while standards put forward by the government are compulsory.

In terms of conducting an evaluation, there are two models:24 instrumental and enlightened (Marra, 2000). The instrumental model assumes a rational decision making process where leaders have clear goals, seek direct attainment of these goals, and have access to relevant information. On the other hand, the enlightened model follows a learning process, where the users base their decisions on gradual accumulation and synthesis of information. The latter model is well suited for the evaluation of rural development programs implemented by NGOs. Korten (1980) called this the ‘learning process approach.’ Korten’s comparative study of five successful NGO-implemented projects in Asia found that the programs evolved by correcting their shortcomings and including the knowledge gained during the process. Further:

24 Likewise, Hansen (2005) mentions four evaluation models. They are the result models, economic models, actor models, and programme theory models.
They emerged out of a learning process in which villagers and program personnel shared their knowledge and resources to create a program, which achieved a fit between needs and capacities of the beneficiaries and those of the outsiders who were providing the assistance (Korten, 1980, p.497)

A major obstacle to effective evaluation is the proper identification of the evaluator. The pretext of freedom and interference are used to challenge evaluation of NGO projects by the government and international donors (Gugerty, 2008). Local NGOs perceive imposed outside evaluation as a measure designed to control their activities and thus potentially imposing restrictions on their activities (Estrella, 2000). Further, there is no consensus on the use of standards and indicators to evaluate development projects in developing countries (Gugerty, 2008; Hilhorst, 2002). As a result, NGOs are now proposing a self-regulatory evaluation mechanism to evaluate their performance. This self-regulation system is based on principles of cooperation and collective action among the NGOs. Naturally, there is skepticism about the effectiveness of this approach, as it is similar to internal evaluations currently practiced by NGOs.

Internal evaluations by NGOs look only at short-term goals and do not question long-term program goals. Such evaluations are prepared as progress reports and for new funding (Kleiman et al., 2000). Therefore, the scope of self-regulation as a tool to improve the NGO sector is limited. As an alternative, a peer-reviewed external evaluation would remove some of the shortfalls found in internal evaluation 25 (Kleiman et al., 2000). Problematically, even the peer-reviewed evaluations has been found to initiate a whole range of issues related to power, authority and control as discussed above. 26 As Estrella (2000) found, “evaluations have been

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25 These constraints related to personal incentives, group or peer influence, fear of negative reaction from the leadership, and conflict of interests.
26 Russon (2004) discussed the issue with the use of indicators and actors outside the local areas during the evaluation process. His research showed it undermined local standards and could instigate competition between local and outsiders for standards. See also Love and Russon (2004) and Estralla (2000).
used by funding agencies primarily as a tool to control and manage the disbursement of resources to recipient organizations or beneficiaries” (p.5).

Finally, since both internal and external evaluations have limitations, the current study used a community approach, which is similar to the participatory monitoring and evaluation (PME) concept that evolved from participatory action research and participatory rural appraisal (Chambers, 1997; Estrella, 2000; Narayanasamy, 2009). However, it differs from PME in that it emphasizes collecting information through interaction with various stakeholders: community leaders, local people, NGOs, government agencies, donor community, researchers, and political parties. The evaluation framework expects to identify strengths and weaknesses of NGOs in rural development and ways to prevent failures in the future.

**Framework of Analysis**

The community approach views target communities that receive NGO projects as the best sources of information on the effectiveness of NGO projects. In addition, it sees evaluation of NGO projects in communities where they worked as the key to improve the NGO sector. This research focuses on perceptions of local people affected by NGO projects. Such perceptions can be used as an important indicator of success of intervention programs (Fiallo and Jacobson, 1995; Infield, 1988; Mehta and Heinen, 2001). Researchers have used people’s attitudes to identify issues in the community, management decision-making procedures and to assess new program effectiveness. In addition, attitudinal studies provide meaningful feedback to improve the performance of development programs (Fiallo and Jacobson, 1995); however, for the purpose

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27 I have used similar studies to identify medicinal plants among rural people in Nepal in ethnobotanical studies, to select key issues in the community during baseline studies for NGOs, and to identify challenges affecting performance of government agencies working in Baglung district.
of this study I focus only on the one-way directionality of assessing the NGOs as perceived by the beneficiary populations.

The key variables to achieve the research goals explore the following NGO characteristics: non-profit, sustainability, inclusive, responsibility, accountability, and alternative to government. These variables were selected from the extant literature discussed in the previous chapter. Further, these NGO characteristics are the basis for their expansion and the sources of faith rural people have for them.

**NGO-led Community Development**

The evaluation framework used in this study focuses on the number of NGO projects in target communities. During the development process, a community can be the recipient of many projects from any number of NGOs. These projects are directed to address multiple sectors confronting the community. Rural people therefore consider NGO activities as a step towards development and their participation in these projects is overwhelming. Even the major international organizations, which fund the majority of NGO projects, view NGOs as efficient, effective and democratic (participatory) in implementing their projects (Maddon, 1999; Willis, 2005). Furthermore, as NGOs direct their resources to critical issues like providing drinking water, local people are overwhelmed as well. Depending on the geographic location of the community and involvement of people, NGOs may continue implementing additional projects. This framework assumes community residents with the highest number of projects will be most knowledgeable about NGOs. Further, it assumes such perceptions will reflect the NGO program effectiveness. The framework also accepts the fact that various factors influence perceptions of NGOs (Ajzen, 1991; Tesfaye et al., 2012). This research included several factors, based on my experience in community development and the extant literature on development of Nepal, which
might influence perceptions of NGOs. These factors were categorized into four groups: sociodemographic, satisfaction with life, community involvement, and NGO activities (Figure 3.1).

**Sociodemographic Factors**

Several sociodemographic variables have been linked to perceptions of development efforts in rural areas. These include residence (location), age, gender, education, and socioeconomic status (Allendorf et al., 2006; Bruyere et al., 2009; Davids and Gouws, 2011; Fiallo and Jacobson, 1995; Grodeland, 2006; Hossain and Moore, 1999; Infield, 1988; Mehta and Heinen, 2001; Tesfaye et al., 2012). A study by Grodeland (2006) in Serbia, Bosnia and Herzegovina, and Macedonia found public perceptions of NGOs varied with age, education, and ethnicity. Grodeland found, a majority of younger people shared positive perceptions, more people with higher education provided negative statements and perceptions about NGOs were significantly related to ethnicity.

In Nepal, I could not identify any studies looking at the influence of socio-economic characteristics on public perceptions about NGOs. Nevertheless, Mehta and Heinen (2001) found a strong relationship between age, gender, ethnicity, wealth status and education, and rural people’s attitudes towards protected areas and conservation programs supported by NGOs in Nepal (see Mehta and Kellert, 1998). Similarly, participation in conservation of natural resources in Nepal was found to link to sociodemographic variables like income, education, location, caste/ethnicity and gender (Adhikari and Lovett, 2006; Allendorf et al., 2007; Neupane, 2003; Parker and Thapa, 2011). Such findings indicate a similar relationship between sociodemographic variables and perception of NGOs is very likely. This research explores the
relationship and the significance it might hold for the future of NGO-led rural development in Nepal.

**Satisfaction with Life**

The objective of many NGOs doing rural development is to improve rural quality of life (Ajala and Olorunsaiye, 2006; Coapestake, 2008; Edwards and Sen, 2000; Finn and Sarangi, 2008; Noponen, 2009). The majority of NGO programs try to achieve this by supporting projects on drinking water, education, conservation, health, and employment. Because of improvement in their quality of life, rural people would express satisfaction with life in the community. If NGO activities were having any impact on the lives of people, this would be reflected in their perception of NGOs. Furthermore, the contribution of NGOs to the quality of life can be estimated by analyzing the correlation between local people’s responses to changes in the community and NGO activities. Community changes were measured in the following sectors: quality of life, agriculture production, forest management, household income, employment, occurrence of disease, women empowerment, wild animals, education, and outmigration.

**NGO Activities and Community Involvement**

The majority of NGO programs demand active participation of locals during project implementation, which, according to NGOs, is critical for their success. Furthermore, involvement in community activities is essential for local economic and political development and for fostering collective actions (Gugerty and Kremer, 2008; Putnam, 1993). The recurring interaction during community involvement would create a community field, which then attracts additional and diverse groups (Wilkinson, 1991). Through the community field, local people are able to connect with local and extra-local agencies to solve local problems (Brennan et al., 2009).
In the context of community development, participation can be defined as “the inclusion of a diverse range of stakeholder contributions in an on-going community development process, from identification of problem areas, to the development, implementation and management of strategic planning” (Schafft and Greenwood, 2003, p.19). Community involvement in community development typically occurs through people-initiated groups and/or from government, NGOs, and government-NGOs initiated groups (Ahmad, 2006; Bowen, 2007).

The emphasis on participatory community development is an outcome of poor performance of international organizations that allowed little space for local participation and their programs were top-down, inflexible and culturally insensitive (Donini et al., 2008). The resulting rhetoric of international development, therefore considers NGO-led development as promoting participatory development. However, the presence of NGOs does not guarantee active involvement of local people, nor does it guarantees an improvement in lives (Tendler, 1982). The extent of their participation will depend on the goals and the types of issues concerning the community (Bowen, 2007). Nevertheless, NGOs by creating user groups have been trying to engage citizens in the development process. This means there is likelihood of a relationship between NGO activities and community involvement. To explore the relationship, this research assumes, because of their regular interaction with NGOs during the development process active people would perceive NGOs differently from those who are not active.
Summary and Research Hypotheses

The review of literature on rural development, NGOs, and evaluation was used to develop this study’s theoretical model, which guided the evaluation of NGO activities necessary for effective rural development. I suggested that it was critical to use a community approach to evaluate NGO effectiveness, as it generated more accurate information than analyzing the NGOs (See Tendler, 1982). It will also test the self-descriptive success claimed by NGOs. For example, NGOs claim to be promoting participatory development practices, however, independent researchers have found the notion of representation and participation of poor and disadvantaged groups is vague and often not met (Fisher, 1997; Acharya, 1997; Najam, 1999; Young et al., 2001; Zaidi, 1999). Furthermore, the community approach will overcome the flaws in the existing evaluation practice, which evaluates a single NGO or its project and often through rapid assessment by interacting with the NGOs only (Acharya, 1997; Chapman and Quijada, 2009;
Dhakal, 2006; Stem et al., 2005; Tendler, 1982). Therefore, in NGO evaluation the unit of analysis should be the community where the project took place and not the NGO (Tendler, 1982). In this process, four hypotheses were developed to guide this research.

**H1**: Local people’s perceptions about NGOs vary with socioeconomic characteristics;

**H2**: People who reported high quality of life in the community have positive relationship with perceptions of NGOs;

**H3**: Individuals who are members of community organizations perceive NGOs positively;

**H4**: Presence of NGOs and their activities influence perceptions about NGOs.

This chapter presented the concepts and theories related to NGO-led rural development projects in developing countries. This theoretical framework was designed to deliver suggestions to NGOs so they could improve their performance. The methodology and research design used in this study are presented in the next chapter.
Chapter Four

Methodology

This chapter presents an overview of the study. It explains the steps taken to evaluate the effectiveness of NGO activities in two village development committees (VDCs) of Baglung district in Western Nepal. The chapter includes discussion of the unit and level of analysis, site selection, research design, data collection techniques, and data analysis. This study used a mixed methods approach (both quantitative and qualitative methods) to analyze secondary data, key informant interviews, and data collected from the household survey.

Unit and Level of Analysis

The objective of the study was to understand how NGOs were performing in rural communities. For this study, the community is the level of analysis and individual residents are the units of analysis. Focusing on this level of analysis is justified since NGO projects were implemented at the community level and the beneficiaries were individuals living there. As units of analysis, individual residents provided their opinions and perceptions about NGOs and shared their experiences working with them. The study assumed individual perceptions about NGOs reflect their levels of performance in a particular community. The methods used to collect data from individuals were interviews, informal conversations, and a household survey. In addition, secondary data in the form of government and NGO reports, and various media publications were collected and analyzed.
Site Selection

Nepal is a small landlocked country in the foothills of the Himalayas between India and China. Its total area is 147,181 square kilometers and it is divided into three ecological zones: the high mountains in the north, the hills in the middle, and the terai (plains) in the south. Administratively, the country is divided into five development regions: eastern, central, western, mid-western, and far western. The five development regions include 14 zones and 75 districts (Figure 4.1). The population of Nepal was estimated to be 27 million in 2008 (CBS, 2009).

Despite its small size, Nepal is a biodiversity rich country. According to the ICIMOD (2010), Nepal’s global share of biodiversity was 9.3 percent of birds, 1.6 percent of reptiles, 4.5 percent of mammals and 1 percent of amphibians. Altogether, some 342 plant species and 160 animal species are endemic to Nepal (HMGN/MFSC, 2002). Economically, Nepal is one of the poorest nations in the world (UNDP, 2008). About 85 percent of the population lives in rural areas, 90 percent of whom depend on subsistence agriculture (CBS, 2001). Nearly 31 percent of the population lives below the absolute poverty line (CBS, 2005). Nepal ranked 138th among the 169 countries listed in the United Nations Development Program’s Human Development Report 2010 and trails other South Asian countries including India, Pakistan, Sri Lanka, Bangladesh and Maldives (UNDP, 2010). Because of its underdevelopment, Nepal depends on international aid and assistance for its development efforts. For example, 49 percent of the cost for its first Five-Year Plan (1956-1961) was contributed through international aid and assistance (NPC, 1956). The level of external dependency has not improved in recent years; about 56 percent of the total development expenditure proposed in the Tenth Five Year Plan in 2002 was expected to come from external sources (NPC, 2002).
Another significant aspect of development in Nepal is the increasing role of NGOs in the development process. After 1990, the number of NGOs in Nepal skyrocketed, and is attributed to both in the establishment of democracy and funding from international agencies (SWC, 2010). As a result, national development policies contain provisions to include NGOs in the development process. In the Tenth Five Year Plan, NGOs were expected to contribute to local development by working with underdeveloped communities in remote regions by serving as a facilitator vis-à-vis local government agencies and other community organizations (NPC, 2002). The heightened role for NGOs in the development of Nepal makes it an ideal country to study the effectiveness of such organizations in rural communities.

Figure 4.1 Map of Nepal

Within Nepal, Baglung district was chosen because of its central location, increasing presence of NGO activities in rural development, and for reasons related to security. In addition, I have worked in the district with different NGOs. This knowledge about the district

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28 After the Maoist insurgency ended in 2006, many local rebel groups became active in Eastern Nepal and in the Terai region. They pose a serious threat to public safety.
and NGOs in the district was critical in designing the study, and completing the work under budget and time constraints. Geographically, Baglung resembles the map of Nepal (Figure 4.2) and is known as the “Suspension Bridge District of Nepal,” because it has the highest number of bridges in the country. The district also contains the only hunting reserve in Nepal – Dhorpatan Hunting Reserve – located about four days walking distance from the district capital. Baglung borders Parbat District to the east, Rolpa and Rukum Districts to the west, Myagdi District to the north and Pyuthan and Gulmi Districts to the south. The total area of Baglung district is 1,784 square kilometers, and contains one municipality and 59 VDCs (District Profile, 2005).

A VDC is the lowest level administrative unit within the Local Development Ministry in Nepal. The country contains 3,913 VDCs (CBS, 2005), each of which is an autonomous institution mandated to serve the local people by negotiating with both the district and the national government agencies. In accordance with the Local Self Governance Act of 1998, each VDC annually receives an annual budget from the government for its development efforts. Currently each VDC receives about two million Nepali Rupees (NRs). Each VDC has a president elected by the residents. Further, each VDC is divided into nine wards; each ward elects the Ward President to represent community interests at the VDC level. The wards are organized like communities where members interact regularly to discuss local issues before approaching the VDC President for assistance. Therefore, the majority of the wards in rural areas can be studied as a community. This study encompassed six wards, which exhibited the three important characteristics that define a community. That is, they existed as a locality inside a boundary, contained a local society, and together, they were involved in locality oriented collective actions (Wilkinson, 1991, p.2).
Historically, Baglung district was an important regional economic center around the Kali Gandaki River Valley. Before 1990, it was the headquarters of Dhaulagiri Zone, and currently serves as the regional center for various government agencies. In 2001, the district population was 268,937 and it had a literacy rate of 62 percent, which was above the national average of 54 percent (CBS, 2001). Likewise, percent of forest area, percent of households with access to drinking water, percent of households with toilets, percent of households using solid fuel for cooking, and percent of households with electricity in the district were above the national average for these sectors (Table 4.1). However, indicators like population density, percent of urban population, and maternal mortality rate in Baglung were below the national average. In addition, there were 12 health posts, 49 sub health posts, 366 primary schools, 71 high schools, 203 cooperatives, 312 development NGOs, and 344 community forest user groups (CFUGs) in Baglung District. Baglung Bazaar is the district capital and lies in the eastern most part of the

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29 Dhaulagiri is one of the 14 zones in Nepal and is made up of four districts: Baglung, Myagdi, Mustang and Parbat.
district bordering Parbat district. It contains the zonal hospital, post-graduate college, and various governmental regional offices.

Table 4.1 Sociodemographic and Socioeconomic Indicators of Nepal and Baglung

<table>
<thead>
<tr>
<th>S.No</th>
<th>Characteristics</th>
<th>Nepal*</th>
<th>Baglung**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Area (sq.km)</td>
<td>147,181.00</td>
<td>1,784.00</td>
</tr>
<tr>
<td>2</td>
<td>Population</td>
<td>26,966,581.00</td>
<td>268,937.00</td>
</tr>
<tr>
<td>3</td>
<td>Population density per square km</td>
<td>189.00</td>
<td>151.00</td>
</tr>
<tr>
<td>4</td>
<td>Urban population</td>
<td>15.80</td>
<td>7.75</td>
</tr>
<tr>
<td>5</td>
<td>Total literacy rate</td>
<td>54.10</td>
<td>61.67</td>
</tr>
<tr>
<td></td>
<td>Male literacy rate</td>
<td>65.60</td>
<td>73.10</td>
</tr>
<tr>
<td></td>
<td>Female literacy rate</td>
<td>42.80</td>
<td>52.30</td>
</tr>
<tr>
<td>6</td>
<td>Forest area (percent)</td>
<td>29.00</td>
<td>51.00</td>
</tr>
<tr>
<td>7</td>
<td>Number of CFUGs</td>
<td>14,337.00</td>
<td>344.00</td>
</tr>
<tr>
<td>8</td>
<td>Life expectancy</td>
<td>62.00</td>
<td>59.00</td>
</tr>
<tr>
<td>9</td>
<td>Children mortality rate (under 5 years) per 1000</td>
<td>62.20</td>
<td>91.00</td>
</tr>
<tr>
<td>10</td>
<td>Maternal mortality rate per 100,000</td>
<td>830.00</td>
<td>415.00</td>
</tr>
<tr>
<td>11</td>
<td>Health posts</td>
<td>676.00</td>
<td>12.00</td>
</tr>
<tr>
<td>12</td>
<td>Sub health posts</td>
<td>3,129.00</td>
<td>49.00</td>
</tr>
<tr>
<td>13</td>
<td>Black topped road in km</td>
<td>5,402.00</td>
<td>9.70</td>
</tr>
<tr>
<td>14</td>
<td>Percent of population with drinking water</td>
<td>82.00</td>
<td>88.42</td>
</tr>
<tr>
<td>15</td>
<td>Percent of households with toilets</td>
<td>46.80</td>
<td>70.16</td>
</tr>
<tr>
<td>16</td>
<td>Number of primary schools</td>
<td>29,220.00</td>
<td>366.00</td>
</tr>
<tr>
<td>17</td>
<td>Number of high schools</td>
<td>9,739.00</td>
<td>71.00</td>
</tr>
<tr>
<td>18</td>
<td>Number of cooperatives</td>
<td>9,362.00</td>
<td>203.00</td>
</tr>
<tr>
<td>19</td>
<td>Number of biofuel plants</td>
<td>8,075.00</td>
<td>64.00</td>
</tr>
<tr>
<td>20</td>
<td>Number of NGOs</td>
<td>27,797.00</td>
<td>312.00</td>
</tr>
<tr>
<td>21</td>
<td>Households using solid fuel for cooking</td>
<td>76.90</td>
<td>77.30</td>
</tr>
<tr>
<td>22</td>
<td>Percent of households with electricity</td>
<td>39.80</td>
<td>40.00</td>
</tr>
</tbody>
</table>

*CBS, 2001
** District Profile, Baglung, 2005

Two VDCs – Hatiya and Narayansthan – in Baglung were selected based on NGO involvement in their rural development activities and on the number of projects implemented in the past five years (2005-2009). NGOs, before implementing their projects, have to register with the District Development Committee (DDC) and must be approved by the District Legislative Assembly. Between 2005 and 2009, NGOs had registered 54 and 53 projects to be implemented in Hatiya and Narayansthan VDCs, respectively. Only five other VDCs in the district registered more than 50 projects during the same period. Hatiya and Narayansthan were chosen based on
their distance from Baglung Bazaar (Hatiya is about 45 km west of the capital and Narayansthan is only 12 km south of the capital). Within each of the chosen VDC, after consulting with local leaders, three wards were selected for the study based on NGO activities in the past five years. They were wards 6, 8 & 9 in Hatiya, and wards 2, 3 & 7 in Narayansthan (Table 4.3).

Selected sociodemographic characteristics for each VDC are presented in Table 4.2. Of the two VDCs, Hatiya is the larger in both area and population. Hatiya also has a higher annual population growth rate than Narayansthan. In addition, Hatiya contains 10 CFUGs while there were only two CFUGs in Narayansthan. On the other hand, residents of Narayansthan were better educated than residents of Hatiya. In both VDCs, female outnumbered male residents in population.

<table>
<thead>
<tr>
<th>S.N</th>
<th>Indicators</th>
<th>Hatiya</th>
<th>Narayansthan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Area (sq.km)</td>
<td>27.70</td>
<td>4.50</td>
</tr>
<tr>
<td>2</td>
<td>Distance from Baglung Bazaar (km)</td>
<td>45.00</td>
<td>12.00</td>
</tr>
<tr>
<td>3</td>
<td>Walking distance</td>
<td>1 day</td>
<td>2.5 hours</td>
</tr>
<tr>
<td>4</td>
<td>Total population</td>
<td>7,172.00</td>
<td>3,494.00</td>
</tr>
<tr>
<td>5</td>
<td>Male population</td>
<td>3,198.00</td>
<td>1,596.00</td>
</tr>
<tr>
<td>6</td>
<td>Female population</td>
<td>3,974.00</td>
<td>1,899.00</td>
</tr>
<tr>
<td>7</td>
<td>Annual population growth rate (%)</td>
<td>1.76</td>
<td>0.96</td>
</tr>
<tr>
<td></td>
<td>Population density per sq.km</td>
<td>258.91</td>
<td>776.44</td>
</tr>
<tr>
<td>8</td>
<td>Total literacy rate (percent)</td>
<td>60.70</td>
<td>69.80</td>
</tr>
<tr>
<td>9</td>
<td>Male literacy rate</td>
<td>72.72</td>
<td>81.01</td>
</tr>
<tr>
<td>10</td>
<td>Female literacy rate</td>
<td>51.78</td>
<td>59.96</td>
</tr>
<tr>
<td>11</td>
<td>Number of CFUGs</td>
<td>10.00</td>
<td>2.00</td>
</tr>
<tr>
<td>12</td>
<td>Total number of NGO projects (2005-2009)</td>
<td>54.00</td>
<td>53.00</td>
</tr>
</tbody>
</table>

Source: District Profile, Baglung, 2005

**Hatiya VDC**

Hatiya VDC is located in the center of the district about 45 kilometers west of the district capital (Figure 4.2) within the region known as ‘Galkot Valley,’ which contains 13 other VDCs. Historically, before the unification of Nepal in 1850, Galkot Kingdom included most of the
present Baglung district. After 1950, 

Unfortunately, a local leader used his influence to make Baglung Bazaar the capital. Since then, Galkot has remained remote and underdeveloped in comparison to VDCs surrounding the district capital. People from the region have to walk for one to four days to visit the district capital for administrative purposes, for medical treatment, and/or to catch a bus. In 2005, a dirt road connected Hatiya and other VDCs in the region with Baglung Bazaar. The road is narrow, rough, and only jeeps and small tractors can traverse it and can make the trip to Hatiya Bazaar in two and three hours.

Hatiya is one of the largest VDCs in the district in terms of population. It measures 27.7 sq. km and in 2005 had a population of 7,172 people (Table 4.2). Except for ward number two (Hatiya Bazaar), the other wards spread into the hilly region and can be reached only by foot. Hatiya Bazaar lies in flat lowland surrounded by hills. Within the Galkot region, Hatiya Bazaar is the center of economic activities. There are few small industries including furniture making, metalwork and carpet weaving along with several large grocery stores, banks, hotels, and cooperatives. It also contains a police station, a college, a high school, a private English boarding school, and a health post. Local residents indicated that road construction had increased urbanization and as a result, land prices had skyrocketed in the area. The Bazaar area is projected to expand in the future with the gravelling and black topping of the road.

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30 After 1950, Nepal was administratively divided into zones and districts.
31 It is said that the leader (Tejendra Khadka) stopped King Mahendra’s horse by holding its rein and demanded declaration of Baglung Bazaar as the district capital.
32 The Asian Development Bank and the World Bank funded the road project.
Figure 4.3 Some Images from Hatiya VDC

Hatiya Bazaar

Hatiya Ward no. 6&7

Newly constructed road

Historic Galkot palace

33 http://kunwor.blogspot.com/
Narayansthan VDC

Narayansthan VDC lies only 12 kilometers south of the district capital. It is located on a flat plateau on the bank of Kali Gandaki River. It is the smallest VDC in the district measuring only 4.5 sq.km with a population of 3,494 people (District Profile, 2005). Because of its flatland, the only airport in the district was built in this VDC. With the construction of a highway connecting Baglung to rest of the county, the once busy airport was closed in 1995. There are two high schools in the VDC, a private English boarding school, a police station, a college, a sub-health post, and some small industries like furniture, metal works, and brick kilns.

Local residents are currently demanding the reopening of the airport and blacktopping the road from Baglung Bazaar to Narayansthan. The government has recently proposed converting the airport into an ultra-light flight-training center (Dhaulashree, 2011a). Local residents frustrated with the delay in gravelling and blacktopping of the Baglung Bazaar-Narayansthan road have started to construct a shorter road connecting the VDC with the district headquarters using the VDC budget. In addition, efforts are underway to build a suspension bridge across the Kaligandaki River to Kusma Bazaar the capital of Parbat district. This bridge would cut the time to reach Kusma from 1.5 hours to just 20 minutes.34

In terms of the communities or wards where the study was conducted, the only available data were the number of households and the total population (Table 4.3). All six communities, in the two VDCs, were heterogeneous in terms of caste representing Brahmin, Chetri, and Dalit.35 Similar to the population of the VDCs, female members outnumbered male members in all six wards.

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34 Currently, people have to descent to cross the river and ascend to reach Kusma. When completed, the bridge will become the longest and the highest suspension bridge in the country.
35 Brahmin and Chetri are the two dominant upper caste groups of Nepal and Dalit is a common term that includes many lower caste groups.
Figure 4.4 Some Images from Narayanzhan VDC

Balewa Airport

Student Assembly

Newly constructed road to the VDC

VDC building destroyed by the Maoist
Table 4.3 Demography of the Six Communities from Hatiya and Narayansthan VDCs

<table>
<thead>
<tr>
<th>Sociodemographic indicators</th>
<th>Hatiya</th>
<th>Narayansthan</th>
<th>VDC total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ward-6</td>
<td>Ward-8</td>
<td>Ward-9</td>
</tr>
<tr>
<td>Total households</td>
<td>276</td>
<td>121</td>
<td>58</td>
</tr>
<tr>
<td>Total population</td>
<td>1,343</td>
<td>603</td>
<td>300</td>
</tr>
<tr>
<td>Male population</td>
<td>581</td>
<td>287</td>
<td>124</td>
</tr>
<tr>
<td>Female population</td>
<td>672</td>
<td>316</td>
<td>176</td>
</tr>
<tr>
<td>Caste</td>
<td>CBD</td>
<td>CD</td>
<td>DB</td>
</tr>
</tbody>
</table>

Source: District Profile, Baglung, 2005
C= Chetri; B= Brahmin; D= Dalit

Research Design

The research used both qualitative and quantitative methods. It included secondary data, key informant interviews, observation, and a household survey. The research was designed to integrate information from the four sources using a mixed methods approach. Doing this helped to overcome the weaknesses and limitations of the different methods taken individually (Brewer and Hunter, 1989; Tashakkori and Teddlie, 1998; Hesse-Biber, 2010). For example, the measurement of attitudes using only survey responses does not measure nonaccountable or personal responses. On the other hand, qualitative information collected using interviews and observation is weak for establishing casual linkages (Tashakkori and Teddlie, 1998). As Brewer and Hunter (1989, p.18) mentioned, the mixed method approach, “accepts the fact that no method measures perfectly and to exploit the fact that multiple measurement offers the chance to assess each method’s validity in the light of other methods.” Further, since rural development is a complex process it requires multiple methods measuring and integrating more than one variable or indicator (Luloff, 1999).

This research is also different in that instead of following the traditional approach of analyzing only NGOs or a single project implemented by the NGO, it adopted a community approach. Here, community members’ perceptions about NGOs are used to evaluate their
organizational effectiveness. This approach minimized some of the biases associated with ‘rural development tourism’ (Chamber, 1983). This included spatial biases where communities near motor roads and cities are most visited, project biases that focused on successful project sites, personal biases where the researchers contacted only elites and active members in the community, and dry season bias where visitors traveled only during the dry season.

I conducted key informant interviews in the six selected communities (wards). In addition, 50 households from each ward were selected using purposive sampling techniques to select key informants and to administer the survey (Black, 1999; Singleton et al., 2004; Tongco, 2007). This technique was selected to ensure representation of various groups. In the wards with a high number of households, both the interview and the survey were conducted to include Dalits, women, and households from each region\(^{36}\) of the ward. This was done by asking the primary key informants in each ward to identify households from the above groups. In wards with few houses (less than 60), all households were contacted to participate in the survey. This was necessary to achieve the target number of households (50 households per ward). Several families in these wards had migrated and as a result, some homes were empty, or there was no one present when we went to conduct the survey. In addition, many houses were built as extensions to existing homes to accommodate family members this further reduced the response. During survey administration, if the head of the household was absent then the available member, if 18 years or older, was requested to respond to the survey.

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\(^{36}\) For example, ward-6 of Hatiya was spread from the bottom to the top of the hill. Here, houses were selected to represent each region – bottom (16), middle (18), and top (16) – of the ward. In each belt, Dalit, poor and women headed households were selected. If there were not Dalits in the belt, then every other house was selected for the survey until the required number were achieved.
Secondary Data

Different types of secondary data were used for this research. National level data on NGOs and various socioeconomic indicators were obtained from the Social Welfare Council of Nepal and Census Data 2001. District level development data were gathered from the District Profile of Baglung District, and Baglung DDC’s Annual Budget and Development Reports\(^{37}\) (2005-2009). These data were used in selecting the two VDCs for the study. Information about district level NGOs was gathered from the District Administration Office, annual reports of various NGOs, and the NGOs Profile of Baglung published by the NGO Federation of Nepal, Baglung (2005). In addition, various local and national newspapers provided information on NGOs and their activities in the district. These newspapers were available online and included four national newspapers: Kantipur (http://www.ekantipur.com/en/), Nagarik (www.nagariknews.com), The Himalayan Times (www.thehimalayantimes.com), and NepalNews (www.nepalnews.com). Local news on Baglung was gathered from two sources: Dhaulashree (www.dhaulashree.com) and Myagdi News (www.benionline.com.np). I browsed websites of newspapers for relevant news on rural development efforts, and NGOs and their activities in Baglung district.

Key Informant Interview

Interviews with important, or key, members of the community are a widely used qualitative method. When necessary or appropriate, interview responses can be quantitatively analyzed using themes and codes (Tashakkori and Teddlie, 1998). In this research, the interview was designed to be used as a qualitative research tool and complement the findings from the

\(^{37}\) The DDC publishes its annual development report that includes the list of projects NGOs have registered with the DDC. The list also includes the VDC where the project will be implemented. I selected the two VDCs by counting the number of projects that were registered by the NGOs for the VDCs.
household survey. Subjective and personal experiences are best recorded using qualitative methods like interviews and focus group discussions (Hesse-Biber, 2010; Narayanswamy, 2009; Stephens, 2009). Such an understanding is vital to a study focusing on complex research topics like rural development. Some key informants were asked to identify the projects implemented by NGOs in their community. These projects were observed regarding their existing condition. For example, in a vegetable farming project, I observed if farmers were growing vegetables, and the condition of any infrastructure, if present, created during the project. Likewise, if it was a drinking water project the condition of taps, their distance from houses, and the flow of water were observed. Such personal observation helped to verify information provided by the key informants.

**Key Informant Sampling**

The key informants (KIs) were selected based on their knowledge about the subject, relationship to the study area, and their role in the field (Gilchrist, 1992). KIs for the study included local government officials, teachers, health workers, members of community forest user groups, farmer’s cooperative members, members of women groups, community leaders, political leaders, district level government staff, and NGO leaders. Additional informants were identified using snowball-sampling technique where the initial contact was asked to identify others knowledgeable about NGO activities (Bradshaw and Stratford, 2000). Further, Dalit and women leaders were purposively identified to make the study inclusive. I was able to interview the same type of informants in both VDCs. This was necessary for comparative analysis between the two VDCs. The only exceptions were a veterinarian from Narayanthan, and a lecturer, a NGO staff member and a youth leader from Hatiya (Table 4.4).
Table 4.4 General Characteristics of Key Informants in Hatiya and Narayansthan

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Hatiya</th>
<th>Narayansthan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business person</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>CFUG members</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Cooperative members</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Dalit leaders</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Drinking water management committee members</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Farmer group members</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Health post staff</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Lecturer</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Local leaders</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>NGO staff</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>School management committee members</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Teachers</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>VDC leaders</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Veterinarian</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Women group members</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Youth</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>29</td>
</tr>
</tbody>
</table>

The interview process continued until the information became redundant and/or the same individuals were mentioned as potential additional contacts. In many instances, the same individual belonged to more than one of the above group categories. This was more common in Narayansthan. For example, one person was listed as the president of CFUG, president of local Red Cross Committee, leader of the Farmers Association, secretary of the Ex-army Welfare Association, and board member of the School and Water Management Committee. Such overlapping may have occurred because of Narayansthan’s is small size and relatively few people held most of the major leadership positions. These leaders were repeatedly mentioned as potential informants. As a result, the number of informants in Narayansthan was less than that of Hatiya. Similarly, the proximity between the wards also resulted in the same individuals representing both wards. This was the case in wards eight and nine in Hatiya, and wards two and three in Narayansthan. In total, I interviewed 81 key informants. This included 40 from Hatiya, 29 from Narayansthan, 8 government staff, and 4 NGO staff members (see Table 4.4).
Table 4.5 Number of Key Interview Respondents from Naryansthan, Hatiya, Baglung and Social Welfare Council

<table>
<thead>
<tr>
<th>Source</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hatiya</td>
<td></td>
</tr>
<tr>
<td>Ward no. 6</td>
<td>16</td>
</tr>
<tr>
<td>Ward no. 8&amp;9</td>
<td>18</td>
</tr>
<tr>
<td>VDC leaders</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
<tr>
<td>Narayansthan</td>
<td></td>
</tr>
<tr>
<td>Ward no. 2&amp;3</td>
<td>12</td>
</tr>
<tr>
<td>Ward no. 7</td>
<td>11</td>
</tr>
<tr>
<td>VDC leaders</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
</tr>
<tr>
<td>Baglung district government officials</td>
<td>6</td>
</tr>
<tr>
<td>Social Welfare Council, Kathmandu</td>
<td>2</td>
</tr>
<tr>
<td>NGO staffs, Baglung</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>81</td>
</tr>
</tbody>
</table>

Interview Procedure

The interview instrument contained semi-structured questions with some probes. It was translated\(^{38}\) to Nepali language as a simple document without any technical terminology. The questions were pre-tested with Nepali diaspora\(^{39}\) living in the US or visitors to the US. This helped to modify language and estimate the time to complete the interview.

In Nepal, after selecting the VDCs, I contacted a leader in each VDC prior to the site visit. I informed the leader, via telephone conversation, about the study and asked for an appropriate time to visit the VDC. In both VDCs, the leaders replied within three to four days of the initial contact. Once in the VDC, I selected the six wards after discussion with the leaders. The leaders were able to provide names of potential key informants in each ward.

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A Nepali journalist translated the questions.

They were selected based on their rural background and familiarity with community development. They included a district level political leader, former CFUG president, a former VDC president, a former NGO staff, and a social activist.
In the ward, each selected informant was told about the purpose of the study and my identity before asking for an interview. If the respondent agreed to be interviewed, I explained in detail the objective of the study, why it was being conducted, and their rights as a respondent (their right to not answer questions they felt as being inappropriate and/or to discontinue the interview at any time). Additional information about the study was also included in the informed consent form, which was developed following the Human Participants Research guidelines approved by the Institutional Review Board of The Pennsylvania State University (Appendix A&B). The informed consent form was given to some respondents, who asked for it and could read it. For the majority of respondents; however, who could not read or did not want to read. In these cases, the form was read to them. Before beginning the interview, I also informed them that the interview would be recorded, that only I would have access to the recordings, and that these recordings would be deleted at the end of the research. I reminded them of their rights to refuse to participate in the research and/or discontinue their participation during the interview process.

Pre-tested interview questions asked community residents about; (1) changes in the community over the last 10 years; (2) how they perceived these changes; (3) how the changes affected their life; (4) who contributed to the changes and how they contributed; (5) how the actors or organizations brought changes to the community; (6) how any resulting conflicts were addressed; (7) who was involved in NGO implemented projects; (8) what roles community members played in the project; (9) examples of project failures and why they failed; (10) satisfaction with NGO involvement; (11) the role of the government in rural development; and (12) the future of NGOs in their community (see Appendix C). Probes for additional informant were used with the respondents during the interview. In addition, the following sociodemographic information was collected: respondent age, gender, caste/ethnicity, occupation, and education. The final question asked for names of anyone in their community
they thought I should speak to about community development and NGOs. Interviews were conducted wherever it was possible to meet the informant. They were conducted in fields, forests, schools, roads, and homes. I started very early in the morning (6 am) and continued until dark.

Responses from the interview were transcribed, translated to English, and organized for each community and group. The key informants provided information about the role NGOs had in bringing changes to the community and their perceptions about NGO involvement. The analysis of interview responses is presented in Chapter 6.

**Household Survey**

A household survey was constructed based on an analysis of the pre-tested KI questions and literature review (Appendix D). The questions were developed to record individuals’ perceptions and assessment of NGO activities in their community. These questions included open-ended, close-ended, and Likert Scale items. The survey included questions about: (1) important issues facing the community; (2) level of changes in the community; (3) decision making process in the community; (4) quality of life in the community; (5) sectors NGOs worked in the last 5-10 years; (6) basic understandings about NGOs; (7) NGO accountability; (8) sustainability of NGO implemented projects; (9) reasons for project failure; (10) involvement in community activities; (11) comparison between NGOs and the government; (12) who should address issues facing the community; and (13) personal characteristics like political affiliation, occupation, income, gender, and education.
The survey was administered face-to-face with the help of research assistants.\footnote{In Hatiya, my research assistant was an undergraduate studying in Baglung Bazaar. Before visiting the site, he was trained to administer the survey. In Narayansthnan, I sought assistance from a local resident familiar with baseline surveys. I conducted all key informant interviews. Assistants were used to administer the survey only.} Within a day of our stay in the community, everyone in the community knew about the research from word of mouth interactions among the residents. As a result, when we contacted them to administer the survey they were very willing to participate. Some surveys were given to the respondents\footnote{They were mostly teachers and other educated members who asked for the survey to be filled during their free time. Surveys dropped off were 13 in Hatiya-6, 9 in Hatiya-8, 9 in Hatiya-9, 12 in Narayansthan-2, 10 in Narayansthan-3, and 13 in Narayansthan-7.} to be completed and returned later; however, some of these were not returned, even after repeated attempts to acquire them from potential respondents. Some of them had left for the city, some said they were too busy to complete it, and some said they became ill and failed to complete it. Further, ward-9 in Hatiya and ward-3 in Narayansthan had only 58 and 60 households respectively. Some of these houses were locked, in several houses elder members were absent during the visit, and a few households refused to participate. Generally, we had no problems administering the survey. Of the 300 surveys administered and/or distributed, 265 were completed for a response rate of 88 percent.

Operationalization of Variables

Dependent Variable

The NGO-related literature suggests these organizations fill the space between the community and the government because the latter is unable to address issues facing communities. NGOs are seen as being participatory, accountable to communities, addressing important issues, efficient, and less corrupt than the government (Clark, 1995; Fisher, 1997). Although the majority of the scholar community views NGOs positively, there is little
understanding of the perceptions of community members relative to NGO services. Furthermore, there are very few studies looking at the factors that influence these perceptions.

In order to measure local people’s perception of NGOs, the household survey contained 11 statements about various NGO characteristics. Each respondent was asked to indicate their agreement with a statement by ranking it on a scale where 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, and 5 = strongly agree. These 11 statements were factor analyzed to create a composite score. If this was possible, the composite score would become the dependent variable. A factor analysis was conducted using principal axis factoring with no rotation. The factor items were selected using the following criteria: a factor loading of .35 or higher and interpretability (Kim and Mueller, 1978; Muijs, 2010).

The factor analysis resulted in grouping seven of the eleven items into a single factor. The items included: (1) NGOs are nonprofit organizations; (2) NGOs address immediate issues in the community; (3) serving people is a priority for NGOs; (4) NGOs conduct needs assessment of the community; (5) NGOs are good as they bring projects to the community; (6) NGOs distribute hybrid seeds; and (7) NGOs ask for feedback from people. The items were combined into a single factor ‘perception of NGOs’ that measured the level of positive attitude respondents expressed towards NGOs and their activities. See Appendix E for factor loadings. The remaining four items had a very low or a negative factor score and were excluded from the composite score. These items also measured negative perceptions towards NGOs. They were (1) NGOs make a profit from their projects; (2) NGOs have vested interests in place where they work; (3) NGOs have ties with political parties; and (4) NGOs are corrupt.

The dependent variable, ‘perception of NGOs,’ was calculated by summing scores for the seven items. The sum score method is widely used in exploratory research situations.
(Tabeachinck and Fidell, 2001). Furthermore, in order to consider the item’s relationship to the factor only the items that had loading values of .4 and above were selected (DiStefano et al., 2009). In this research, the components loadings had values from .45 to .68, had an Eigenvalue of 2.3, and explained about 21 percent of the variance among the items (Appendix E). Creating this composite score allowed me to manage the data and reduce random errors of the items that would affect their reliability and validity (Carmine and Zeller, 1979). The scale was tested for reliability using Cronbach’s Alpha, which is widely used as a measure of reliability in which the value ranges from zero to one (DeVellis, 2005). It is interpreted as the higher the score, the higher the reliability of the variables selected. An Alpha score of .65 or higher is considered acceptable for using the scale for further analysis (DeVellis, 2005). A standardized Alpha score of .64 was reported for my research. Since this score was very close to the acceptable level, I decided to include it in this analysis as it allowed me to use a composite measure of seven related indicators.

**Independent Variables**

**Sociodemographic Control Variables**

The objective of this research was to assess NGO performance from a community perspective. Previous researchers have indicated individual level sociodemographic variables influence the perception of local people, especially towards various conservation and development programs. In this study, these variables were included because they provide a more complete understanding of the relationship between NGOs and the local people. In addition, this will allow for comparative analyses across various characteristics. The variables used in the analysis were age, gender, caste group, occupation, education, wealth status, and political background. These variables were found to be related to knowledge about NGOs and perception
towards various development efforts (Fiallo and Jacobson, 1995; Infield, 1988; Marcus, 2001; Mehta and Heinen, 2001).

Age information was collected by asking respondents: *How old are you?* The responses were categorized as: 1= 18-25 years; 2= 26-35 years; 3= 36-45 years; 4= 46-55 years; 5= 56-65 years; and 6= more than 65 years. Gender of respondents was noted while administering the survey and coded as 0= male and 1= female. Similarly, caste of respondents was found from their responses to the question: *What is your last name?* The responses were categorized as 0= high caste (Brahmin and Chetri), 1= other caste (Dalits, Newar, Magar and Tamang). The reason for including caste in the analysis was that the literature on community development in Nepal shows elites and mostly upper caste group benefitting most from development programs (Kharel, 2007).

The occupation of respondents was collected by asking: *What is your current occupation?* The responses were coded: 1= Farming; 2= Non-farming; 3= Student. Information about education was gathered by asking: *What is the highest level of education you have attained?* The responses were categorized as: 1= Adult education; 42 2= Some school (<10 class); 3= High school (10-12 class); 4= Undergraduate; and 5= Graduate. Wealth status was gathered by asking respondents: *What do you consider yourself?* Response categories43 included: 1= Rich; 2= Middle class; 3= Poor; and 4= Landless.

In Nepali politics, rural communities are like battlefields for political parties. Every political party is involved in influencing local community structure. For example, leftist scholars

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42 People with adult education have basic reading and writing skills. In Nepal, both the government and NGOs have implemented adult education programs in rural areas in the past 20 years. For more information visit: [http://pdf.usaid.gov/pdf_docs/PNABX789.pdf](http://pdf.usaid.gov/pdf_docs/PNABX789.pdf).

43 Respondents indicated wealth status in rural areas was tied to land ownership and food security. They stated rich households owned enough land to grow food for the whole year, middle class households were able to produce their food for up to six months, poor households had enough food for three months and landless households depended on labor and other sources of income.
and political leaders criticize NGOs for promoting neo-liberal agendas and making communities dependent on external resources (Siwakoti, 2000). On the other hand, democratic parties prefer an active role for NGOs in communities. Such public rhetoric helps political parties gain support from local people. Therefore, this measure was designed to explore the strength of the relationship between perception of NGOs and political beliefs in rural areas. Political information was collected by asking: *How would you describe yourself politically?*\(^\text{44}\) Response categories included: 1= Democratic; 2= Socialist; 3= Communist; 4= Monarchy; and 5= Independent.

**NGO Involvement Variables**

The Baglung DDC data indicates NGOs had registered almost an equal number of projects for the two VDCs between 2005 and 2009; however, the research found the number of NGOs and the number of projects implemented by them was different for the two VDCs. This is discussed in detail in the next chapter. Therefore, I wanted to learn if there was any relationship between the number of NGOs and their projects in a community and perceptions about NGOs among the people in that community. To accomplish this, I created two variables - number of NGOs and number of projects - from responses to the following two open-ended questions: *What NGOs have worked in your community in the past 10 years?* and *What major sectors in the community have NGOs addressed in the last 10 years?* Responses to these questions were coded by counting the number of NGOs and the projects respondents mentioned. For example, if a respondent mentioned A, B and C as the NGOs that had worked in the community in the past 10 years, the response was entered as three. Likewise, if a respondent responded to the second

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\(^{44}\) People identified themselves as supporting the following political parties: Nepali Congress (Democratic), United Marxist and Leninist (Socialist), Nepal Communist Party (Maoist) or (Masal) (Communist), Rastriya Prajatantra Party (Monarchy), and Independent.
question by saying drinking water, sanitation, education, and agriculture as the sectors NGOs worked in their community, it was entered as four.

**Community Participation Variables**

One method used by NGOs to implement their projects in rural areas is to form community groups. NGOs claim group formation increases participation in the project and generates a sense of ownership among the people. As a result, in Nepal, NGOs are forerunners to creating community groups. For example, within one community we can find a farmers group, women vegetable growing groups, women health groups, livestock growing groups, drinking water management groups, community forest user groups, and even a drinking water tap management group. Because there are so many groups, the same resident often becomes a member of multiple groups. Indeed some people will be involved in the majority of the groups in small wards/VDCs. In order to explore the relationship between memberships in community organizations and perception of NGOs, I used three variables: level of involvement, member of an organization, and number of organizations. The variables were created from responses to the following three questions related to community participation: (1) *In general, how would you describe your level of involvement in community activities or events?* Responses included the following categories: 1= Very active; 2= Somewhat active; 3= Not very active; and 4= Not active at all; (2) *Do you belong to any community groups or organizations of any kind?* Responses to this question included either 1= Yes or 2= No;\(^\text{45}\) and *If YES, what kind of group or organization was this (women group, farmers’ cooperative, CFUG)* Name of organizations: ____________; and (3) for the last question about type of organization, the variable was coded by directly counting the number of organizations the respondent mentioned. For example,

\(^{45}\) For statistical analysis, the responses were dummy coded to: 0= yes and 1= no.
if a respondent mentioned women group, farmers’ cooperative, vegetable growing group, and CFUG, it was entered as four.

**Personal Satisfaction Variables**

To explore the relationship between perceived quality of life in the community and individual perceptions about NGOs, two personal satisfaction variables were included in the analysis. These were included because effective rural (community) development should contribute to personal satisfaction and happiness among the people living there (Summers, 1986; Wilkinson, 1991). The two variables, satisfaction, and quality of life, were measured from responses to the following questions: (1) *In general, how satisfied are you with living in this community?* Responses included: 1= Very satisfied; 2= Mostly satisfied; 3= Neither satisfied nor unsatisfied; 4= Mostly unsatisfied; and 5= Very unsatisfied; and (2) *Overall, how would you rate the quality of life in your community?* Responses to this question included: 1= Poor; 2= Fair; 3= Good; and 4= Excellent.

**Community Change Variables**

Rural development is mostly practiced as an intervention with goals to impart changes in the community (Summers, 1986). One of the ways to evaluate the effectiveness of such programs is to measure the scale of changes in the community as a result of these efforts. In this research, changes in the community over the last 10 years were measured using a battery of statements. These statements asked the respondents how their community had changed in terms of: (1) quality of life; (2) household income; (3) wild animals; (4) education; (5) agricultural productivity; (6) migration to cities; (7) employment opportunities; (8) forest management; (9) diseases; and (10) empowerment of women (Table 4.6). Respondents were asked to indicate if
they agreed or disagreed with each statement using the following scale: 1= Strongly disagree; 2= disagree; 3= Neither agree nor disagree; 4= Agree; and 5= Strongly agree.

These statements were used to elaborate on respondents relationships with the number of NGOs and projects in a community. I wanted to explore if there were any significant relationships between these community change items and the number of NGOs and projects in the community. My original intent was to try to combine them into a single score using factor analysis. However, the resulting scale had a very low Cronbach’s Alpha score. As a result, I decided to use the items independently.

**Table 4.6 Descriptive Statistics of Statements about Community Change**

<table>
<thead>
<tr>
<th>SN</th>
<th>Statements</th>
<th>N</th>
<th>Min.</th>
<th>Max.</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Quality of life has improved</td>
<td>265</td>
<td>1</td>
<td>5</td>
<td>3.85</td>
<td>0.85</td>
<td>0.73</td>
</tr>
<tr>
<td>2</td>
<td>Household income has increased</td>
<td>264</td>
<td>1</td>
<td>5</td>
<td>3.36</td>
<td>1.06</td>
<td>1.12</td>
</tr>
<tr>
<td>3</td>
<td>Wild animals have decreased</td>
<td>265</td>
<td>1</td>
<td>5</td>
<td>3.72</td>
<td>1.10</td>
<td>1.22</td>
</tr>
<tr>
<td>4</td>
<td>More people are educated</td>
<td>265</td>
<td>1</td>
<td>5</td>
<td>4.22</td>
<td>0.77</td>
<td>0.60</td>
</tr>
<tr>
<td>5</td>
<td>Agriculture productivity has increased</td>
<td>264</td>
<td>1</td>
<td>5</td>
<td>3.77</td>
<td>1.13</td>
<td>1.28</td>
</tr>
<tr>
<td>6</td>
<td>Migration to cities has increased</td>
<td>265</td>
<td>1</td>
<td>5</td>
<td>3.89</td>
<td>0.95</td>
<td>0.89</td>
</tr>
<tr>
<td>7</td>
<td>More employment opportunities in the community</td>
<td>263</td>
<td>1</td>
<td>5</td>
<td>2.56</td>
<td>1.11</td>
<td>1.24</td>
</tr>
<tr>
<td>8</td>
<td>Forest management has improved</td>
<td>263</td>
<td>1</td>
<td>5</td>
<td>3.24</td>
<td>1.27</td>
<td>1.61</td>
</tr>
<tr>
<td>9</td>
<td>There are fewer diseases</td>
<td>264</td>
<td>1</td>
<td>5</td>
<td>3.08</td>
<td>1.20</td>
<td>1.45</td>
</tr>
<tr>
<td>10</td>
<td>Women are empowered</td>
<td>265</td>
<td>1</td>
<td>5</td>
<td>3.75</td>
<td>0.97</td>
<td>0.95</td>
</tr>
</tbody>
</table>

**Other NGO Characteristics Variables**

In addition to Likert Scaled items measuring various NGO characteristics, the survey contained two categorical questions to measure accountability of NGOs and sustainability of their projects. NGO accountability was measured by asking the following question: *NGOs are accountable to: People, Government, Donors, Political parties and No one.* The responses to this question included: 1= No one; 2= Political parties; 3= Donors; 4= Government; 5= People; and 6= Check all that apply. Sustainability of NGO projects was measured by asking: *What is the*
typical life of an NGO project after it is completed? Responses included: 1= Less than one year; 2= 2-3 years; 3= 4-5 years; 4= 6-10 years; and 5= More than 10 years.

Similarly, to explore perceptions about NGOs relative to local government, the survey contained two open-ended questions. The first question asked: In your opinion, who should address the most important issues facing your community? The responses were coded: 1= Government; 2= Community; 3= NGOs; 4= Government and community; 5= Government and NGOs; and 6= Others (including NGOs and community). The second question asked: Whom would you approach if there were an issue in your community? The responses to this question were coded: 1= Local government (VDC chairman or secretary); 2= Community leaders; 3= Ward president; 4= NGOs; 5= Government agencies and NGOs; and 6= Others (including NGOs and community leaders). The responses to open-ended questions were coded using QDA MINER software, which is widely used in the analysis of qualitative research (Muijs, 2010). During coding, I categorized responses to a question into different codes and assigned each code a color label (Creswell, 2007). After all responses were categorized, a frequency analysis was performed to verify if there was any duplication of codes. Frequency analysis also helped me to count the response rate of each code.

Reliability and Validity

This study used various techniques to measure accurately and reliably the constructs included in the conceptual model. My general perception of NGOs in the district and in Nepal is influenced by my working experience in Baglung and other parts of the country. I was involved with various community development activities on drinking water, community forestry, sanitation, and education for various NGOs. My responsibilities in the projects were to conduct baseline survey, participatory planning, and impact assessment. This research was driven by my
desire to measure NGO effectiveness. In addition, my academic training in community focused international development has imparted mixed perceptions of NGOs and their activities, especially in developing countries. I consider an active role of local and central government is indispensable for successful rural development. As Chambers (1993) has recommended, “The solution to rural poverty was not less government but more” (p.60). I do not object the presence of NGOs, but see the need for collaborative efforts to improve their effectiveness. Throughout the research, I tried my best not to infuse my perceptions in selecting the VDCs, respondents and questions. For this, I selected the VDCs where I had no prior work experience and conducted interviews and surveys impartially.

The KI questions and the household survey were pre-tested before administering them to the target group. This helped in making the questions clear by removing ambiguity or technical terms that would mislead the respondent. Further, using mixed methods increased the validity of the research triangulating the data gathered using different techniques (Singleton and Straits, 2005; Tashakkori and Teddlie, 1998). For example, information about changes in the community was collected from the key informants, through the household survey and by observing change during community visits.

Likewise, several methods were applied to ensure reliability and validity during data. While selecting the dependent variable, the items with scores above .45 were combined. I used Cronbach’s Alpha for the composite scale; it was nominally within the range accepted in the social sciences (DeVellis, 2005). On the other hand, multiple independent variables were used to determine their effect on perceptions about NGOs. These variables were selected based on extant literature about NGOs and to test the hypotheses of the study.
The reliability of qualitative methods was increased by using different approaches including observation, field visits, recordings and transcriptions, and the application of multiple methods (Cresswell, 2007). Interviews and informal conversation with the local people helped in collecting sensitive information like personal perceptions about NGOs and their activities. To validate this information, I used non-participant observation to observe the condition of NGO projects. In addition, I purposively selected Dalits, women and disadvantaged informants to triangulate responses of KIs.

Chapter Summary

This chapter described methods used to test the hypotheses presented in Chapter 3. It explained how information on perceptions of NGOs was collected in the six communities of two VDCs - Hatiya and Narayansthan - in Baglung district. The chapter explained how 81 interviews were conducted including 40 in Hatiya and 29 in Narayansthan. Other key informants included four NGO and six government staff from Baglung, and two Social Welfare Council (SWC) \(^{46}\) staff in Kathmandu. It also described how the information collected from the KI interview was coded and organized, how confidentiality of the respondent was ensured, and how secondary data was collected and used.

As well, it explained how the household survey was administered to 300 residents in the two VDCs (50 surveys per community). The survey was conducted face to face with few exceptions (of the 41 residents who requested to fill it during their free time only 25 returned completed surveys). Likewise, the chapter explained how the survey data was processed to create the dependent variable and how and why multiple independent variables were selected to explore

\(^{46}\) SWC is the government body that oversees the activities of all non-government organizations including international agencies. These organizations have to register and get permission from the Council before implementing any program in Nepal.
their relationship with perceptions about NGOs. Finally, the chapter discussed how reliability and validity of measures was generated. The following chapters explain how the interview and survey data were used to test the hypotheses presented in Chapter 3.
Chapter Five

NGOs and Rural Development in Nepal

This chapter presents an overview of the NGO sector in Nepal. In the first part, I discuss the basic characteristics of NGOs including the process of establishing a NGO in Nepal, their distribution, sectors addressed, funding details, and existing national monitoring and evaluation system. In the second part, district level characteristics of NGOs in Baglung are discussed. The third part discusses NGO characteristics at the VDC level as reported by local people in response to open ended questions in the household survey.

NGOs in Nepal

The government of Nepal defines an NGO as “A group of people working together to achieve a specific goal in a nonprofit manner” (Nepal Government, 2004: i). The process of forming an NGO in Nepal is as simple as the above definition. A minimum of seven people with Nepali citizenship can register a NGO. At the national level, the SWC and at the district level, the District Development Committee (DDC), have a standard format with all the necessary information making the registration process easy. In addition, all NGOs must follow the revised Company Act of 1991 to register. The Company Act contains the following provisions related to registration of a public or nonprofit organization in Nepal:

1. Article 2(c): Public Company means a company other than a private company (the Act does not specify NGO or other organization involved in public services).

2. Article 3(2): No company shall be incorporated unless the minimum number of promoters is seven in the case of a public company.

Except for the name, address and objectives of the proposed organization, other sections of the proposal are standard. These include formation of the committee, duties of committee members, selection of the leader, auditing process, and membership criteria. Therefore, if one can gain signatures of seven-nine people and a photocopy of their citizenship card, any Nepali can register an NGO.
3. Article 3(4): No new company shall be incorporated with a name similar to that of a company, which has already been registered.

4. Article 4: An application signed by seven people in the case of a public company, shall be submitted to the concerned department for incorporation of a company under this act. The memorandum and articles of the company shall be submitted along with the application.

5. Article 9: The memorandum shall contain the following particulars:
   i. Full name of the company
   ii. Address of the head office of the company
   iii. Objectives of the company
   iv. Functions to be performed for fulfilling the objectives of the company

Even though the first NGO in Nepal was established in 1948, it was only after 1990 that NGOs became a phenomenon (Figure 5.1). From 1947 to 1990, only 249 NGOs existed. This number increased to 27,977 in 2009 making it one of the fastest growing sectors in Nepal (SWC, 2010). Two factors facilitated the growth of NGOs in Nepal. One was the political transformation from a one-party system to a multi-party democracy in 1990. The other was the changes in laws governing NGOs, and deregulation of their funding. The latter changes were mostly the result of the democratic transformation (ADB, 2002 and 2005).

**Figure 5.1 Number of NGOs Registered with the SWC, Nepal (1978-2009)**

Nepal’s national government began incorporating NGOs as part of the development process in the late 1970s. Its initial efforts included the formation of the Social Work National
Coordination Committee in 1977 and the establishment of the Labor and Social Welfare Ministry in 1981 (Nepal Government, 2004). Later, the Social Welfare Act of 1992 added new guidelines on NGO operation. After 1992, the government approved direct funding of NGOs by donors instead of going through the government (ADB, 2005). This was facilitated by the Social Welfare Act of 1992 and the Local Self Governance Act of 1998 (SWC, 2010; Nepal Government, 2004). The Local Self Governance Act contained the following NGO-related provisions: (1) The local government should encourage local consumer groups and NGOs to implement development programs through them; (2) the local government can ask NGOs to support their programs and require them to register their projects with the local government; (3) the Act encourages cooperation and coordination between the government and NGOs to prevent duplication and deliver maximum benefits to the people; and (4) the Act requires NGOs to implement partnership programs with an agreement with the local government and provide program details to the local government.

Recently, the government of Nepal published the Local Government-NGOs Mobilization Procedures in 2004, which encourages participation, partnership, coordination, and transparency of rural development projects implemented by NGOs. The above-mentioned rules helped in the proliferation of NGOs in Nepal after 1990, and established them as important actors in rural development; however, according to one SWC official, this rapid growth of NGOs also led to

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48 The Act also contained definitions of key terms related to NGOs: (1) Social Welfare Activity - means the welfare activity oriented towards the economic and social uplifting and self-reliance of the weak, helpless, and disabled individuals; (2) Social Service - means the social welfare activity done personally or collectively without the purpose of profit; and (3) Social Organization and Institution - means any organizations and institutions established under the prevailing laws in order to carry out various social welfare activities including non-governmental organizations. Similarly, the Social Welfare Rule of 1993 stated that an NGO must be established with a view to carrying out social welfare activities.
mismanagement of development funds by NGOs and their poor performance at the local level. The majority of cases with irregularities involved misuse of funds by NGO officials (Timsina, 2003). As a result, the government tried to regulate the NGO sector through new regulations. In 2005, the government introduced the Social Welfare Ordinance, which would have given the SWC authority to supervise NGO activities (ADB, 2005). The SWC official said the new rules had not been enacted because of political instability in the country and potential opposition from NGOs (personal communication, 2010). NGOs were concerned that the government wants to take full control of their activities (ADB, 2005).

Types of NGOs

There are different types of NGOs working in Nepal at different levels. NGOs in Nepal can be classified based on the sector they work, their size, and the geographical scale of their involvement. Based on the sector they work, NGOs can be differentiated into environmental, advocacy, water and sanitation, and NGOs working to empower women and disadvantaged groups. In terms of size, NGOs could be small, medium, and large depending on the size of their organization, financial resources, and geographical coverage. Using geographical scale NGOs can be categorized as: international NGOs, national NGOs, district level NGOs, and community based organizations. For the purpose of this research, I discuss four types of NGOs based on the scale of their involvement in rural development in Nepal. The reason I chose scale was that rural development involves multiple stakeholders and these four types of NGOs were found closely linked to rural development. Further, they also represented the hierarchical structure of NGO operation in Nepal, which determines funding of rural development projects.

49 In 2009, the Commission for the Investigation of Abuse of Authority (CIAA) wrote to the office of the Prime Minister of Nepal to introduce legal provisions to control corruption in non-government organizations. CIAA claimed it had found many cases of corruption and illegal activities in the NGO sector (www.kantipuronline.com, 6/2/2009).
International NGOs (INGOs)

These NGOs are foreign based and work on multiple issues in Nepal. Some of the early INGOs to operate in Nepal were: The United Mission to Nepal, 1954; Helvetas, 1956; Heifer International, 1957; Care International, 1978; and Winrock International, 1970s (Dhakal, 2006). In the past, INGOs worked independently/directly with the communities. After the enactment of the Decentralization Policy in 1984, they were required to work in collaboration with other NGOs and/or local government agencies to implement various development programs.

According to the SWC, the number of INGOs working in Nepal was 222 in 2009 (SWC, 2010). These INGOs represented 25 countries with three countries accounting for more than 50 percent of the total INGOs. The USA led with 65 NGOs, followed by the UK with 27, and Japan with 16. Germany, France and Italy each had 13, the Netherlands had 10, Canada and Switzerland nine each, and Ireland, Norway and South Korea had five each. In addition, there were four INGOs from Denmark, three each from Australia, Austria, Finland and India, two each from Belgium and Spain, and one from Bermuda, Hong Kong, Indonesia, Israel, Luxemburg, New Zealand, Saudi Arabia, Singapore, and Sweden.

These INGOs were registered with the Government of Nepal under 16 thematic sectors (Figure 5.2). However, more than two-thirds of INGOs in Nepal worked in three sectors: child welfare (42); community and rural development (57); and health services (58). Other sectors INGOs worked were: education, services for the disabled, environment, women’s services human rights and peace. Some big INGOs working in Nepal included World Wildlife Fund, CARE International, Action Aid, Plan International, World Vision International, Heifer International, WINROCK International, and The Mountain Institute.
National NGOs

These NGOs are based in Nepal and operate throughout the country. Many get their funding from INGOs, bi- and/or multi-lateral agencies, and the government to implement various projects. A majority of national NGOs are based in Kathmandu or in other metropolitan cities. They have a permanent office (some own these buildings), are managed by a permanent staff, and are governed by a working committee. My analysis of history and organizational structure of several NGOs (with website) indicated that the individual who created it governed as the president in the majority of NGOs. Some of the largest national NGOs in Nepal were: Nepal Trust for Nature Conservation, Wildlife Society, Maiti Nepal, Ecohimal, Child Workers in Nepal, Nepal Water for Health, Rural Reconstruction Nepal, and Asian Network for Sustainable Agriculture and Biodiversity.
District NGOs

These NGOs are registered with a district administration to work within the district. They are also known as local NGOs. They receive funding from the government, national NGOs, and/or INGOs. These NGOs have an office, permanent staff, and are managed by a single individual who presides over the organization. Recent government rules mandate all international aid agencies doing rural development work implement these projects through local NGOs. Therefore, local NGOs now play an important intermediary role in connecting communities to international organizations. More details about district NGOs are discussed later in the chapter.

Community Based Organizations (CBOs)

These are NGOs based at the community level and mostly formed by local people and registered with the district administration. Some of them were established by district NGOs as part of their program. My research found two CBOs in Narayansthan and three in Hatiya that implemented projects for other NGOs in the district. These CBOs acted as an extension of district level NGOs; as a result, they became active and inactive with projects of other NGOs and INGOs. Such CBOs do not have permanent office space and are managed by a loose group of people. There is no governing committee and the original members or their friends and relatives keep them alive. Local people refer to such CBOs as “jhole NGOs” (bag NGOs) because they carry their office in a bag. In many areas, CBOs exist as a family organization. As a result, during project implementation such CBOs routinely employ close relatives and share its benefits with them.

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50 These NGOs can apply to government funding at both the district and national level. The government sometimes directly funds their activities or through national NGOs.
51 The leaders travel with all necessary documents like letter pads, registration papers, and the stamp pad of the CBO necessary to complete the process of signing a new project with the government and/or with NGOs.
Beyond these four basic types of NGOs, bilateral and multilateral agencies (commonly known as donor agencies) also support rural development in Nepal. Bilateral agencies work through an agreement signed between the two countries. Some of the largest bilateral agencies in Nepal are the United States Agency for International Development, USA; Department of International Development, UK; and Swiss International Development Cooperation Agency, Switzerland. The major multilateral agencies active in Nepal are The World Bank, International Monetary Fund, Asian Development Bank, and various United Nations agencies (e.g., UNDP, FAO, ILO and UNICEF). Bilateral and multilateral agencies provide aid to Nepal in the form of grants and/or loans for various development needs in the country. In 2008, these agencies supported 743 projects in Nepal of which 44\(^{52}\) focused on civil society and NGO strengthening (AidData, 2010).

**Distribution of NGOs**

The Nepalese government’s policy requires NGOs to register with the SWC to receive funding from government agencies, INGOs, and other donors. In addition, they are required to register with the District Administration Office in the respective district; however, not all NGOs follow the process. There are some NGOs registered only with the SWC and some registered only in the district. Therefore, NGO district level data and SWC national data do not match. For example, in the case of Baglung district, there were 203 NGOs registered with the SWC; however, there were 685\(^{53}\) listed as registered with the district administration. This study used the NGO numbers available from the SWC because district level data were not available for all districts. Also, not all NGOs registered with the SWC or the district administrations were active. By active, I mean they operated year round and had a permanent office and staff. Officials at the

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\(^{52}\) This is an increase from zero projects in 1990 and 8 projects in 2000 on NGOs and civil society.

\(^{53}\) Only 312 NGOs were identified as development NGOs.
SWC indicated only 15-20 percent of the NGOs registered with the Council were active; the majority were active during new project implementation but became inactive as these projects ended (personal communication, 2010). In Baglung, about 29 percent of the registered NGOs were determined active in 2005 (NGO Profile, 2005).

Regarding their distribution, NGOs were concentrated in the districts of the hill and terai regions (Table 5.1). There were 1,699 NGOs in the mountain, 17,794 in the hills, and 8,304 in the terai. The five districts with the lowest number of NGOs were all from the mountain region. On the other hand, the three districts (Kathmandu, Lalitpur, and Kaski) with the largest number of NGOs were all from the hill region. Nearly two-thirds of the NGOs were based in the central (58 percent) and western (16 percent) development regions. Kathmandu district, which is also the national capital, contained one-third (8,981) of all NGOs in Nepal. The Manang district in the western development region contained the fewest NGOs – only 12. The distribution pattern of NGOs in Nepal showed they were located in districts containing big cities and good road networks. A correlation analysis between the number of NGOs in a district with its road density resulted in a high Pearson Correlation value of $r = 0.78$, significant at the 0.01 level ($p=.000$).

**Sectors Addressed by NGOs**

The Social Welfare Rule of 1993 required NGOs to report the sectors they planned to address in their application. Analysis of SWC data shows, 61 percent (16,953) of the NGOs were registered for conducting community and rural development activities (Figure 5.3). This was followed by youth services, women services, environmental protection, child welfare, moral development, health, disable services, education, and AIDS control.
Table 5.1 Distribution of NGOs across Geographical and Development Regions in Nepal

<table>
<thead>
<tr>
<th>Development regions</th>
<th>Districts</th>
<th>NGOs 2009</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern (E)</td>
<td>16</td>
<td>3,034</td>
<td>10.91</td>
</tr>
<tr>
<td>Central (C)</td>
<td>19</td>
<td>16,082</td>
<td>57.86</td>
</tr>
<tr>
<td>Western (w)</td>
<td>16</td>
<td>4,456</td>
<td>16.03</td>
</tr>
<tr>
<td>Mid-western (MW)</td>
<td>15</td>
<td>2,367</td>
<td>8.52</td>
</tr>
<tr>
<td>Far-western (FW)</td>
<td>9</td>
<td>1,858</td>
<td>6.68</td>
</tr>
</tbody>
</table>

Geographic regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Districts</th>
<th>NGOs 2009</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern (E)</td>
<td>16</td>
<td>1,699</td>
<td>6.11</td>
</tr>
<tr>
<td>Central (C)</td>
<td>39</td>
<td>17,794</td>
<td>64.01</td>
</tr>
<tr>
<td>Terai (T)</td>
<td>20</td>
<td>8,304</td>
<td>29.87</td>
</tr>
</tbody>
</table>

Top five districts

<table>
<thead>
<tr>
<th>Districts</th>
<th>NGOs 2009</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kathmandu (C,H)</td>
<td>8,981</td>
<td>32.31</td>
</tr>
<tr>
<td>Lalitpur (C,H)</td>
<td>1,463</td>
<td>5.26</td>
</tr>
<tr>
<td>Kaski (W,H)</td>
<td>679</td>
<td>2.44</td>
</tr>
<tr>
<td>Chitwan (W,T)</td>
<td>668</td>
<td>2.40</td>
</tr>
<tr>
<td>Dhanusa (E,T)</td>
<td>628</td>
<td>2.26</td>
</tr>
</tbody>
</table>

Bottom five districts

<table>
<thead>
<tr>
<th>Districts</th>
<th>NGOs 2009</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manag (W,M)</td>
<td>12</td>
<td>&lt;1</td>
</tr>
<tr>
<td>Rasuwa (C,M)</td>
<td>22</td>
<td>&lt;1</td>
</tr>
<tr>
<td>Sankhuwasabha (E,M)</td>
<td>50</td>
<td>&lt;1</td>
</tr>
<tr>
<td>Mustang (W,M)</td>
<td>51</td>
<td>&lt;1</td>
</tr>
<tr>
<td>Bhojpur (E,M)</td>
<td>52</td>
<td>&lt;1</td>
</tr>
</tbody>
</table>

Figure 5.3 Sectors Addressed by Nepali NGOs Registered With the SWC, Nepal
However, when implementing projects, NGOs did not confine themselves to the sectors they registered to address. They were commonly found to be working in additional sectors. For example, an NGO registered for community and rural development was found to be working on education development, child services, forest management, women services, and HIV/AIDS control. It can of course be argued all these sectors relate to rural development, but the rules require proper registration. Nevertheless, NGOs regularly work on a broad suite of sectors. Figure 5.4 provides documentation on an NGO that indicated it worked in multiple sectors.

**Figure 5.4 Goals of a District NGO, Dhaulagiri Community Resource Development Centre (DCRDC), Baglung**

- Renewable energy program: micro hydropower, biomass energy, decentralized energy management, and solar energy
- Micro finance program
- Livelihood development program
- Sustainable soil management program
- Rural water supply and sanitation
- Improved water mills (www.dcrdc.org.np)

**Funding**

NGOs in Nepal receive funding mostly from international agencies, INGOs, and the Nepal Government. Even though NGOs in Nepal are required to report the amount of funding they receive to the government, no one in the government or the NGO sector knows the exact amount of money NGOs in Nepal receive from external resources. Government officials complained many NGOs reported fewer projects than they implemented with external funding. Likewise, some NGO officials used their personal connections and communication with donors in developed countries to fund their projects. Such funding sources and projects were never reported to the government (personal communication with a district government officer, 2010). Therefore, the exact amount of money NGOs received was impossible to assess, as the NGOs were reluctant to share their budgets. Even if they shared them, there was no mechanism to
confirm it included the total amount. As a result, reports on NGO funding must be taken cautiously.

Using the percent of active NGOs registered with the SWC, I estimated the NGO sector in Nepal could be receiving between 3 million to over 100 million USD per year (Table 5.2). At the lower end, with only 10 percent of the NGOs active, and each receiving only 1,000 dollars per year, the total amount would be 2.78 million dollars per year. At the higher end, with 20 percent of the NGOs active, and each receiving 10,000 dollars a year, the total amount would be about 55 million dollars. Similarly, if the 20 percent active NGOs received 50,000 dollars a year, then the total amount would be 278 million dollars.

<table>
<thead>
<tr>
<th>Amount in USD/NGO/Year</th>
<th>20 percent NGOs* active (5560)</th>
<th>15 percent NGOs active (4170)</th>
<th>10 percent NGOs active (2780)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>5.56</td>
<td>4.17</td>
<td>2.78</td>
</tr>
<tr>
<td>5,000</td>
<td>27.80</td>
<td>20.85</td>
<td>13.90</td>
</tr>
<tr>
<td>10,000</td>
<td>55.60</td>
<td>41.70</td>
<td>27.80</td>
</tr>
<tr>
<td>15,000</td>
<td>83.40</td>
<td>62.55</td>
<td>41.70</td>
</tr>
<tr>
<td>20,000</td>
<td>111.20</td>
<td>83.40</td>
<td>55.60</td>
</tr>
<tr>
<td>50,000</td>
<td>278.00</td>
<td>208.50</td>
<td>139.00</td>
</tr>
</tbody>
</table>

*Total number of NGOs was 27,797 (SWC, 2010)

Alternatively, I estimated the total amount the NGO sector received from the total annual aid money Nepal received. For example, in 2008, Nepal received 477 million USD as grant and loan from bilateral agencies alone\(^5\) (AidData, 2010). Even if 10 percent of that aid money was channeled through the NGOs, it would be close to 50 million USD. Where and how NGOs spent these funds depended on what they reported. Analysis of their reports revealed only about half of the money was used as direct project expenses. I defined direct program expenses as money

\(^5\) Nepal also received aid money from multilateral agencies and INGOs as well.
spent on the actual project including construction of infrastructure, purchase of materials, and funding community organizations. Some government agencies included staff salary in their definitions of direct program expenses.\(^{55}\) However, I excluded salary because I considered NGOs were established to deliver services to poor people and not to spend half of the budget on staff salary.

Analysis of nine evaluation reports prepared by the SWC found that NGOs had spent only about 50 percent of the total budget as direct program expenses. At the project level, the SWC found an NGO implementing a health program had spent 57 percent of the total budget as direct project expenses, 20 percent on project staff, 14 percent on project support expenses, and nine percent on administrative cost (SWC, 2010a). According to one SWC official, a majority of NGOs have similar budget distributions. To verify this, I reviewed annual reports of two NGOs. Nepal Water for Health (NEWAH), a national NGO working on drinking water and sanitation, and found it had used only about 53 percent of its total fund as direct program expenses in 2006 and 2007 (Table 5.3), and used about 47 percent of the program budget for salary and office operation.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Amount in</td>
<td>Percent</td>
</tr>
<tr>
<td></td>
<td>USD**</td>
<td></td>
</tr>
<tr>
<td>Office cost*</td>
<td>2,157.50</td>
<td>5.54</td>
</tr>
<tr>
<td>Vehicle purchase*</td>
<td>242.25</td>
<td>0.62</td>
</tr>
<tr>
<td>Vehicle running</td>
<td>321.15</td>
<td>0.83</td>
</tr>
<tr>
<td>Staff salary and other benefits</td>
<td>15,997.80</td>
<td>41.10</td>
</tr>
<tr>
<td>Construction materials*</td>
<td>17,814.00</td>
<td>45.77</td>
</tr>
<tr>
<td>Freight*</td>
<td>2,303.50</td>
<td>5.92</td>
</tr>
<tr>
<td>NEWAH fund</td>
<td>83.65</td>
<td>0.21</td>
</tr>
<tr>
<td>Total</td>
<td>38,920.00</td>
<td>44,122.90</td>
</tr>
</tbody>
</table>

\(^{55}\) These agencies include the Oregon Charitable Checkoff Commission ([http://www.oregon.gov/DOR/docs/occc-approved_expenses.pdf?ga=1](http://www.oregon.gov/DOR/docs/occc-approved_expenses.pdf?ga=1)), and the U.S. Department of Health and Health Services ([http://www.acf.hhs.gov/programs/ocs/csbg/guidance/im37.html](http://www.acf.hhs.gov/programs/ocs/csbg/guidance/im37.html)).
Similarly, Dipjyoti Yuva Club (DYC), a Baglung based NGO, used only 46 percent for direct program expenses and 45 percent on staff salary while implementing a drinking water and sanitation program funded by NEWAH (Table 5.4). Further, DYC claims to have spent a lot of money for data collection and material transportation. Many NGOs in the district had similar budget reports.

**Table 5.4 Budget and Expenditures of a Drinking Water and Sanitation Project Implemented by a NGO in Baglung (2008/2009)**

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Amount in USD</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff salary</td>
<td>4,353.52</td>
<td>44.75</td>
</tr>
<tr>
<td>Data collection*</td>
<td>1,538.87</td>
<td>15.82</td>
</tr>
<tr>
<td>Materials support*</td>
<td>126.76</td>
<td>1.30</td>
</tr>
<tr>
<td>Program help*</td>
<td>1,118.94</td>
<td>11.50</td>
</tr>
<tr>
<td>Material transportation*</td>
<td>1,273.73</td>
<td>13.09</td>
</tr>
<tr>
<td>Travel</td>
<td>426.20</td>
<td>4.38</td>
</tr>
<tr>
<td>Photo and extra</td>
<td>260.90</td>
<td>2.68</td>
</tr>
<tr>
<td>Organizational support*</td>
<td>422.39</td>
<td>4.34</td>
</tr>
<tr>
<td>Report preparation</td>
<td>208.10</td>
<td>2.14</td>
</tr>
<tr>
<td>Total</td>
<td>9,729.42</td>
<td>*</td>
</tr>
</tbody>
</table>

*Direct program expenses (46 percent)

Source: Dipjyoti Yuva Club, Baglung

**Monitoring and Evaluation**

According to an officer at the SWC, the government of Nepal has no policy to monitor and evaluate NGOs. The only provision for monitoring and evaluation was found in the SWC’s NGOs and INGOs Guidelines, which stated, “Monitoring and evaluation of NGOs and INGOs would be conducted as per the agreement between the government and the organization” (SWC, 2010). Monitoring and evaluation of NGO programs were conducted as part of the protocols agreed upon by the NGOs, INGOs, and national government. In terms of monitoring, an officer...
at the SWC said the Council tracks three types of NGOs. The first type includes NGOs that do not receive international funding, but implement projects using local resources. The second type includes NGOs approved by the SWC based on their past performance and NGOs that implement projects funded by multiple sources. The third type includes NGOs, which were reported by community members, government agencies, and/or were excessively criticized by the media for financial and other irregularities.

According to the officer from the monitoring division of SWC, the process of monitoring began with the NGO signing the SWC-NGO agreed Terms of Reference (TOR). As per the TOR, the NGO bore the cost of the monitoring. The cost was determined by the project budget, geographical location of the site, and organization financial capacity. The officer added that the department was unable to monitor all NGOs in the country because of the lack of human resources. As a result, the council was planning to decentralize and divide the monitoring process. In the new plan, DDC would conduct monitoring at the district level, the finance ministry would monitor some projects, and the SWC would monitor larger projects. Although in theory monitoring was followed by evaluation, in practice, this did not happen most of the time. Monitored NGOs were not always evaluated or vice versa.

According to an officer from the evaluation division, the SWC evaluates between 60 to 100 NGO projects annually. The officer also claimed that in recent years many organizations had requested SWC project evaluations. In this regard, he said, “The NGOs feel our monitoring is helping them to get onto track and they say they learn many rules and regulations from the process and they realized that they were getting timely help from the SWC from its monitoring” (GOV7). The officer further added, because of the cost, SWC did not have a separate program to conduct evaluations and in most cases, the NGO bore the cost. The evaluation team consisted of
an independent consultant as the team leader, a representative from SWC, a representative from the respective ministry, and a financial consultant.

The number of times a project was evaluated depended on its duration (project period). For projects less than three years long, only a final evaluation was conducted. For projects more than three years long, a mid-term and a final evaluation were conducted. During the evaluation, the team visited the project district, met with the local NGOs, DDC people, and community leaders, and visited the project site. The team then submitted its findings to the SWC, respective NGO, and the ministry. The whole evaluation process was completed in 35-45 days.

According to the officers at the SWC, there were no guidelines for action against NGOs if irregularities were found. Such NGOs were only told to correct themselves. If NGOs repeated their mistakes or if they were suspected with misuse of significant financial resources, the SWC recommended the respective government agency take additional actions. However, the two officers I interviewed claimed there had been no case where the government dissolved or punished a NGO for wrongdoing. Further, even a small action against a NGO would incite protest and criticism from the NGO community and political parties.

56 For example, if it was an evaluation of an agriculture project then the representative was included from the Ministry of Agriculture, for a health project the representative would be from the Ministry of Health and so on. In terms of selecting independent consultants, former SWC officials criticized the Council for selecting the same group of people based on their personal relationship.

57 This information is based on my discussions with NGO staff members, community people, and my working experience with NGOs in the district. Often, the NGO implementing the project visited the community prior to the evaluation team arriving there. The NGO staffs told community leaders and community members to keep everything working, clean, and in perfect condition. Further, they selected the community to visit, and showed only those places with a good record of maintaining projects. They further told local people to say only positive things about the project, and even told the local people, “if not, there will be no projects in the future.” Therefore, community people, in the hope of getting more ‘projects’ say only good things (NGOs even tell them what to say) about the NGO. The evaluation team spends only about two to three hours on site recording these ready-made answers provided by locals. Therefore, evaluation reports produced by the SWC team were found to be similar to those the NGO produced.
NGOs in Baglung

The history of NGOs in Baglung is similar to the national situation. The first NGO registered with the district administration was Ratna Puraskar Sansthan (Ratna Prize Organization) in 1977. Until 1990, the number of NGOs in Baglung was only 15; however, that number had increased to 685 by 2009\textsuperscript{58} (Figure 5.5). Of the 685 total organizations registered with the district administration, 312 were identified as development NGOs involved in implementing various development programs throughout the district. However, not all of the 312 development NGOs were active. According to the NGO Profile published by the NGO Federation, Baglung (2005), only 90 development NGOs (29 percent) were active in the district and between 2005 and 2009, they had implemented 1,767 projects. Regarding their age, some 49 NGOs (15 percent) were less than 5 years old, 88 NGOs (28 percent) were 5 to 10 years old, 122 NGOs (39 percent) were 11 to 15 years old, 39 NGOs (12.5 percent) were 16 to 20 years old, and only 14 NGOs (5 percent) were older than 20 years.

\textbf{Figure 5.5 Number of NGOs Registered with the District Administration Office, Baglung (1977-2009)}

\textsuperscript{58} The District Administration Office data included organizations like women groups, vegetable growers association, drinking water management committee, temple management committee, and even irrigation management groups.
The NGO profile also included detailed information about organizational structure, funding sources, goals, achievement, and challenges. Based on the information in the profile, these NGOs addressed multiple issues from human rights to drinking water to agriculture. It was found that NGOs in Baglung were mostly involved in health and sanitation, agriculture, rural/community development, education, women’s issues, drinking water, and social mobilization sectors (Figure 5.6). This is very similar to the sectors national level NGOs registered with the SWC.

Further, 60 percent of the NGOs were based in the district capital and 40 percent were based in rural areas. A correlation analysis between the number of NGO funded projects in the

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59 However, majority of the rural based NGOs have offices in the city and operated from there. For example, Rural Awareness Forum (RAF) was mentioned as being established in Paiyulpata VDC; however, it does not have an office in the VDC but operates from its office in Baglung Bazaar.
VDCs with distance from the district capital resulted in a negative Pearson Correlation value of \( r = -0.59 \), which was significant at the 0.01 level \( (p=.000) \). This means NGOs in Baglung district implemented projects in the VDCs closer to the district capital. In terms of leadership, leaders from the upper caste governed 80 percent of the NGOs and other caste people (Dalit and ethnic groups) governed only 20 percent. A majority of the active NGOs indicated women, Dalit, children, and poor people were their stakeholder groups. The largest NGOs in the district in terms of coverage, funding, and size were Bhimpokhara Yuva Club (BYC), Chartare Yuva Club (CYC), Dipjyoti Yuva Club (DYC), Gaja Yuva Club (GYC), Dhaulagiri Community Resource Development Center (DCRDC), and Seto Gurans.

In terms of their financial resources, NGOs in Baglung reported internal sources including the Nepal government, DDC, VDC, national NGOs, district NGOs and member sources. External sources included INGOs, and bilateral and multilateral donor agencies. Some 77 NGOs (85%) reported using internal sources, 32 NGOs (35%) reported receiving external funding, and 26 NGOs (29%) reported receiving both internal and external funding. Of the NGOs reporting internal sources of funding, a majority had an annual budget of less than 10,000 dollars; only eight NGOs had a budget of more than 10,000 dollars (Table 5.5).

### Table 5.5 Funding Sources for NGOs in Baglung in 2005

<table>
<thead>
<tr>
<th>Internal sources ((N=77))</th>
<th>External sources ((N=32))</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount of money in USD</strong></td>
<td><strong>No. of NGOs</strong></td>
</tr>
<tr>
<td>Less than 100</td>
<td>5</td>
</tr>
<tr>
<td>101-500</td>
<td>2</td>
</tr>
<tr>
<td>501-1,000</td>
<td>19</td>
</tr>
<tr>
<td>1,001-5,000</td>
<td>16</td>
</tr>
<tr>
<td>5,001-10,000</td>
<td>27</td>
</tr>
<tr>
<td>More than 10,000</td>
<td>8</td>
</tr>
</tbody>
</table>
The annual budget of NGOs receiving internal funding ranged from 30 to 60,000 dollars. On the other hand, the amount received by NGOs from international agencies ranged from 100 to 150,000 dollars per year. The majority of NGOs received less than 50,000 dollars and only eight NGOs received more than 50,000 dollars. Major international donor agencies funding NGOs activities in the district included: The World Bank; United Nations Development Program; German Development Agency (GTZ); Lutheran International; Danish International Development Agency; CARITAS International; Global Environment Fund; Livelihood and Forestry Project funded by Department for International Development, UK; and Save the Children, Norway.

NGOs and Rural Development at the VDC Level

NGOs in Baglung district implement projects in one or more wards at the VDC level. According to the Baglung DDC, between 2005 and 2009 NGOs implemented 1,767 projects in the district. Because of the unequal distribution of the projects, some VDCs received more projects than others (Table 5.6). For example, during the period (2005-2009), NGOs had implemented only six projects in Tara VDC and seven VDCs received more than 50 projects. Most VDCs received 10-30 NGO sponsored projects.

Table 5.6 Number of NGO Implemented Projects in Baglung (2005-2009)

<table>
<thead>
<tr>
<th>Number of projects</th>
<th>Number of VDCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10</td>
<td>1</td>
</tr>
<tr>
<td>10-20 projects</td>
<td>18</td>
</tr>
<tr>
<td>21-30 projects</td>
<td>16</td>
</tr>
<tr>
<td>31-40 projects</td>
<td>8</td>
</tr>
<tr>
<td>41-50 projects</td>
<td>9</td>
</tr>
<tr>
<td>More than 50 projects</td>
<td>7</td>
</tr>
</tbody>
</table>

To learn more about NGOs working at the community level, the household survey contained three open-ended questions related to knowledge about NGOs in the community. The first question asked: How familiar are you with NGOs? Most of the respondents answered they
knew something or knew a little. Only a few respondents were able to provide a full description of NGOs. In their view, NGOs were good because they did community service, helped the poor and helpless, worked for the benefits of disadvantaged people, improved lives of people, brought projects to the community, gave training, provided drinking water, gave relief to people, and brought awareness to the village. Some notable responses included:

They are organizations that are active for the benefits of community, and are non-profit and approved by the government (Resident of Narayansthan-3).

They are organizations which run using some individual's or foreign individual's money. They are not government organizations but operate under private fund (Resident of Narayansthan-2).

They come to village, create group, and give training according to the need. They help to unite females and make us self-dependent (Resident of Hatiya-6).

An overwhelming number of the respondents emphasized the non-governmental aspect to describe a NGO. They referred to them as ‘separate from the government,’ ‘using private funds,’ and ‘established by a group of like-minded people in the community.’ Only a few residents viewed NGOs as working in collaboration with or under the rules and regulations of the government. These respondents mentioned NGOs as ‘non-profit organization approved by the government,’ ‘organizations working under government rules and regulations,’ and ‘government sponsored but individually run organizations.’ Knowledge about NGOs among the respondents depended on education, age, and the VDC where they belonged. Similar differences in responses were found among the key informants as well (Discussed in the next chapter). Younger and more educated people viewed NGOs as private, non-profit, and separate from the government. They were more critical of NGOs and accused them of making profits from their activities. Older and less educated people perceived NGOs positively and were less critical.
In order to identify the NGOs that worked in the two VDCs, the following question was asked: *What NGOs have worked in your community in the past 10 years?* Respondents were asked to recall the names of the NGOs that worked in the community. Respondents reported a greater number of NGOs had worked in Narayansthan compared to Hatiya (20 vs. 15). The reported list included local CBOs, district level NGOs, national NGOs, and a few INGOs (Table 5.7). It also included several NGOs not in the DDC list and missed some NGOs from the DDC list. For example, the DDC list included only 11 NGOs having worked in Narayansthan, and nine NGOs in Hatiya. The respondents did not report three NGOs in Hatiya and two NGOs in Narayansthan that were included in the DDC list. This discrepancy of reported number of NGOs versus DDC NGOs list indicated that either the NGOs were not reporting their work to the DDC or the DDC failed to include all NGOs in its list or the public was not aware of their efforts. Further, some NGOs might have registered with the DDC to work in the particular VDC but never implemented any programs. Clearly, although the NGO was listed with the DDC, local people could not identify it.

### Table 5.7 Names of NGOs That Worked in Narayansthan and Hatiya in the Past 10 Years

<table>
<thead>
<tr>
<th>VDC</th>
<th>Names of NGOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Narayansthan (20)</td>
<td>BYC, GYC, CYC, NEWAH, SWAN, DCRDC, RAF, Nava Dhristi Yuva Bikas Parishad, DYC, Heifer International, Small Farmers Cooperatives, Rural Development Youth Group, Plan Nepal, Room to Read, Ashman, WHO, LFP, Rahat Multipurpose Cooperative, Balewa Multipurpose Cooperative, and ADB.</td>
</tr>
</tbody>
</table>

60 DDC NGOs list: (1) Narayansthan- GYC, DYC, CYC, BYC, DCRDC, RAF, LFP, Ama Milan Kendra, Plan Nepal, Room to Read, and Milijuli Bikas; and (2) Hatiya- CYC, BYC, DYC, GYC, DCRDC, Milijuli Bikas, Nepal Jadibuti, Seto Gurans, and Panchase Deurali.
Regarding the sectors in which NGOs worked, the survey asked: *What major sectors in the community have NGOs addressed in the last 10 years?* Respondents identified 15 sectors. Among them, six sectors were mentioned the most in both VDCs. They were: education; drinking water; health; agriculture; sanitation; and women (Table 5.8). However, the sector respondents mentioned as the most addressed by NGOs varied between the two VDCs. For example, in Narayansthan, education was the most mentioned sector (67.5 percent), while in Hatiya it was drinking water (73.8 percent). Likewise, 62 people mentioned agriculture in Hatiya; whereas, only 15 people mentioned it in Narayansthan. Five people in Narayansthan and only one person in Hatiya noted that NGOs had done nothing noticeable. Except for minor differences, the list of sectors addressed by NGOs at the VDC level was very similar to the list at the national and district levels.

### Table 5.8 Sectors Addressed by NGOs Identified by Survey Respondents in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Narayansthan (N=124)</th>
<th>Hatiya (N=131)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of people</td>
<td>Percent</td>
</tr>
<tr>
<td>Agriculture</td>
<td>15</td>
<td>12.2</td>
</tr>
<tr>
<td>All sectors</td>
<td>4</td>
<td>3.3</td>
</tr>
<tr>
<td>Credit</td>
<td>6</td>
<td>4.9</td>
</tr>
<tr>
<td>Drinking water</td>
<td>62</td>
<td>50.4</td>
</tr>
<tr>
<td>Education</td>
<td>83</td>
<td>67.5</td>
</tr>
<tr>
<td>Forest and environment*</td>
<td>18</td>
<td>14.6</td>
</tr>
<tr>
<td>Group formation</td>
<td>2</td>
<td>1.6</td>
</tr>
<tr>
<td>Health</td>
<td>53</td>
<td>43.1</td>
</tr>
<tr>
<td>Income and jobs</td>
<td>11</td>
<td>8.9</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>6</td>
<td>4.9</td>
</tr>
<tr>
<td>Livestock</td>
<td>6</td>
<td>4.9</td>
</tr>
<tr>
<td>Have done no work</td>
<td>5</td>
<td>4.1</td>
</tr>
<tr>
<td>Others (children, Dalit)</td>
<td>6</td>
<td>4.9</td>
</tr>
<tr>
<td>Sanitation</td>
<td>13</td>
<td>10.6</td>
</tr>
<tr>
<td>Social issues</td>
<td>6</td>
<td>4.9</td>
</tr>
<tr>
<td>Women</td>
<td>20</td>
<td>16.3</td>
</tr>
</tbody>
</table>

*Number of CFUGS: Narayansthan-2 and Hatiya-10.*
Responses to the above questions indicated that the perceptions about NGOs differed between the two VDCs. Further analysis of survey responses indicated that people in Narayansthan were more critical of NGOs than people in Hatiya. There were indications that people in Narayansthan were tired of NGO activities in the VDC. Some of them complained about how NGOs always asked them to participate in group formation, and how their projects always required contributions of free labor. They were also disaffected with NGO programs, which had little impact in the VDC. Further, residents of Narayansthan mentioned NGO projects were more likely to fail than residents of Hatiya (Table 5.9).

Table 5.9 Perceptions about NGOs Implemented Project Failure in the Two VDCs

<table>
<thead>
<tr>
<th>Do NGOs implemented projects fail?</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Narayansthan</td>
</tr>
<tr>
<td>Yes</td>
<td>58</td>
</tr>
<tr>
<td>No</td>
<td>67</td>
</tr>
</tbody>
</table>

Chapter Summary

This chapter addressed some of the major characteristics of NGOs in Nepal at the national, district, and VDC levels. It was found that distribution of NGOs, sectors they addressed, and their financial details were very comparable at all three levels. For example, at the national level, NGOs were located in districts with significant urban populations and with good road networks. Similarly, at the district level, NGOs were found to be working in VDCs close to the district capital and in VDCs connected by roads. Further, it was found that local people’s attitude towards NGOs depended on the VDC they resided in, their education, and age. Moreover, negative perceptions about NGOs were an indication of local people’s dissatisfaction with NGO activities. The KI responses, which I discuss in the next chapter, offer additional information about local people’s perceptions about NGOs.
Chapter Six

Analysis of Key Informant Interviews

This chapter presents findings from key informant (KIs) interviews described in Chapter Four. The analysis is based on interviews with 81 key informants from diverse occupational and individual backgrounds from the two VDCs, the national government, and NGOs. For this research, 40 informants in Hatiya and 29 informants in Narayansthan were interviewed. The majority were members of community groups like CFUGs, farmers groups, and women groups (Table 6.1). In addition, six district government officials, two SWC officers, and four staff members of NGOs working in Baglung were interviewed. The findings are discussed according to the questions in the interview schedule. Both similarities and differences across topics and communities are noted.

Table 6.1 General Characteristics of Key Informants in Hatiya and Narayansthan

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Hatiya</th>
<th>Narayansthan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business person</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>CFUG members</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Cooperative members</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Dalit leaders</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Drinking water management committee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmer group members</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Health post staff</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Lecturer</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Local leaders</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>NGO staff</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>School management committee members</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Teachers</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>VDC leaders</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Veterinarian</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Women group members</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Youth</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>29</strong></td>
</tr>
</tbody>
</table>
Sociodemographic characteristics of the informants are presented in Table 6.2. In total, I interviewed 23 female and 58 male informants. These included 14 female and 26 male informants in Hatiya, 8 female and 21 male informants in Narayansthan, 1 female and 7 male government officials, and 4 male NGOs staff members. The majority of informants belonged to upper caste. In terms of education and age, the majority of informants from the two VDCs had high school degrees and was between 26 and 55 years old. Only three informants in Hatiya and seven in Narayansthan had a bachelor degree. All the NGO and government informants had at least a bachelor’s degree.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Hatiya</th>
<th>Narayansthan</th>
<th>Government</th>
<th>NGO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>14</td>
<td>8</td>
<td>1</td>
<td>0</td>
<td>23</td>
</tr>
<tr>
<td>Male</td>
<td>26</td>
<td>21</td>
<td>7</td>
<td>4</td>
<td>58</td>
</tr>
<tr>
<td>Caste</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brahmin</td>
<td>21</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>38</td>
</tr>
<tr>
<td>Chetri</td>
<td>11</td>
<td>15</td>
<td>1</td>
<td>0</td>
<td>27</td>
</tr>
<tr>
<td>Dalit</td>
<td>7</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-25 years</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>26-35 years</td>
<td>12</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>22</td>
</tr>
<tr>
<td>36-45 years</td>
<td>9</td>
<td>7</td>
<td>6</td>
<td>2</td>
<td>24</td>
</tr>
<tr>
<td>46-55 years</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>2</td>
<td>17</td>
</tr>
<tr>
<td>56-65 years</td>
<td>2</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Above 65 years</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uneducated</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Adult education</td>
<td>6</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Less than 10 class</td>
<td>6</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>10-12 class</td>
<td>21</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Bachelor</td>
<td>3</td>
<td>7</td>
<td>1</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Masters</td>
<td>1</td>
<td>0</td>
<td>7</td>
<td>1</td>
<td>9</td>
</tr>
</tbody>
</table>
Hatiya VDC

Changes in the Past 10 Years

Informants were asked if they had noticed any changes in the community over the past ten years. Residents of Hatiya VDC began by saying, ‘yes there have been changes,’ ‘in the past 10 years many changes have occurred,’ and ‘changes have definitely occurred.’ According to the informants, major changes had occurred in drinking water, transportation, education, electrification, telecommunications, and the agriculture sector. Here is what one resident said about changes:

There has been lot of changes. It has been in road, transportation, electricity, and almost the quality of education has increased and it is good. After that, the community organization has changed drastically and many development stages are going on. In terms of what kind of development, it is about social awareness, it is about moving towards good from bad, keep the surrounding clean, personal hygiene in this sector it has changed a lot (HAT895).

All three communities in the VDC had faced water difficulties in the past. Residents used to carry water from a nearby river or pond. As a result of various efforts, an overwhelming number of KIs indicated new drinking water projects were the most significant change in the community. They believed changes in other sectors, such as agriculture and sanitation, resulted from the availability of reliable and better drinking water.

In terms of sanitation, a majority of the informants indicated that communities had become cleaner. Dalit informants were very specific in mentioning how their community had

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61 The reason I began with a general question was to avoid giving any direction to the interview process. I wanted to probe if respondents reported NGOs as the contributor of change, which I asked in the next question.
become cleaner. Some of them evoked the past and how they were criticized for their poor sanitation. Here is what a Dalit leader had to say:

There have been tremendous changes. The community was not educated in the past. In the past 10 years, there was not a place to walk in front of anybody’s house because of dirt. Now even in Dalit community wherever you go it is clean. We have toilets in every house. There was no electricity, no water, now there is electricity; there is water (HAT66).

Changes in agriculture were described as becoming modern with increasing use of hybrid seeds, practice of nontraditional techniques such as growing off-season vegetables in tunnels, and commercialization of produce. When I asked how growing vegetables, a common activity in rural areas, was a change, one resident said:

In the past, we used to grow only seasonal vegetables like potato, radish, onion, and gourds. However, now with availability of improved variety of seeds and water we are growing vegetables even during off-season. That is a change. Also people now make a living by growing vegetables and selling in the market (HAT614).

Another resident, who manages a farmers’ cooperative in the VDC, claimed he makes more money from vegetables than Nepalese working in foreign countries (e.g., Middle East and Malaysia). For him, agriculture in the VDC underwent major changes in the past 10 years. Here is what he had to say:

In agriculture there has been lot of changes, our group has done lot of things. They have realized that we must get involved in a group; if we are in group then we can achieve community goals. Farmers who did not know any farming are now growing vegetables. Now they feel that old local seeds are less productive and therefore they are now using hybrid seeds. Farmers also are getting training. They know, if hybrid seeds are used, they can earn more (HATVDC1).

He further added how agriculture group formation has helped empower women and contributed to household livelihood. Organizing farmers into different groups was viewed as more effective than individual efforts toward improving this sector:
There are many groups; their capacity development and livelihood improvement has happened to some extent. There has been women capacity improvement. Like, farmers (mostly women) are now supporting family through vegetables farming and do not have to depend on their husbands. The groups are almost all women in groups. It is hard to find male members in the community.

Many informants feared that progress in agriculture was affected by a lack of a market for their produce and availability of water for large-scale farming. Even for small-scale vegetable farming, water was becoming a crucial factor. Although people were happy with availability of drinking water, they complained that there was not enough water to support farming. As one resident commented:

First people were confused about how and what vegetables to grow. Now we have some experience and are now eating some fresh vegetables. It is not that widely practiced in our community, because we have water problems. We do not have enough water. Because of water problem, we are not able to grow more vegetables (HAT8911).

Education was another sector informants discussed as having undergone major changes. Expansion of school buildings, more classes in schools, adult education program availability, and an increase in school attendance were important changes. They believed these changes improved the quality of education and it was positively impacting society. For many respondents, improvements in education led to increased social awareness about health, sanitation, and personal behavior, however, older residents believed educated people made most of the decisions on community development and did not listen to them. One older resident complained:

We did not have enough intellectuals in the past like today, but still the community today has not improved as expected. Today’s intellectuals do not consult or discuss with old people, they say, “we are educated, we know everything.” As a result, the village is still not under control and improved (HAT894).
Only a few informants indicated there were no changes or there had been negative changes over the past 10 years. Their answer was, ‘I do not know’ or ‘I have not noticed anything worth notable.’ When one female resident said, “I have not seen any changes,” I probed further about development and she replied:

No changes in community development too. I understand what you are asking. I am not educated…..I understood what you are saying. I think it is either because of our weakness or because we have been left behind from above. I feel bad for being backward and left out (HAT892).

For one resident, changes were happening in the wrong direction. He had noticed:

In the last 10 years, there have been changes, but the changes have occurred only in chaos and political instability. We did not see changes that could lead to community development, by generating new resources at the local level to support development (HAT899).

**Comprehension of Changes**

As a follow up to changes in the community question, I asked how they perceived the above changes. A majority of the informants viewed changes in the community as good and positively contributing to community development. Residents mentioned how the road (Baglung Bazaar to Hatiya Bazaar) reduced travel time, electricity lit their homes, education made people more civilized, and drinking water and sanitation made their community clean and healthy. Nonetheless, there were concerns among the informants about the rate and scale of change happening in the community. They saw change occurring slowly and not meeting their expectations. For example, in agriculture, although they viewed vegetable farming as a positive change, some were concerned with the slow rate of modernization in this sector:

I feel, those changes are not enough to bring changes in agriculture or develop agriculture. We are not satisfied with it. We may not develop the agriculture sector with the current trend. We need to modernize and commercialize agriculture to make some changes (HATVDC6).
On the other hand, informants indicated changes were generating some side effects in the community. First was the destruction of land and forests during road construction. Some families lost everything in the process. One informant lost all his land and trees to the road, and the committee created to manage the road construction did not compensate him. Second, migration of youth to foreign countries had depleted communities of the much-needed human power for agriculture. Third, increased NGO activities resulted in economic dependence on these organizations. Because of this dependence, people participated in NGO meetings only if the NGO provided them money to participate. Fourth, the attraction of economic benefits and wealth reduced participation in community events. Here is what one resident had to say:

Now people are busy in their own work. As a reason they do not make time for other social activities. In addition, as people are migrating, we do not have any people for such work. Sometimes it happens that as all of them are outside we do not find people to carry the sick. Well, they have brought money, even though bringing money is positive but there is negative aspect too (HAT66).

In regards to the negative impacts of development, some residents saw that ‘development was impossible without destruction.’ For them, the loss of land and forest, specifically, was a step forward. As a result, even families who lost everything did not express anger towards the committee that managed road construction. These residents hoped the road would bring more development to the community.

**Contributors of Change**

Residents mentioned multiple contributors affecting the above community changes. For changes in drinking water and sanitation, school building expansion, and vegetable farming the local people credited NGOs. NGOs were also mentioned for raising social awareness among parents and user groups. Members of women farming group praised the NGOs for their role in promoting vegetable farming and distributing hybrid seeds. One member said, “We came to
know about it (hybrid seeds) only after they (NGOs) told us …we were not fully aware before” (HAT894). Although NGOs were seen as bringing about changes in the community, residents believed that NGOs had their own reasons and interests for working in their community. One informant said, “NGOs came here because the donors gave them the money.” Another informant said:

I think NGOs have their own interests in their program, as we all know, no one does anything without any interests … nobody does anything for free, right. I mean by their program they must be benefiting, we are also benefiting (HAT891).

Further, NGO projects were seen as limited to the community level. Respondents complained there were no projects covering the whole VDC. As one respondent said:

There has been no big project that covers the whole area. No NGO has done such work. Their programs on education, drinking water, and forestry are done at the community level. NGO works are mostly at the community level (HATVDC5).

In addition to NGOs, the informants mentioned the government, INGOs, multilateral agencies, and local leaders as contributors. The government was recognized for its role in providing electricity, expanding the telecommunication network, and supporting road construction. Budgets from the DDC, the VDC and the district irrigation and education offices were credited for supporting various projects. Lutheran International, an INGO, was mentioned for bringing community development projects to the region in 1984 and Asian Development Bank (ADB), a multilateral agency, was mentioned for funding the first road between Hatiya and Baglung Bazaar. After the main road was constructed, branch roads were constructed using VDC and DDC budgets and with investment from local people. Local leaders were acknowledged for their role in contacting various organizations and government agencies and for managing development projects implemented in the VDC.
An overwhelming majority of the residents believed local people were the key to bringing about changes in the community. They said that without local people’s support and interest NGO projects would not have succeeded. One informant stated, “These changes happened because of the leader and intelligent people of the community plus some NGOs and the government” (HAT615). Another resident added, “There were some NGOs who worked here, but still local people were the leaders” (HAT610). One resident even said NGOs were actually brought to the community by the people:

Because, if the organizations could bring changes then they could have helped us 10 years ago, right. We looked for them, we brought them here and created a good environment to enter here and we made them a good environment to work, and that is how they were successful. There are also many places where the wards or VDCs are not touched by any of these organizations and their programs. They have not reached all places. (HAT66).

Role of Community Members

In the majority of development projects containing infrastructure construction, NGOs provided all the necessary materials not available locally for the project. They purchased sand, cement, toilet pans, taps, pipes, and tin roofs and transported them to the place nearest the target community. The role of community members included carrying those materials from the drop-off point, which was 1.5 hours away for wards eight and nine, and one hour for ward six, to the project site. Other work included digging pits for water tanks and pipelines, laying down pipes, making gravel, stone quarrying, cutting timber, and masonry work. In such projects, NGOs contributed more than 75 percent of the total cost and local people contributed the remaining 25 percent as labor. For example, in a drinking water project in wards eight and nine, the NGO provided 85 percent of the total cost and local people contribute the remaining 15 percent as labor. Sometimes NGOs gave money to support a part of the project. For example, in the
construction of a school building in ward nine, people reported the NGO gave only 1.25 lakhs (one lakh is equivalent to 100,000) but their labor work was more than five times that amount.

The basic role of local people in such projects was to do what the NGO staff told them. One resident said, “When project (NGO) people come here, we give them respect and we obey what they tell us” (HAT66). For example, in a water project, the role of the leaders was to provide food and lodging to NGO staffs. In addition, local leaders had to convince people to agree to the designed plan, which included digging on their land, and providing land for tap and tank. In all development projects implemented by NGOs, local leadership was crucial from the beginning. Based on the interview responses and observations it was found that the success of the project depended on the capacity of local leaders to negotiate the involvement of community members. This is how a drinking water project leader described his role:

My contribution was, I totally got involved in that and helped all project staff and in the community convinced people with negative attitudes. There was an incident. We were surveying for drinking water from the source. Then in the spot marked to build a tank, the person (landowner) refused to give the land. He even quarreled. He demanded one lakh rupees if not he will not give his land. Seeing that, the NGO staffs started to leave the project and return. They even said, “You do not need water. So if you do not need water why should we work here?” I said, “It is not like that sir. If you leave because of just one person, then we all will be affected. Let’s try another route and build the tank in another place.” They asked us to show the new route. Then what I did was, I asked other friends to measure (tape stretching) with the staffs. I ran ahead of them because there might be conflicts even in the spots for taps. Therefore, what I did, which was clever to me, I told the landowners, “Say yes to the spot wherever the sir/project people identify and then after the projects is finalized, we can move here and there afterwards. Later we will have the power.” So walking ahead of the team, I told everyone not to create any conflict and convinced everyone. Later, once the project was finalized, we built taps two to three meters away from the original spots. That way, we successfully completed the project and along with the drinking water we built toilets. I feel, I played the major role, which can be learned from other people too (HAT62).
In projects that involved little or no infrastructure construction like vegetable farming, microfinance, adult education, and livestock support, the local people’s role was to participate in the training, workshops, and meetings organized by NGOs. If programs were in the community, all members were expected to attend; however, for activities held outside the community, only group leaders were invited to attend. Group leaders who attended the meeting then had to tell others what they had learned. Some residents believed that even though they were not always benefitting by attending NGO meetings they were helping NGOs by being there.

In government funded projects, like road construction and electrification, local people contributed both labor and money to bring these services to their community. They had to pay for wire and poles to extend electricity from the central line to their community. Likewise, local people raised money to augment VDC and DDC funding to construct a branch road. In all three wards, local people contributed money to improve the education sector. Donations from local people were used to repair buildings, add classrooms, and to hire extra teachers.

**Process of NGO Project Implementation**

The process of a development project, for example improving drinking water, began with the community discussing the issue. After the members agreed upon a solution, the leaders approached both government and non-government agencies requesting help. If an NGO was interested, it then arranged a visit to the community to conduct a feasibility study and to discuss and determine if the community was committed to contributing voluntary labor.

The NGO then created a project management committee. This committee included local leaders and one NGO staff member to oversee the project. The role of the staff member was to
monitor committee actions. The committee consisted mostly of local leaders and included community women, Dalits, members of different political parties and members from disadvantaged groups. The main committee then divided the project into different segments. A sub-committee of 10-15 people managed each segment. The sub-committees would be given specific tasks like transporting materials or digging particular sections for the pipeline or to digging for tank placement and tap construction.

One additional role of each sub-committee was to tell people when and where to do the work. Every household was required to contribute labor. If household members were not available then they had to pay the equivalent value to hire labor. The committee was responsible for hiring any extra labor. The NGO provided technical staff for project design, water distribution, and measuring each different aspect of the project. After completion, the project was handed over to the management committee.

For the sanitation part of the project, people were asked to clean the road and tap surroundings, collect and burn waste, and cut thorns along the road. One informant said, “We felt good when they told us to do all the cleaning, we feel good as cleaning prevents diseases” (HAT8918). In addition, a tap management committee was created and the members were trained by the NGO on waste management and sanitation.

The KIs from Hatiya expressed pride that their community was recognized in the district as the best for their performance during the drinking water projects. According to the informants, during the project conflicts of interest were few. Mostly, such conflicts were about loss of land, which were resolved and did not stop the projects.
For programs like microfinance or vegetable farming, the process was a bit different. NGOs created farmer or microfinance groups\textsuperscript{62} in each community. For example, one microfinance group I studied consisted of 40 women members. In Hatiya VDC alone, there were 12 such groups. Each group received technical knowledge about the program through NGO provided training. Each member was to participate in meetings and regularly pay their dues. Likewise, the role of the farming group was to share new ideas and problems with other members. A microfinance group member described the process as:

NGOs first came here and created female groups with about 40 women. In that group, they gave training for seven members and then implemented their programs. They created our group to become self-sustainable. They gave training on agriculture like goat growing, buffalo growing, and vegetable farming. In microfinance, the NGO gives credit during their meeting. We can demand how much we need; but we have to state the purpose: buffalo, goat, business (HAT64).

Any Failures?

The majority of the informants claimed NGO projects did not fail\textsuperscript{63} in their community. They were referring, mostly, to drinking water and school building projects. Nevertheless, informants acknowledged that failures did occur during community development work. In ward six, two informants mentioned an ongoing irrigation project as a failure. The committee president later clarified that the project was stopped due to a pipe supply issue. New pipes were arriving and the project would resume soon and be completed within the next six months. Other than that, respondents from ward six did not mention other failures in their ward.

\textsuperscript{62} Separate groups would be created for goat growers, vegetable farming, bee keeping, skill development, microfinance, health and sanitation, and even for adult education. However, membership in these groups overlapped, as the same member was found to be a member of different groups. In addition, few people took leadership positions of a majority of the groups in the community.

\textsuperscript{63} Failure to KIs meant when a project was not completed as designed and/or was abandoned because of poor participation.
However, in wards eight and nine, all informants mentioned a half-constructed irrigation project, funded by the government, as a failure. During the first phase of the project in 1995, a two kilometers canal was constructed. The second phase of the project was supposed to expand the canal and cover the whole community, however, lack of funding, conflict of interests, and decreased participation from the people led to project abandonment. One member of the community involved in the project said:

We started the irrigation canal to make our land more useful. We started with a proposal for 40 lakhs, submitted to the district irrigation office, and were approved in 1995. Once approved, we completed two kilometers of the canal. However, that two kms only reached the settlement (not fields), but it was supposed to expand beyond the settlement and reach the fields. The two kms canal was concrete, but in the community, we just dug canals in the land and it led to some soil erosion. Then people began to oppose digging the canal saying it will lead to loss of land or erosion. As a result, it was stopped there. I feel very bad for not being able to succeed. I think that is the reason for the backward of our community. Because, we are not able to make use of the fertile soil in the community. Even now, we have been submitting proposal to the district office to expand the program. We want to make it success (HAT899).

Another failure mentioned by residents from ward eight was insufficient water from one of the drinking water projects. According to one Dalit leader, this was because the water source. He further reflected that it was not a NGO mistake, but it was because local people failed to identify a more reliable source during the initial project. As a result, they were experiencing shortage and unequal water distribution in taps. He further added that they had not approached the NGO yet, but the community was discussing what to do about the problem.

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As per the project guidelines, local people have to identify a water source for the project. In addition, the source must be secure without any conflict of interests with the landowner or other communities. In many VDCs, NGOs have had to cancel their projects because of conflict over water source. Some of these conflicts even became violent. In Parbat district, I witnessed two communities fighting over a water source. The particular NGO-funded water project involved supplying water from one community to another. The conflict became violent when members of the water source community located and destroyed a newly constructed tank. Community members blamed the NGO for inciting violence between the communities. This was an example where the NGO initiated the project without a detailed study of the project site.
Although the majority of the informants in the VDC said there were few failures, they were concerned with the short-term impacts of NGO projects. They remarked that most of the NGO projects were discontinued after the program ended, except for drinking water and education. This was especially common in the agriculture sector, as farmers stopped practicing new techniques and abandoned tunnel construction for vegetable farming. Local people practiced or followed their programs only during the project period or as one member said, “People will follow as long as the NGO gives them money; the program stops as the NGOs stops financial contribution and leaves the community” (HAT611). I noticed several tunnels constructed to grow vegetables in poor condition and even some water taps that were broken in all three communities. Regarding abandonment of NGO programs, one farmer leader said:

This is a project implemented by CYC; it was designed to protect the manure from light and rain. It was a three-year project known as Improved Manure Protection Program. In the first year of the program, farmers adopted it widely. They realized that sun and rain leaches and dries out the manure of its important nutrients. Therefore, if we protect it, then we do not have to buy chemical fertilizers. Plants can get it from here. So the farmers built a small roof above the manure pit, CYC gave some funding during the first year. After one year, the project was designed to be continued using ‘local resources like thatch grass, and branches.’ First year people built it. Second year, you have to buy the grass and collect branches to use as roof. Then the farmers began to abandon it. Even after knowing its importance, they left it. Well we can use metal roofs that last 10 years but it will be costly. In addition, the project specifically mentions using local resources. So farmers did not do it, in first year they did it and NGO gave some money. After the first roof fell, they all abandoned it ….The program was here for three years and one more year is left, after that it phases out. Therefore, for one more year NGO people will be hanging around telling farmers to do it. However, it is only formality. In the first year, they said, “You have to build it” and gave us money. Now the farmers left it, NGOs are telling to “try to continue,” but after one year, it will disappear (HATVDC6).

According to the informants, some reasons for failure were lack of funding, short-term support from NGOs, and decreased participation by local people. For example, one
informant in ward six believed people were no more enthusiastic about development projects in the community as they were when the drinking water project was implemented. The informant mentioned the irrigation project as an example where he had witnessed the project was not a priority except among few intellectuals like him. Other informants mentioned decreasing community participation in other community activities as well.

To prevent failures in the future, informants suggested that local unity and participation was critical. In addition, informants desired that NGO projects were larger to cover more than one ward or community. They said:

Their projects are like … they are approved for small community (small projects) but are not designed for the whole VDC. So even within the same village they can approve four to five small projects. However, they do not approve a big project to all the households (HAT897; HAT8910).

Satisfaction with NGOs

An overwhelming number of informants in Hatiya were happy with the work of NGOs and expressed positive perceptions towards them. Many of them said, “We are happy, they have not done any bad things here.” They gave examples of improvement in sanitation, availability of drinking water, and increased awareness in the community for NGO contribution. For some informants the community’s relationship with NGOs has been strong even after a given project was completed. Here is what one resident said about the relationship:

They are doing good. Very good. NGO comes and stays in the community, the staffs are all like our friends and they maintain friendship with the committee people, too. Since GYC did their first work here, they are very influenced by us. They also praise us and we also recognize their contribution here. In comparison to other NGOs, we find GYC very close (HAT66A).
Similarly, female informants expressed satisfaction with the microfinance, and livestock and vegetable farming programs of NGOs. According to them, NGOs have given them new ideas and raised awareness about women rights. A few members were concerned with the effectiveness of NGO trainings, which they saw as theoretical and without any practical application. Nevertheless, they were very satisfied with NGOs, as one member said:

We are happy. They said for women they would give all kind of training, and they told us to grow vegetables. They even give us hybrid seeds. Then they came to inform about worms, jaundice, and even distributed medicine (HAT891).

Contrary to the positive perception towards microfinance, some leaders were cautious about stating it was a good program. For them, the microfinance program was more beneficial to the NGO than to local people. They said, “The program has a good reputation; however, if we look deeper there are some issues regarding high interest rates and use of loan for other purposes” (HAVDC3). Under further study, I learned that the interest rate charged in NGO operated microfinance was higher than current commercial bank rates. Importantly, though, the microfinance loans NGO provided were available without collateral.

Other reasons for positive attitudes towards microfinance were that women in the group had no banking experience. They did not know the bank interest rate. The majority of the members had in the past borrowed from local lenders, who charged high interest and failure to meet obligations resulted in social disgrace. Most importantly, NGO sponsored programs were targeted women who had difficulty getting loans. Therefore, microfinance was the best alternative for them.
NGOs vs. Government

As a final question, I asked KIs to compare the NGO and government roles in community development. Responses were very similar. All respondents believed the government was not making substantial development investments in their community. For the majority, the current political instability\textsuperscript{65} at the national level was the reason for poor performance of the government. Others believed the project application process with the government was too lengthy. Another concern about the government was past misuse of money. Even though informants mentioned several government funded projects in the VDC, they expected more. As one member said, “I do not think the government has done anything here. Well government has brought the road here, but that is not enough” (HAT891).

NGOs were seen as being quick and effective in making decision on projects. Many informants believed that since NGOs themselves managed the money during the project, there was less chance for fund misuse during project implementation. However, they were skeptical that NGOs made money from the projects. All KIs remarked that the presence of NGOs was more visible than that of the government in their community. As one informant said:

To the outside, NGOs are way ahead of the government in rural areas. Rural people do not know what the government looks like or have never experienced it. In this school, we get regular funding from the government, but there is less evaluation. In that way, NGOs (that also support the school) visit us regularly and are seen as been active (HAT8998).

Despite the positive perception of NGOs, KIs were unanimous in saying community development should be the responsibility of the government. They were

\textsuperscript{65}This instability was a result of political parties disagreeing to forming a multi-party government and timely promulgating the constitution. The 2008 Constitution Assembly Election mandated political parties to write the constitution in two years; however, in the last three years disagreement among the parties had led to four government changes with little effort invested in framing the constitution. On May 11, 2011, the government again proposed to extend the Constitution Assembly for the second time to one more year.
skeptical about the sustainability of NGO work and viewed them as temporary and
donor-dependent meaning the funds, and NGOs, would disappear in the future. A few
phrases were repeatedly used to explain the temporary nature of NGOs:

They are like floodwater. They will dry out once the water decreases (HATVDC6).

NGOs are like, “one pot of water, and the government is the water source. So when the NGOs or the pot of water is used, it gets empty” (HAT67).

They will work here as long the donor tells them to (HAT8913).

The above statements reflect local concerns that NGOs will not support them forever. Therefore, they all desired a more active role of the government in community development. For them, government should take responsibility for future community development. Here is what an informant said:

Instead of NGOs, government should support community development. NGOs might go away tomorrow. Government should do it, it should take the responsibility, and it should take the responsibility of all development works (HAT61).

Further, since government sponsored projects do not require a contribution of labor from the local people, there is a general preference for government over NGO projects:

Well in comparison to NGOs, government can directly implement projects. It can directly fund a project for us. NGO and INGOs are only contributing some amount and the rest is our investment in labor or economic. In NGO projects, our investment is more; in government project, it does it directly and it will have little negative impact on the people. Therefore, government should be more active (HAT895).
Narayansthan VDC

Changes in the Past 10 Years

Key informants from Narayansthan mentioned changes similar to those cited by informants in the Hatiya VDC. Narayansthan residents began by indicating changes in political, social, and economic sectors. Political changes included the impact of the Maoist insurgency and the end of the monarchy in 2006. Many residents welcomed changes moving toward a multi-party democracy and the new ‘Republic Nepal.’ Social changes included increased awareness about education, health, and women rights. Economic changes included increased migration of youth to foreign countries and rich people to urban areas. Although youth migration to foreign countries was bringing money through remittances, few informants perceived the outmigration of rich people as having a negative impact on the VDC. One informant said:

If the rich people lived here, there would be more facilities and they would support local business and the market would expand. People would get employment opportunity and income would increase. As they migrated, rural condition becomes weak (NAVDC5).

In terms of development, they mentioned changes in transportation, communication, education, drinking water, and health sectors. The new road that connects the VDC with Baglung Bazaar was a major change in recent years. Because of the road, several branch roads had been constructed throughout the VDC. These roads have helped in the movement of people, construction materials, and consumer goods. Frustrated with the delay in graveling and black topping the main road, Narayansthan residents have started to construct another road to Baglung Bazaar using the VDC budget, money from DDC, and individual contributions. According to the

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66 This road was constructed with funding from the Asian Development Bank (ADB). Both roads from Baglung Bazaar to Hatiya and Narayansthan were part of ADB’s rural road projects in Nepal.
people involved in project, the road will be shorter than the main road, and they believed it will boost their economy.

In the communication sector, the cell phone network expansion was mentioned as a major change. Likewise, in the health sector they mentioned the construction of a new sub-health post with support from the government and a local NGO. Many informants recognized the role of the health post in improving the health of residents. Other changes included improvement in rights of Dalits and women, which resulted in decreased practice of untouchability and social discrimination towards Dalits. One Dalit leader said the whole community had changed over the last 10 years. These changes occurred in equality, improved education and employment. He said:

In the past, in our Dalit community we had different type of condition. Fathers used to be “bond ploughman,” busy with work and spent more time on landowners work, that was in practice. There was also a practice of eating dead livestock (buffalo and ox). Now it is not practiced. Now we have education and Dalits are moving forward with education. Every house has a member with a SLC degree and some even have a government job in Nepal. Majority of employment is in foreign countries. For example, we have Dalits in two wards, and about 45-55 people are in foreign country. There is one in Nepal police, I am a teacher, my son is also a teacher and the other son is in foreign country. In comparison to the past, it has changed a lot (NA77).

A Dalit women leader described how the community has changed in terms of women involvement in community activities. She said:

In the past, I used to try to get involved in community activities even by abandoning my housework. I used to get involved to change the community. At that time, because of lack of awareness in our community (Dalit), they did not actually understand. I feel like that. They used to accuse me like “you are a female and you are always in the community, being outside the house in late hours.” They all used to look at me with bad thoughts. However, I never backed down; I would respond, “If I am in the right path why should I fear, I am not walking the wrong path, whatever you think, I don’t care.” Now they all say good about my involvement in community development (NA2310).
Of all the changes mentioned by Narayansthan informants, education was most discussed as becoming more modern, where all government schools were teaching in English. One informant said, “Education awareness has increased, there is trend in the community that government schools also need to teach in English” (NA74).

The number of community-managed schools in the VDC has increased in the last 5 years. Community managed schools are government funded and receive regular contributions from local people, and the Nepali diaspora. Each school competes with other schools for student enrollment and this has resulted in a new high school in the VDC. This new high school is called the ‘Newar School’ because it is managed and funded by the Newar community. As a result, other caste people were critical of the venture and reluctant to give money to the school. Although many informants viewed such competition between schools as good for students, a few were concerned with the increasing division caused by community schools. One women informant said, “Schools are fighting for our children to enroll with them and even leaders are not talking to each other” (NA2310).

Compared to other sectors, changes in agriculture were less discussed. The failure to complete an irrigation project that would have transformed all dry land in the VDC into wetland was a driving force in this sector. Only a few women informants mentioned vegetable farming as a change. On the other hand, several informants said the forestry sector had undergone major change. All of them noted the forest had improved under community forestry during this period. One member of the CFUG said:

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67 Generally, there will be only one high school and nine primary schools (one for each ward) in a VDC. It is unusual for a small VDC like Narayansthan to have two high schools.
68 Newars are one of the ethnic groups in Nepal and mostly involved in business sector.
69 The project was planned to bring water from the nearest river through another VDC. Because of some difference in compensation for land, the affected landowners filed a legal case. In the last three years, Narayansthan VDC lost the case in all levels of the judicial system. It was one of the largest projects in the region, but failed.
The measurement of changes is done by looking at two aspects. One, looking at the past condition and two, comparing that with today’s situation. We compare and measure. For example, if we compare yesterday’s forest with today’s community forest, we can clearly see the difference. In the past, before community forest, people did not own the forest; now under community forestry they claim ownership and there is a brotherhood to manage it. There are now 526 households benefiting from the forest, we all feel like member of one house. That is also a change (NAVDC1).

Comprehension of Changes

A majority of the informants from Narayansthan positively perceived the above changes. They believe that ‘development’ was good for their community. One informant said, “Even though the development is only in basic needs, it is a good thing” (NA238). Another informant shared similar sentiments, “small changes with time have occurred such as road, energy, and drinking water … but these are very small changes” (VDC5). Other informants also reflected the changes were minor in comparison to what they expected during the period. Nevertheless, they mentioned these changes were having positive effects on individuals.

Individually, informants of the VDC were affected by improvements in health, access to drinking water, and improvements in education. For them, changes over the past 10 years, including increased access to the telephone and the availability of transportation had made life easier. Informants, mostly teachers and community leaders, highlighted that these changes were associated with improved levels of education in the community. They claimed that because of education people had become aware of community development, learned their right to demand development, changed their attitudes towards other people, and put increased emphasis on educating their children.

Only a few informants perceived ongoing changes as negative. For them, political instability and power struggles between political parties at the national level divided people
along party lines. Because of politics, everything had become political. For example, informants said that local leaders prefer to use their political connections to sanction development budget than wait for government approval.\textsuperscript{70} In addition, changes in economy and culture were perceived as being negative. This is what one informant had to say:

Talking about political changes, it is all negative changes. People are now feeling it is all useless change. Lack of political awareness has led to anarchy and youth are not interested in politics at all. As a result, it is having a negative impact on the society. Economically also, since the national economy is not able to support the nation, people going to foreign countries has increased. Some people have even returned from there too without any income. There are no conditions, I see, to make a leap in the economic sector. Socially well-to-do families are migrating to cities and only poor and small farmers are living in the villages. Culturally, our traditional cultures are continuously lost. Western culture is dominating because of TV and movies (NA75).

**Contributors of Change**

Informants in the VDC identified the government, NGOs, local leaders, local people, political parties, and education as major contributors to community changes. The government was recognized for both positive and negative changes. On the positive side, government was credited for various development projects like roads, drinking water, health-post, and funding for the education sector:

Government played a great role in improving education. Government now provides different types of scholarships to the schools, providing textbooks to students, helping to improve quality of education and for infrastructure like supporting playgrounds, fence walls, and building construction. Government coordinated with the NGOs and helped us (NA74).

On the other hand, the government was criticized for poor performance and weak policies:

\textsuperscript{70} One informant acknowledged how their ward received money for a road project with assistance from a senior Maoist leader who used his influence to approve the budget from the Local Development Ministry.
The blame goes to the government for the negative changes. As the government did not make good policies and leadership, they did whatever they liked. As the leaders were bad then lower level people also followed the same practice. If the leaders were disciplined, people also would be disciplined. Negative changes are due to government’s instability and anarchy (NAVDC5).

NGOs were mentioned for bringing programs on social awareness about rights of Dalits and women, skill development, education, health, and sanitation. They were further recognized for their support for school buildings, microfinance, vegetable farming, and supplying medicines through the sub-health post. One female informant said:

First, the people were not educated. We had no experience. The NGOs brought different programs on awareness, vegetables, cutting training (tailoring) …. these trainings helped to raise awareness among community people. Now we feel, “we have to do good things. We must throw away bad things/practices. We must adopt good things, eat good foods, and improve the environment.” With such awareness, we all became active (NA2310).

Similarly, political parties were mentioned for their role in fostering change at both national and local levels. Parties were cited for raising awareness about community development and they were credited for VDC budget increase in recent years. Equally, they were blamed for dividing the community and fragmenting development budgets across party lines. Here is what one informant had to say:

Political parties are active in making people aware…. On the negative side, because of party system there is a division among parties. When doing development work, they divide it along party lines. They also compete to pull down others and get credit for a development work. They also created political division within consumer groups. Even within community groups, people are divided along parties (NAVDC6).

Improvement in education was mentioned as the major contributor to bringing about community change. The sector had improved because of government support, NGO activities, political parties, people’s contribution, and funding from the Nepali diaspora. According to many informants, education helped raise awareness among and made people conscious of their role in
building the community. As one teacher claimed, “People, when educated, become self-aware.”

Here is what another informant had to say:

    Education is the major force. It is because of education, as we all know what to do and what not to do. Old practices and superstitions are sidelined and now we feel we have to adopt a new path (NA77).

    Of all contributors to change, informants claimed active local and the role of local leaders were driving forces. They stated that government projects or NGO programs came to the VDC because of the demand from the local people and facilitation by leaders. Local leaders were praised for their efforts in reaching out to various organizations and bringing about development. They were further credited for their role in managing the schools, which improved education quality. As one informant said:

    Local people are the main actors, as they have to demand for their needs. Local people are important in bringing change. As the government does not come and tell, “You do this.” Overall, major driver for change are the local people (NA238).

Finally, some informants viewed the changes as a result of global changes. For them, Nepali communities try to copy with whatever happens at the global scale. The informants used the trend towards English education\(^\text{71}\) as an example of this duplicating change. Few informants saw the adoption of English teaching by government schools as ‘demand of the time’ or ‘with time everything changes.’ They even criticized the claims made by various agencies in bringing about changes:

    Overall, it is a system rather than individuals. It is a national system change. It is due to democratic practices. Political system change …. Likewise, any individual or NGOs doing small things in one thing. Overall, it is because of national change. At local level, people only say, “I did it, we did it.” No one has actually worked to bring changes in the community …. NGOs, INGOs and the government played a small role in this process (NA233).

\(^{71}\) In the past, English was taught in private schools only. Nepali was the medium of education in government schools.
Role of Community Members

Similar to the respondents from Hatiya VDC, the respondents from Narayansthan mentioned different roles for government and non-government projects as well as for development and non-development programs. For government projects, the community’s role was limited to their participation in discussions. Only a few people, those included as members of the project management committee, would be involved. The government did everything. People did not have to contribute voluntary labor. Whatever they did, they were paid from the budget.

In NGO funded projects, community members were actively involved. This included participating in meetings, attending workshops, forming groups, providing voluntary labor, and constructing taps or sheds as required by the project. Local non-labor participation was required for non-development projects like social awareness or skill training.

Community acts according to the program. What is it they are telling? What is the program about? They want us to understand those things. Just attend the seminar, sometimes for two to seven days. It depends on the community as to how much we can absorb from such trainings … (NA235).

However, for the majority of development projects local people contributed voluntary labor. This included layering of pipes, quarrying stones, making bricks, carrying construction materials, and making gravel. As one informant said, “Community only contributes labor, we cannot contribute financially. We do labor work by doing one or two days of work” (NA77). Sometimes, NGOs estimated the cost of the project and asked for community contribution in the form of labor or money to establish a fund. One informant nicely summarized the role of the community in a NGO implemented development project:

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72 Non-development projects involved little or no infrastructure construction, such as microfinance, advocacy, awareness, education, and projects using rights based approaches.
We use to help them by uniting for their programs. Some programs require us to include some money. NGOs normally show us the path. The community mostly does the work. Some will be public work, where community contributes labor. NGOs normally do not bring lot of money. They only show us the way; it is our hard work (NA2310).

Other informants added:

There will be direct involvement of people in their projects. Even before the program is implemented, the NGOs make the people active. They tell us, “What will you do if we bring this program to your community?” In that discussion, the community decides whether to accept the program or not. Mostly, we express our commitment to fulfill the requirement …. Later during the project, community has to do labor. For example, we all did for school building, drinking water, and toilet construction. Almost 50 percent labor is from the people (NA72; NA78).

**Process of NGO Project Implementation**

NGOs while implementing their projects followed the same procedure as discussed in the case of Hatiya. Unlike the informants in Hatiya, however, some informants in Narayansthan were dissatisfied with the process. A teacher criticized the NGOs for not supporting them at the right time. He gave two examples: (1) an NGO gave their ‘vegetable growing group’ ginger roots only after the season was over; and (2) another NGO formed a microfinance group and never showed up. Similarly, an agriculture extension agent criticized the project management committee of not being inclusive and perceived it as being just a group of NGO supporters or sympathizers. According to him:

Normally they have people who are free; whom they feel might work and include active people. They also keep people of certain political background matching their political interest. NGOs and their supporters are found to bring projects that benefit their supporters in the community. They sometimes bring programs just to benefit their supporters. For example, RAF came with a program, they always include their supporters, and it is true with GYC. These NGOs never allow other people to be involved in their programs. These programs also have political interests. DYC also does the same; they all involve only their supporters (NAVDC7).
Any Failures?

Many informants stated failures were common in NGO projects, and only few informants viewed NGO projects as successful. Informants, who said NGOs were successful stressed that this was the case only because they fostered active community participation. They gave examples of improved school infrastructure and availability of medicine in the health post. On the other hand, a majority of the informants gave examples of failed projects in the education, agriculture, drinking water, livestock, and advocacy sectors. A few informants also criticized NGOs for not returning to monitor project status. As a result, many projects no longer functioned after a few years. In this regard, one informant shared this sentiment:

We do not have any failed project right now. Normally we do not have any projects left in the middle. However, normally the projects deteriorate after they complete the project, the NGOs never look back to see if it is working or not. We have our drinking water as an example. NGO did the work, handed over to the community, the NGO did not return. Community alone could not keep the project running water. Sometimes water comes, but it is not working as we had expected. It is not well managed. We tried to contact the NGO. The NGO itself is now dissolved; there is no organization (NA75).

Below is the list of failed projects mentioned by informants:

1. Advocacy: Some two to three years back a NGO had implemented a Corruption Eradication Program in three VDC wards. The program disappeared within a year. Now many people do not know what happened to the program and why it was stopped (NA79; NAVDC2).

2. Namuna Gaun (Model Village): This was one of the largest projects in the VDC. It was a joint project implemented by DCRDC, SWAN, and some government funding. In 2002, the program constructed a day care center in the middle of the Dalit community. The vision was to have children enrolled in the center and parents free to do day labor.
and increase their income. In the beginning, the project gave toys, medicine, and clothing to children and their families. The center ran as long as the NGOs managed it during the project period (2002-2006). After the project ended, its effectiveness decreased and it began to fall apart. Currently, there were only a few children coming to the center and the building has cracks, its doors and windows are broken, and the facility is poorly maintained (NAVDC4; NA232).

3. Goat raising: SWAN implemented a goat-raising program several years ago in the VDC. The objective was to give goats to poor families and after a year, they would return one of the kids, which the NGO would give to another family. It appeared people ate the goats; and therefore, there were no kids or goats (NA75; NA73; NAVDC7).

4. Drinking water: This project was supposed to provide extra water to a Dalit community in ward three. In the first phase, the NGO gave some money to construct a tank in the community (Figure 6.1). However, the NGO did not return with pipes and other materials to complete the project as per the agreement. Now the tank stands unused without roof (NA77; NA2312; NA2310; NA2311). Likewise, there was another drinking water project completed by the NGO and handed over to the community in ward seven. Currently, because of poor maintenance there is no regular water supply (NAVDC5; NA75).
5. Vegetable farming: Several NGOs implemented vegetable farming and women empowerment programs in the community. Except in a few communities, which have a water supply, those efforts failed. According to the informants, they failed because of the lack of irrigation. They complained that the NGOs implemented programs without research about water availability in the VDC (NAVDC6; NA2310).

6. Livelihood support: SWAN implemented a program to help Dalit families with food supply under a ration (welfare) system. The program was designed to support poor families for five years. The concept was to give food to poor families so they would save their income and invest in other areas like agricultural land. Unfortunately, it failed; people became lazy and a few people even got involved in anti-social activities such as burglary. The program is no longer funded (NAVDC1; NA710).
7. Irrigation canal: The VDC lost a legal battle to bring water from a neighboring VDC. That was the only hope to irrigate a large tract of land, but the project is lost forever (NAVDC3; NA231).

8. Improved manure: DYC implemented an Improve Manure Management Program in two wards. However, after two years the farmers abandoned the practice. Even during the program, only a few farmers had constructed a temporary roof above their manure pits. Now there is no trace of the program in the VDC (NAVDC4; NAVDC6).

Informants cited several reasons for the above project failures. One was insufficient NGO funding. Because of limited funding, only a part of the project was fulfilled. For example, in one school, GYC supported the school building expansion; however, it did not support fence construction. Similarly, several informants complained that NGOs gave some money to start the project, and never showed up. This resulted in distrust in the NGO and people suspected local leaders might be colluding with the NGOs and keeping the money.

Another reason was related to NGO project sustainability. This was cited as the major reason for decreasing community participation and poor project maintenance. Because of short-term programs implemented by many NGOs, people poorly maintained completed projects. Further, it was found people anticipated that if one program failed another program would replace it. The discontinuity of the improved manure program implemented by DYC serves as an example. Even though the DYC’s program failed, another NGO (CYC) was implementing the same program, but under a different name.73 During the discussion, I was surprised when no one

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73 I attended a one-day workshop or meeting organized by CYC to discuss the program in the VDC. At the end of the day, a new VDC level committee was formed to implement the program. I was surprised, when four members out of the 11-member committee were not even farmers. These members did not own any livestock or did direct farming. However, they were selected based on their leadership position and political connection. During the presentation CYC showed examples of how successful the farmers were in other VDCs. One of the farmers was
mentioned the failed project implemented by DYC in the VDC. Regarding the sustainability of NGO projects, one informant said:

Many programs have not succeeded as we anticipated. Because, we expect more from the programs, but we do not get it. For NGOs case, we expect them to do long-term projects so that the community does not have to depend on them. They bring the projects for target groups … that group always waits for the NGOs for help. So now majority of NGOs projects are only promises and that they will come again and again (NA72).

Another informant gave the following reason for the failure of the day care center:

What happened is … they bring their programs with a fixed time. They say our program is for this many years, and after completing it, they leave hoping the community to take care. But here, their programs return almost with them (NA232).

The third reason was the implementation of programs with poor background studies. For example, informants mentioned vegetable farming failed because there was no water. Likewise, the goat growing failed because families did not have fodder trees to feed the goats. Related to this was the NGO practice of putting full responsibility on the community and expecting them to implement projects perfectly.

When I asked if NGOs had done anything to prevent or fix failed projects, respondents who had reported failed projects said no. According to them, once the project failed it was abandoned. No NGOs had ever corrected a failed project in the VDC nor had they discussed it with the public. Even in non-development programs, like vegetable farming, the scenario was the same. Here is what an informant who was a member of one group said about NGOs’ irresponsibility:

They do nothing with failed programs. It will be abandoned. Here is my experience, DYC created a “shelter group” in our community to manage manure in the past. But they did not come to us. DYC did not come up

from Hatiya, whom I had met during my research and had said that the improved manure program was a failure in Hatiya VDC.
with any program. They created the group to work, but they did not give any programs…. RAF also did the same. RAF also made a savings group (microfinance), the NGO did not come to collect savings amount regularly and nor did they gave us a staff for that. We even demanded to hire a local person to collect the money and work under the RAF policy. They did not agree to it. In the end, they just returned the group’s money (NA75).

To prevent future failures, informants made the following suggestions: (1) Ten respondents said NGOs must coordinate with the VDC in implementing their programs; (2) eight people suggested NGOs must propose programs that will provide employment for poor people; (3) five people suggested NGOs must complete projects they start; (4) five people suggested NGOs must provide a written commitment to work in the VDC and be honest to fulfill the commitment; (5) four respondents said NGOs should make people aware of their project. They believed this would generate interest among local people to manage it; (6) three people said NGOs should plan properly and determine if program will work in that place prior to implementing any program; (7) three people said NGOs should leave only after the community is prepared or ready to take care of the project. If not, their projects would return with them to the district capital; and (8) two people said NGOs should use local people to provide training, especially on women’s issues, as women are uncomfortable with outsiders. Here is what one leader suggested:

To prevent failures, here is how they should work. If NGOs want to bring programs for the Dalits, and to uplift poor people from poverty, they must bring new programs. Just feeding one family or few people will not solve their life-long problems. I feel just by giving a few thousand rupees or training by NGOs to poor people will not free them from poverty. Because, they should instead build small industries, so that the poor can do hard work and make a living. Those kinds of programs will help. Training and some money, may be helpful for just three to four months, however, it will not help for our future (NA2310).
Satisfaction with NGOs

This research found a majority of the residents of Narayangadh were not fully satisfied with NGO performance. The most common answers were ‘we cannot say we are totally satisfied’ or ‘we are happy, as we have something, which is better than nothing’ or ‘we are not totally happy.’ These informants cited the above failed programs as support for their poor rating of NGOs. Their major concerns were duration and sustainability of the projects. As a result, people were frustrated with short-term and incomplete projects. According to one leader, this is how NGOs responded to their concerns about project sustainability:

They tell us, “it is not our program; we too have to ask for donor fund.” Sometime they say, “There is no program or we do not have enough money for this work.” They make excuses and leave the projects incomplete (NAVDC2).

In addition, they were concerned about NGO project transparency. They complained that NGOs did not reveal how much money they had received from donors, what the budget for the project was, how much they spent for their staff, and how much was spent in the field. Because of this, local people have become distrustful. They suspect NGOs make profits from their programs. Here is what teachers from a NGO supported school had to say:

We cannot say we are not happy. One thing they do is for example, if they get five lakhs from the donor to support our school. They usually operate their office from that money. When reporting to the donor they say we received five lakhs but they give us only three to four lakhs. This happens. We even asked for the total money (five lakhs). They said, “No, we cannot give all the money. This is the principle.” We all agreed and never persisted on the issue, because even that amount was given to us as free. It is better to have something than get nothing. We could not oppose them, as we all fear they may not support us in future. It is ok. This is what other schools and communities do in order to get more money from NGOs. They bring little to the community; rest is all spent by the NGOs (NA236; NA234; NA237).
Other NGO criticisms included the limited program impact at the community level. These informants indicated that NGOs were little concerned with solving community issues and focused on delivering what their donors told them. Here are some critical opinions shared by the informants:

They bring programs to their interests. I feel NGOs do what the INGOs tell them, where to work and what to do. They cannot meet our needs, they only distribute the programs they bring (NA77).

Those NGOs come to fulfill their needs rather than ours. They do not come and understand if this school needs a classroom or a toilet or education materials. They come with whatever program they have with them (NA75).

NGOs bring programs. Their programs are like this: they do not think which place needs what type of programs. For example, they say vegetable farming, goat growing and vocational training. They bring goat growing to places where there is no grass or fodder. Those programs will last for only one year. They promote vegetable farming in places where there is no irrigation (NAVDC6).

One informant, in addition to being unhappy with NGOs, blamed them for underdevelopment in rural communities. Several other informants also described NGOs as ‘begging bowls’ to get money from donors. This informant directly accused NGOs for the poor conditions in many communities by saying:

In my personal views, NGOs are responsible for spoiling Nepalese. NGOs and INGOs destroyed Nepalese. For example, people do not make their own toilet anymore; they wait for some NGO to give them the pan and the pipe for their toilet. They just wait for it. Same with drinking water, people are not active in bringing drinking water by themselves. Only if they do all the work, then only the project will be valuable and successful. NGOs and INGOs blocked Nepali mindset on development to become self-reliant. They do not give training on self-reliance, they do not tell us to do our own work and do not tell us that temporary outside help cannot make significant change in the community. NGO and INGOs come and distribute money and projects. People think, “If we can get it for free why should we invest and work.” As a result, people always run behind NGOs looking for projects and forget to work (NAVDC5).
NGOs vs. Government

Similar to responses from Hatiya, residents of Narayansthan also want the government to take more responsibility in community development. A majority of the informants preferred the government to NGOs for doing community development. For them, NGOs were temporary and could leave at any moment used examples of failed projects to support their views. They believed it was the government’s responsibility to provide services. Residents in the VDC expected that government should support infrastructure development and directly fund other activities in the future. As one informant said:

Government should play a bigger role than NGOs and INGOs. As they also make people to work in excess and they make profits (NGOs). We normally feel government projects will be sustainable but NGOs/INGOs are profit-making organizations to pay for their staffs. In addition, their budget is not transparent. People cannot directly get involved with the NGOs (NA72).

Another informant added:

In rural development, we feel VDC should play greater role than NGOs. They have to do it. Selecting projects, implementing, analyzing them and should work for the people. VDC has greater role … It is government’s role, it is their responsibility. NGOs have to do something for themselves first, after they meet their needs they go to do development works. They do not have any responsibility; however, the government has responsibility towards the people (NA233).

Likewise, Dalit informants demanded that government should provide them with employment opportunities and support their communities. According to one Dalit leader, if there are no employment opportunities in the country, many young Dalits will lose interest in education and find work in foreign countries. They feared the number of Dalits going to foreign countries would increase in the future.
The other role mentioned for government by some informants was to monitor and evaluate NGO activities. They believed NGOs would become effective and financially transparent through monitoring. Others suggested NGOs must register with the government (VDC) and work as per established guidelines. They were also concerned with increasing relationships between NGOs and political parties. One informant complained, currently, any VDC elite or political leader could bring NGOs to do work in the VDC.

Even though informants preferred government to NGOs, they suggested both should cooperate and coordinate in the future. In contrast to views that NGOs should work under the VDC, they believed coordination and cooperation between the two entities was necessary for effective community development. Since NGOs have the money and the VDC knows the issues, it was important for them to cooperate. By doing this, projects would be transparent and community participation would increase.

Several informants believed communities should not depend on outside sources for development. Instead, local people must wisely mobilize the VDC budget and contribute individually to implement various projects. In addition, they believed the community should take ownership of all development projects and involve local people in every aspect of the process. One informant suggested becoming self-reliant should be the goal of the community:

About community development, local budget should be mobilized in a transparent way. Community also must be active and realize “we should not wait for donor’s money, but we too must have to invest for our development.” We should claim ownership and get involved in the process. We do not want to become dependent on others (NAVDC2).
NGOs

Changes in the District/Communities

The NGO staff members I interviewed during the research indicated many changes had occurred over the last 10 years. According to them, the most significant change was in social awareness, which they claimed was directly related NGOs activities. They claimed awareness among rural people had increased in the following sectors: health, education, gender, Dalit, inclusive governance, human rights, and rural infrastructure. Likewise, they claimed to have completed several development projects like drinking water, bridges, school buildings, toilets, and community centers. All NGO informants stated changes were positive and their activities were positively influencing the lives of poor rural people. They gave examples of how goat growing was helping women support their families, improving school buildings had increased enrollment, and drinking water availability improved sanitation.

Contributors of Change

NGO informants claimed these changes were primarily attributable to their activities. For them, local people and government were secondary in bringing about changes. Only the field staffs of NGOs recognized the role of local people in change. NGO leaders claimed their organizations acted as a bridge, bringing the much-needed money from donors to the community and mobilizing action for various development projects.

Regarding the role of the community, NGO informants repeated what KIs from Hatiya and Narayansthan had said. Community contributed labor during development projects and participated in training and workshops. One NGO leader mentioned that the community played a vital role in their programs. He said:
They play a major role. Our role is only making it easier and mobilization. If they are in front, we will be in the back supporting. They have greater role (NGO2).

**Process of Project Implementation**

According to the NGO staffs, they worked in communities with 50-200 households. One NGO staff said the easiest place to work was in a community with 100 households. Regarding the process, they reiterated what informants from the two VDCs had said, except the NGOs provided more detail. Here is an example of a process for implementing a drinking water project. The project consisted of four phases: feasibility, pre-development, development, and post-development.

In the feasibility phase, the community applied to the NGO for a project. The NGO visited the site and submitted a funding proposal. During the pre-development phase, the NGO provided training and implemented awareness programs on water use and sanitation. In the development phase, various project infrastructure elements were constructed. The final phase handed the project to the community. The whole process took from two to three years. A working committee created during the pre-development phase then took charge of the project. The NGO leader claimed these committees were very inclusive but included only people that were able contribute time during the project. The committee consisted of 9 to 13 people selected by and from the community. In these cases, they required that the treasurer was a woman, believing they are transparent and more economical than men. During the whole process, money was co-managed by the NGOs and the committee.

Every staff member I interviewed claimed there were no projects failures. They stated any failure would be the result of poor maintenance by the community. Here is what a NGO staffer said:
So far, we do not have any incomplete works. We are successful in every program we are involved with. We and the Fund Board have a kind of norm, our organization also has a norm. We work according to those norms and we have been successful. Even during the conflict, we were successful (NGO5).

**Government vs. NGOs**

NGO staff members mentioned the government sector was slow, inefficient, not transparent, and there was leakage of development funds. On the other hand, NGOs declared themselves as being good, systematic, believable, quick, efficient, and more transparent than the government. One NGO leader argued the above statement was not ‘NGOs’ self-claimed’ but rather what communities had told them. The leader further added that the government lacked enough human resources and it was operating under a very old system, which was unable to meet community needs. In addition, NGOs claimed they established various funds in the community, including revolving funds, matching funds, and maintenance funds, which were not found in government projects.

Despite claiming that NGOs are better than the government, one NGO leader suggested the government should take responsibility for their projects after they were completed. Further, he expressed concerns that monitoring and evaluation of NGO projects should become a government priority. He claimed the government currently did not know where projects were implemented, project duration, and how they were implemented. Therefore, projects were monitored by NGOs themselves and sometimes by donors.

Regarding monitoring and evaluation, NGO informants indicated they did do this during the project, and checked their past work in the community when they returned for another project. One NGO leader alleged that their drinking water projects had a 20 years life. In the past
16 years, they had found no failures in their drinking water projects. They were proud of not having had to reconstruct any of their projects.

Although, NGOs monitored their projects there was no separate program within the NGO to do it. One staff member acknowledged that no NGOs in the district had a separate program on evaluation and monitoring because they depended on project donors and operated on a project basis; as a result, their staffs were laid-off after each project. They were also concerned about the extra cost associated with establishing a separate program for evaluation. As a result, one NGO leader suggested the government should create a policy for monitoring and evaluating their activities. That policy should categorize NGOs based on their performance. For example, since NGOs are good in the social mobilization sector, they should focus on that and the government on physical infrastructure. The leader asserted that this would also filter out bad NGOs and improve the whole sector. Here is what he said:

The government should have the following policy. The policy should accept NGOs as partners and include NGOs inside the policy. We should not be viewed as being different. Rather accept us as partners in development. If that can happen, then NGOs can improve. As a result, organizations cheating communities will be discouraged. For example, some NGOs have office in their bags and are doing work with just two to three people. We had a few such NGOs in Baglung, who got projects from the government to fund a goat-growing program in one VDC. These people took some 1.5 lakhs to distribute goats. However, after a few months, the government could not find the people who took the money nor had the VDC people know about the program. They did not come for the remaining money nor did they distribute any goats (NGO4).
Government

Changes in the District/Communities

Just like the community informants and NGO leaders, government staffs mentioned changes had occurred in their respective sectors. In agriculture, the major changes were in institutional development and in the commercialization of vegetables. As a result, the number of commercial farmers had increased in VDCs surrounding the district capital. In regards to institutional changes, this officer claimed that both government and NGO programs created farmer groups, which had become vital for farmers to gain access to larger projects. The farmer groups in some VDCs had even developed into cooperatives. Such cooperatives were helping farmers with discount food, micro-loans, and acting as a forum to share knowledge. In addition, groups and cooperatives increased awareness about farmers’ rights; as a result, the department was experiencing an increase in farmers demanding programs. In this regard, the officer said:

In the past, all development budgets used to be distributed by the DDC. Now the DDC mobilizes funds through lower level VDC. This makes the budget closer to the farmers. Now the farmers have realized that “we have to use the VDC budget into agriculture also, not only in road, school and health sector.” As agriculture is source of livelihood, they are demanding for allocation of budget for agriculture (GOV1).

In the drinking water sector, the number of households with access to clean drinking water had increased significantly in the past 10 years. According to the officer, the percentage of households with access to drinking water increased from just 15 to nearly 90 percent in the last 20 years. He cautioned that because of inefficiency of old projects, the actual number of households with water access were only 60-65 percent. Further, this discrepancy between actual and reported percent was because of project duplication, mostly by NGOs. The officer criticized

74 I interviewed staffs from the following government offices in Baglung Bazaar: agriculture, education, soil conservation, irrigation, drinking water, and DDC.
NGOs for implementing new projects in communities with old projects. As a result, communities were counted twice (for both old and new project) which increased the percentage.

Another change in the sector was the inclusion of sanitation as a component of the drinking water projects. The United Nations International Children’s Emergency Fund (UNICEF) had initiated this integration in Nepal in 1998. After this initiation, every drinking water project implemented in the district included sanitation. Further, several communities and even VDCs had begun a sanitary movement to make them “open feces free.” Narayansthan was one of the VDCs aiming to become “open feces free” within a year. The objective of the movement was to build a toilet in every household and make open spaces clean. This movement was gaining momentum in other districts as well.

The officer from the soil conservation office mentioned areas under greenery in the district had increased in the past 5 to 10 years. According to the officer, greenery had increased because of their reforestation project, which required each ward to plant about 1,000-2,000 fodder plants annually. Currently, the department was implementing watershed conservation program in 25 VDCs. The program was funded by the Japan International Cooperation Agency (JICA), which would provide 80,000 Nepali rupees per year to each ward included in the program. The goal was to increase greenery and conservation of watershed areas. Narayansthan was one of the VDC selected for the project.

In the irrigation sector, the informant mentioned an increase in agricultural production over the past 10 years from projects implemented by the agency. The officer claimed increased production had improved living standards for farmers, as they were now able to send their children to schools and the program had improved their health as
well. Although there were no indicators to measure such changes, the officer indicated, “The farmers look healthy, wear clean clothes and their appearance has changed, and these are indicators of change” (GOV4).

Similarly, the informant at the education office reported the education sector had undergone significant changes in the last 5 to 10 years. The sector had changed in terms of number of schools, student enrollment, quality of education, and number of students passing high school. The number of schools increased from 400 to 526, and School Leaving Certificate (SLC is given when students pass grade 10) pass percent increased from just 24 percent to 60 percent in the last five years. The officer claimed that in the past four years alone 400 new school buildings (not new schools but buildings in existing schools) were constructed. He further stated the above changes were possible through the government’s Relief Fund, and the Per Child Fund. Each fund helped schools add infrastructure and hire extra teachers.

Supporting the above claims, a DDC planning officer mentioned major changes in the district had occurred in roads, education, drinking water, and social awareness sectors. He described how more than 60 percent of the DDC and even VDC budget was used for road construction. Recently the DDC had passed the budget for the fiscal year 2011, which included 24 percent for socioeconomic development, 45 percent for road construction, 30 percent for other infrastructure development, and only one percent for institutional development (DDC, 2011). The DDC leaders claim they will construct roads to every VDC in the district in the next two years (Dhaulashree, 2011).
Contributors to Change

According to the informants, respective government agencies were the major contributors to the above described changes. The informants claimed these changes were possible because of decentralization of development budgets, increases in government budgets to DDC and VDC, and good use of international aid money. They indicated changes were a result of collective efforts from the different government agencies, local people and in some sectors NGOs. As one informant responded, “Nobody can singly say it is because of me; we are all connected from all sides; education, roads, irrigation, agriculture etc.” (GOV4).

The informant from the education office highlighted the role of the community in bringing changes to the sector. He said, although the government had increased its budget in the sector, it was the extra money local communities were able to raise that led to the increase in infrastructure construction in recent years. For example, if the government gave 5-6 lakhs to a school, parents and local community contributed labor and money to build a 25-26 lakhs building.

On the other hand, the staff from the agriculture office identified NGOs for contributing to some changes in the sector. According to him, some NGOs had been effective in disseminating new ideas in areas the office could not reach; however, he claimed in recent years, collaborative work between the government and NGOs was becoming crucial to improve the sector. He added that INGOs have also started to work simultaneously with the government and the NGO in the district. As a result, many of the agriculture programs were implemented as a ‘joint venture’ between the government, INGOs and a local NGO.
Informants from the soil conservation, DDC, and education offices mentioned collaboration between the government and NGOs as well. They also claimed NGOs were good in social mobilization and organizing local people into groups. As a result, one informant suggested that NGOs should focus on the social component and the government should focus on all technical and development components of rural development. Nevertheless, they pointed out that we should not compare NGOs with the government because they have different roles and mandates.

The major difference between the government and the NGO sector was in terms of responsibility and accountability. Government informants claimed their offices were responsible for providing services to as many communities as they could and were directly responsible to those communities. However, NGOs chose communities they found suitable to work with and they could leave or extend their programs as they wished.

The other difference was in terms of budget flexibility. Government programs operated under a fixed budget. While, NGOs could add extra resources to their programs as needed during the project to complete them; as a result, their programs were viewed as more effective. Similarly, NGO activities were more output oriented and they made them visible to the public through media and their programs.75 One informant added to this, “They do a work of worth Rs. 25 but report it as being worth Rs. 100” (GOV3). One local journalist described how NGOs invited them to their programs and requested them to publish their activities. Because of this, NGO work became more visible than that of the government’s.

75 As I stated earlier, all NGO workshops or meetings began with them showing success stories of their programs. Normally, they carried the same set of posters and photos to display.
Other criticisms of NGOs included their decreasing project sustainability, misuse of funds, corruption, and duplication. Government informants criticized NGOs for falsifying budget reports. One informant said, “They write 20 percent as overhead cost in their proposal; however, they actually spend 80 percent as overhead and only 20 percent for the project” (GOV4). The informant from the education office even said there was no need for NGOs in Nepal. For him, government programs might take some time, but they were more effective than those of the NGOs. Here is what he said:

We do not need NGOs in Nepal. Government staffs are sitting idle without work. Why do you need NGOs, we have enough government units. In Nepal, NGOs are useless. They are involved in corruption, frauds, and are responsible for spoiling Nepal. From a good citizen point of view, NGOs are not needed … Yes. For doing durable and strong work of course it will take some time (GOV5).

In response to my question on how to improve the NGO sector, the informants made the following suggestions: (1) Government (DDC) must conduct effective evaluation of NGO projects; (2) NGOs should reveal all budgetary details and make their work transparent; (3) NGOs should use high quality materials so projects last long and become sustainable; and (4) NGOs should coordinate with the government. The most common suggestion was: instead of implementing individual programs, NGOs must coordinate with the government and other NGOs working in the district. Informants from agriculture, irrigation, soil conservation and DDC offices suggested all future rural development programs should be implemented as joint ventures (cooperation and coordination) between government agencies and NGOs.
Chapter Summary

Analysis of KI interviews found that the majority of the informants had noticed major changes in education, agriculture, social awareness, sanitation, and drinking water. KIs from the two VDCs specifically mentioned road, electricity, drinking water, sanitation, education, and telecommunication as having undergone major changes. Of all changes, education was the most discussed during the interviews. Although, the majority of the informants perceived the above changes positively, several respondents were concerned with negative side effects of ‘development.’ Positive attitudes towards NGOs or their projects were a result of, ’it is good to have something from NGOs, than have nothing at all.’

In terms of contributors of change, it was noticeable that each group claimed to have brought about changes. Despite such difference, NGOs and government staffs praised the role of the community in their projects. This research found that the success of any development project in rural communities depended on the active participation, involvement, and management of the project by local people. It did not matter if it was an NGO or a government-funded project; as long as the local people adopted the project it succeeded. Local people and local leaders were the key in successfully implementing development projects. Based on my observation and interview analysis it can be said both NGOs and government agencies were only facilitating development, not actually providing it, as they claim. The prevalence of several failed projects in the two VDCs was proof that project implementation had not actually brought change to the community. According to KIs, many of the NGO funded development projects were abandoned within a year or two of their completion. In fact, even the improvement in social awareness was mostly because of increases in education, telecommunication, political changes, and self-awareness.
among the local people. The contribution of NGOs to increased social awareness was very limited.

Despite this, NGOs did not accept that any of their projects failed. Clearly, community informants and government staff identified several failed projects. Residents in Narayansthan reported more failed projects implemented by the NGOs than residents from Hatiya VDC. In Hatiya, local people did not mention failed projects that were clearly visible to visitors. For example, I observed poor condition of beehives, tunnels for vegetables, abandoned sheds over manure pits, and poorly maintained water taps (all constructed with help from NGOs), which the informants did not mention.

Major reasons identified by the informants for NGO project failures were mostly related to sustainability. Other reasons included short-term projects, low commitment from the NGOs, poor background studies to determine if the community needed the project or not, and working only at the community level by implementing smaller projects. Respondents to the household survey cited similar reasons in response to the question: What are the major reasons for NGO-funded project failure? The major reasons included: poor implementation by the NGOs (26.4 percent); poor financial transparency (16.6 percent); NGO programs did not match local needs (13.8 percent); elite domination of decision-making process (9.7 percent), abandonment of projects by NGOs (9.7 percent); short-term projects (5.5 percent); political instability (5.5 percent) and competition among local people for NGO projects (5.5 percent).

Almost all informants in the two VDCs declared that the government should take responsibility for rural development in their communities. They believed NGOs were temporary and could disappear anytime. Further, NGOs were seen as working in places that fit their interests and therefore, did not cover all VDCs equally. On the other hand, the government was
mentioned as being responsible for delivering services to all citizens. This research also found that residents in the two VDCs believed only the government could implement big projects like roads, agriculture, drinking water, and large projects in other sectors as well.

Despite the criticism of NGOs and the preference of the government to involve NGOs to conduct rural development efforts, informants suggested NGOs and government should work together. NGOs, government agencies, and local people desire coordination and cooperation among the different stakeholders for effective rural development. There were views expressed that NGOs work both under the government or free from government influence. The majority of the informants suggested a need for a partnership between the government and NGOs. Findings from this research suggest rural development can be achieved only by integrating actors and sectors. I continue the discussion on the effectiveness of NGOs in rural development by using results from the analysis of household survey data collected during the research.
Chapter Seven

Analysis of Survey Data

This chapter presents the results of data analyses of the household survey conducted in six communities, three each in Hatiya and Narayansthan VDCs in western Nepal. The first part describes the characteristics of each of the key variables selected in the study. Then, a zero-order correlation analysis of the data was used to explore the bivariate associations among these variables. Finally, the conceptual model is examined using a series of ordinary least squares (OLS) regression models for the aggregate data set. The comparative analysis of the data is explored by examining the difference between the two VDCs. The household survey data was collected by administering 50 surveys per ward in the two VDCs. The aggregate dataset had complete data on 265 cases of the 300 surveys administered.

Results from statistical analyses serve to verify and confirm the information obtained from onsite research and key informant interviews. Doing this helped me to triangulate the findings from the two methods applied during the research and enhanced the validity of the study (Tashakkori and Teddlie, 1998).

Univariate Analysis

Sociodemographic Characteristics

A number of sociodemographic control variables were measured to explore their influence on local people’s perceptions about NGOs. Sociodemographic characteristics of the household survey respondents are presented in Table 7.1.
Table 7.1 Sociodemographic Characteristics of Survey Respondents in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>Sociodemographic Characteristics</th>
<th>Aggregate Data (%)</th>
<th>Std. Deviation</th>
<th>Narayansthan (%)</th>
<th>Hatiya (%)</th>
<th>Chi-square</th>
</tr>
</thead>
<tbody>
<tr>
<td>VDC</td>
<td>0.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Narayansthan</td>
<td>48</td>
<td></td>
<td>54</td>
<td>54</td>
<td>0.02</td>
</tr>
<tr>
<td>Hatiya</td>
<td>53</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>0.49</td>
<td></td>
<td>0.49</td>
<td></td>
<td>1.38</td>
</tr>
<tr>
<td>Male</td>
<td>54</td>
<td></td>
<td>54</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>46</td>
<td></td>
<td>46</td>
<td>46</td>
<td></td>
</tr>
<tr>
<td>Caste/ethnicity</td>
<td>0.43</td>
<td></td>
<td>1.38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High caste</td>
<td>75</td>
<td></td>
<td>78</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td>Other caste</td>
<td>25</td>
<td></td>
<td>22</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Education (n= 265)</td>
<td>1.3</td>
<td></td>
<td>66.82*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uneducated</td>
<td>12</td>
<td></td>
<td>1</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Adult education</td>
<td>9</td>
<td></td>
<td>7</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>28</td>
<td></td>
<td>17</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>11-12 grades</td>
<td>34</td>
<td></td>
<td>51</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Bachelors</td>
<td>12</td>
<td></td>
<td>14</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Masters</td>
<td>5</td>
<td></td>
<td>10</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
<td>0.71</td>
<td></td>
<td>7.71*</td>
<td></td>
<td></td>
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<tr>
<td>Farming</td>
<td>58</td>
<td></td>
<td>51</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>Non-farming</td>
<td>29</td>
<td></td>
<td>37</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Student</td>
<td>13</td>
<td></td>
<td>12</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Age**</td>
<td>1.5</td>
<td></td>
<td>1.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-25 years</td>
<td>26</td>
<td></td>
<td>34</td>
<td>19</td>
<td>13.99*</td>
</tr>
<tr>
<td>26-35 years</td>
<td>20</td>
<td></td>
<td>22</td>
<td>19</td>
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<tr>
<td>36-45 years</td>
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<td></td>
<td>15</td>
<td>22</td>
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<tr>
<td>46-55 years</td>
<td>18</td>
<td></td>
<td>17</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>56-65 years</td>
<td>13</td>
<td></td>
<td>10</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>&gt;65 years</td>
<td>4</td>
<td></td>
<td>2</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Wealth status</td>
<td>0.53</td>
<td></td>
<td>2.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landless</td>
<td>1</td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Poor</td>
<td>26</td>
<td></td>
<td>30</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Middle class</td>
<td>69</td>
<td></td>
<td>66</td>
<td>71</td>
<td></td>
</tr>
<tr>
<td>Rich</td>
<td>4</td>
<td></td>
<td>3</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Political affiliation</td>
<td>1.39</td>
<td></td>
<td>37.22*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democratic</td>
<td>39</td>
<td></td>
<td>23</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>Socialist</td>
<td>17</td>
<td></td>
<td>23</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Communist</td>
<td>26</td>
<td></td>
<td>30</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Monarchy</td>
<td>1</td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Independent</td>
<td>14</td>
<td></td>
<td>23</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>

*Statistically significant with p value of .05.

**Average age: Aggregate-39, Narayansthan-35.4 and Hatiya-41.
The survey was completed by more male (54%) than female respondents (46%). Seventy-five percent of the respondents belonged to the high caste. In terms of education, a majority of respondents had high school or more education. About one in eight respondents (12%) had a bachelor’s degree and only five percent had a master’s degree.

The average age of the respondents was 39 years. Among respondents, almost six in ten (58%) indicated their occupation was farming, 29 percent had non-farming jobs, and 13 percent were students.76 Non-farming occupations included teaching, government job, construction labor, foreign employment, and business ownership. In terms of self-reported wealth status, about two-thirds of the respondents reported belonging to the middle class, and only four percent claimed to be rich. Politically, the majority of the respondents shared their affiliation with the three major political parties in Nepal: 39 percent were democratic (Nepali Congress), 17 percent were socialist (Nepal Communist Party-UML), and 26 percent were communists (Nepal Communist Party-Maoists).

A comparative analysis of sociodemographic characteristics between the two VDCs resulted in four variables differing significantly: education, occupation, political affiliation and age (Table 7.1). It was found respondents from Narayansthan were more educated and younger than the respondents from Hatiya. On the other hand, more respondents in Hatiya were farmers and supported democratic political party (Nepali Congress). Census data also showed higher literacy rate for Narayansthan.

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76 Respondents who reported being students said their classes ended around 10am after which they engaged in farming and other household activities. To them college education was only a part-time activity. For statistical analysis, I grouped these individuals with the farming group. The grouping was justified because the removal of these individuals significantly (p<.05) changed the relationship of other variables with perceptions of NGOs. However, when a separate dummy variable was created there was not much difference between it and the grouped variable.
Community Participation

This research found both the government and NGOs focused on creating user groups and community groups in rural areas as part of their program implementation. All six wards, therefore, contained many groups. Despite the presence of many groups, only 39 percent of the respondents were very actively involved in community activities; others were either somewhat active or not active at all (Table 7.2).

Table 7.2 Community Participation among Survey Respondents in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>Community participation variables (n= 264)</th>
<th>Aggregate</th>
<th>VDC level</th>
<th>Pearson's Chi-square</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Std. Dev.</td>
<td>Narayansthan</td>
</tr>
<tr>
<td>Community involvement</td>
<td>0.97</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not active at all</td>
<td>8.0</td>
<td></td>
<td>4.0</td>
</tr>
<tr>
<td>Not very active</td>
<td>14.4</td>
<td></td>
<td>20.8</td>
</tr>
<tr>
<td>Somewhat active</td>
<td>37.5</td>
<td></td>
<td>50.5</td>
</tr>
<tr>
<td>Very active</td>
<td>39.0</td>
<td></td>
<td>22.4</td>
</tr>
<tr>
<td>Member of an organization</td>
<td>0.49</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>57.6</td>
<td></td>
<td>56.5</td>
</tr>
<tr>
<td>No</td>
<td>42.4</td>
<td></td>
<td>43.5</td>
</tr>
<tr>
<td>Number of member organizations</td>
<td>0.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One</td>
<td>55.5</td>
<td></td>
<td>59.2</td>
</tr>
<tr>
<td>Two</td>
<td>28.4</td>
<td></td>
<td>31.0</td>
</tr>
<tr>
<td>Three</td>
<td>11.6</td>
<td></td>
<td>8.5</td>
</tr>
<tr>
<td>Four</td>
<td>4.5</td>
<td></td>
<td>1.4</td>
</tr>
</tbody>
</table>

*Significant at the 0.05 level

As a follow up, I asked in the survey their reason for involvement or non-involvement in community activities. An overwhelming 97 percent of active people mentioned, ‘To bring changes in the community’ as the primary reason for their participation. The remaining three percent participated to learn new things. On the other hand, non-active people gave four reasons for not participating in community activities. These were: no time (68.7 %); less opportunity because of elite domination (17.7 %); not interested (9.3 %); and old age (4.1 %). In terms of
respondents’ membership in community organizations, 57.6 percent of respondents (n=155) indicated they were members of an organization; a majority were member of only one group. Of the three community participation variables, only responses to community involvement varied significantly between the two VDCs (Pearsons Chi-square= 42.10; p<.05). More people from Hatiya claimed to be active than the people from Narayansthan (79.9 % vs. 72.9 %).

**Personal Satisfaction**

Regarding satisfaction with life in the community, only a few people (6 %) claimed to be very satisfied. The majority of respondents were neither satisfied nor dissatisfied (Table 7.3). However, satisfaction responses differed significantly between the two VDCs. In Narayansthan, a majority of the people said they were neither satisfied nor dissatisfied (63.2 %). In contrast, an overwhelming number of people from Hatiya expressed greater satisfaction with life in the community (57.8 %). This difference was statistically significant with a p value of 0.000 and a Pearsons Chi-square value of 75.12.

In terms of quality of life in the community, nearly two-thirds of all respondents (66.4 %) indicated their quality of life was fair while only a few (6 %) mentioned it as being poor (Table 7.3). However, similar to the satisfaction with life in the community measure, the quality of life measure differed significantly between the two VDCs. Unlike the former indicator, more people in Narayansthan indicated the quality of life in the community was better compared to those from Hatiya. This difference was statistically significant with a Pearsons Chi-square value of 28.67 and a p value of 0.000. The difference between the two VDCs suggested distance of the VDC from the district capital influenced people’s perception of life. VDCs close to the capital were the first to receive development infrastructure like roads, electricity, and communication.
which are considered affecting quality of life. In addition, proximity to the district capital gave them easy access to health facilities, education and transportation.

Table 7.3 Personal Satisfaction and Quality of Life in the Community

<table>
<thead>
<tr>
<th>Personal satisfaction variables</th>
<th>Aggregate</th>
<th>VDC level</th>
<th>VDC level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Std. Dev</td>
<td>Narayasthan (n= 125)</td>
</tr>
<tr>
<td>Satisfaction with life in the community (n= 265)</td>
<td>0.81</td>
<td>75.12*</td>
<td></td>
</tr>
<tr>
<td>Very unsatisfied</td>
<td>1.1</td>
<td>0.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Mostly unsatisfied</td>
<td>11.7</td>
<td>19.2</td>
<td>5.0</td>
</tr>
<tr>
<td>Neither satisfied nor dissatisfied</td>
<td>43.0</td>
<td>63.2</td>
<td>25.0</td>
</tr>
<tr>
<td>Mostly satisfied</td>
<td>38.1</td>
<td>16.0</td>
<td>57.9</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>6.0</td>
<td>0.8</td>
<td>10.7</td>
</tr>
<tr>
<td>Quality of life in the community (n= 265)</td>
<td>0.62</td>
<td>28.67*</td>
<td></td>
</tr>
<tr>
<td>Poor</td>
<td>6.0</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Fair</td>
<td>66.4</td>
<td>10.4</td>
<td>37.1</td>
</tr>
<tr>
<td>Good</td>
<td>24.5</td>
<td>79.2</td>
<td>55.0</td>
</tr>
<tr>
<td>Excellent</td>
<td>2.6</td>
<td>8.0</td>
<td>4.3</td>
</tr>
</tbody>
</table>

*Significant at the 0.01 level

Community Change Variables

In an effort to examine the impact of NGO activities, survey respondents were asked about levels of change across various community sectors. These indicators represented the major sectors NGOs have been working within the VDCs (Table 7.4). Regarding agriculture productivity, about two-thirds of the respondents mentioned agriculture production had increased in the last 10 years. In terms of forest management, about 55 percent of the respondents mentioned it had improved in their community. Similarly, more than 50 percent of the respondents agreed that the quality of life had changed, household income had increased, more people were educated, NGO activities had increased, outmigration had increased, and women were more empowered. On the other hand, a majority of the respondents disagreed with the...
statement that there were more employment opportunities and that the population of wild
animals has increased in the past 5 to 10 years.

The respondents from the two VDCs perceived these changes differently. Except for the
measure “household income has increased,” all indicators measuring changes in the community
varied significantly between the two VDCs. For example, in agriculture, more people in Hatiya
believed food production had increased over the last 10 years compared to those from
Narayansthan. Many respondents indicated use of chemical fertilizers and hybrid seeds for the
increase in agriculture production. In the forestry sector, one in three people (36 %) from Hatiya
indicated forest management had not improved compared to only 25 percent from Narayansthan.
In both VDCs, several key informants and survey respondents mentioned the community forestry
program for improving their forest. On the other hand, nearly two-thirds of all respondents (63.7
%) in Narayansthan indicated there were fewer diseases in the community while only 39 percent
in Hatiya indicated diseases had decreased. The establishment of the sub-healthpost in
Narayansthan with the support from a NGO was mentioned for raising health awareness and
providing primary health care. In addition, the people of Narayansthan were also closer to the
regional hospital located in the district capital. The differences in response across these measures
were statistically significant at the 0.05 level.
### Table 7.4: Measurement of Community Change Variables in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>Measures of changes in the community</th>
<th>Aggregate</th>
<th>VDC level</th>
<th>VDC level</th>
<th>Pearson's Chi-square</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Mean</td>
<td>Std. Dev</td>
<td>Narayansthan (n= 124)</td>
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<td>Agriculture productivity increased</td>
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<tr>
<td>Strongly agree</td>
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<td>20</td>
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<tr>
<td>Agree</td>
<td>36</td>
<td>60</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Agree nor disagree</td>
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<td>26</td>
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</tr>
<tr>
<td>Disagree</td>
<td>14.8</td>
<td>16</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3</td>
<td>2</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Forest management improved**</td>
<td>3.24</td>
<td>21</td>
<td>14</td>
<td></td>
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<tr>
<td>Strongly agree</td>
<td>13.3</td>
<td>20</td>
<td>13</td>
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<tr>
<td>Agree</td>
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<td>50</td>
<td>62</td>
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<tr>
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<tr>
<td>Strongly disagree</td>
<td>12.5</td>
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<td>27</td>
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<td>There are fewer diseases</td>
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<td>7</td>
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<td>Quality of life has improved</td>
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<td>7</td>
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<tr>
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<td>Household income increased</td>
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*Significant at 0.05 level

**For Hatiya n= 139
Table 7.4 Measurement of Community Change Variables in Narayansthan and Hatiya

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<tr>
<th>Measures of changes in the community</th>
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<tr>
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<td>2</td>
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<td>6</td>
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</tr>
<tr>
<td>Strongly disagree</td>
<td>1.9</td>
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<td>5</td>
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<td>NGOs activities have increased</td>
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<td>13</td>
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</tr>
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<td>83</td>
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<td>Disagree</td>
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<tr>
<td>Strongly disagree</td>
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<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Women are empowered</td>
<td>3.75</td>
<td>17.7</td>
<td>12</td>
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<tr>
<td>Strongly agree</td>
<td>21.5</td>
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<tr>
<td>Strongly disagree</td>
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<td>5</td>
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<tr>
<td>Migration has increased</td>
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<td>17.9</td>
<td>12</td>
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</table>
Perceptions of NGOs

The objective of this research was to evaluate the performance of NGOs using local perceptions about NGOs. Respondents from the two VDCs were asked to indicate their agreement or disagreement on several statements about NGO characteristics. In this section, I discuss the descriptive statistics of the perception of NGOs variable.

Analysis of the aggregate data found that a majority of the respondents had positive perceptions of NGOs. They agreed that NGOs were: nonprofit organizations, addressed immediate issues in the community, served people as their priority, conducted needs assessments, were good because they brought projects to their communities, distributed hybrid seeds, and asked for feedback from people (Table 7.5). Among negative statements about NGOs, a majority agreed that NGOs made profit from their projects, had vested interests in the areas they worked, and had strong ties with political parties. However, only 28 percent of the respondents agreed they were corrupt.

Comparison of the data between the two VDCs indicated significant differences emerged in response to several NGO characteristics: NGOs were nonprofit organizations; NGOs addressed immediate issues; NGOs were good as they brought projects; NGOs distributed hybrid seeds; and NGOs asked for feedback from the people. These differences indicated people in Hatiya perceived NGOs more positively than those from Narayansthan. One possible reason for higher positivity towards NGOs among Hatiya residents could be the construction of drinking project by NGOs. In Naryansthan, the biggest and the most successful drinking water project (provides water to 80% of the VDC residents) was constructed by the government. In both VDCs, a local community based committee manages the project. Furthermore, residents of
Hatiya, which is remoter than Narayansthan, considered the arrival of NGOs as a harbinger of more projects and therefore, expressed higher satisfaction with NGO activities.

**Table 7.5 Perceptions of NGOs among Survey Respondents in Narayansthan and Hatiya**

<table>
<thead>
<tr>
<th>NGO Characteristics</th>
<th>Aggregate</th>
<th>VDC level</th>
<th>Pearson's Chi-square</th>
</tr>
</thead>
<tbody>
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<td></td>
<td>Percent</td>
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<td>Std. Dev.</td>
</tr>
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<td>NGOs are nonprofit organizations</td>
<td>3.28</td>
<td>1.21</td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>12.0</td>
<td>8.0</td>
<td>15.8</td>
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<tr>
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<td>44.2</td>
<td>40.8</td>
<td>47.4</td>
</tr>
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<td>14.0</td>
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<td>9.8</td>
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<td>Disagree</td>
<td>19.0</td>
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<td>12.0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>10.9</td>
<td>6.4</td>
<td>15.0</td>
</tr>
<tr>
<td>NGOs address immediate issues</td>
<td>3.35</td>
<td>1.10</td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>9.3</td>
<td>4.0</td>
<td>14.3</td>
</tr>
<tr>
<td>Agree</td>
<td>50.8</td>
<td>54.4</td>
<td>47.4</td>
</tr>
<tr>
<td>Agree nor disagree</td>
<td>10.9</td>
<td>16.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>23.6</td>
<td>20.0</td>
<td>26.3</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>5.4</td>
<td>4.8</td>
<td>6.0</td>
</tr>
<tr>
<td>Serving people is NGOs' priority</td>
<td>3.39</td>
<td>1.07</td>
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<tr>
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<td>10.5</td>
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<td>49.6</td>
<td>49.6</td>
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<td>14.4</td>
<td>8.3</td>
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<tr>
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<td>25.6</td>
<td>23.2</td>
<td>27.8</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3.1</td>
<td>3.2</td>
<td>3.0</td>
</tr>
<tr>
<td>NGOs conduct needs assessment</td>
<td>3.61</td>
<td>.96</td>
<td></td>
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<tr>
<td>Strongly agree</td>
<td>8.1</td>
<td>6.4</td>
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<td>Agree</td>
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<td>64.8</td>
<td>66.2</td>
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<tr>
<td>Disagree</td>
<td>10.9</td>
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<tr>
<td>Strongly disagree</td>
<td>5.0</td>
<td>3.2</td>
<td>6.8</td>
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<td>NGOs are good as they bring projects</td>
<td>3.45</td>
<td>1.06</td>
<td></td>
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<tr>
<td>Strongly agree</td>
<td>12.4</td>
<td>5.6</td>
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<tr>
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<td>17.3</td>
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*Significant at the 0.05 level
### Table 7.5 Perceptions of NGOs among Survey Respondents in Narayansthan and Hatiya (contd.)

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<tr>
<th>NGO Characteristics</th>
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<th>Pearson's Chi-square</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
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<td>Std. Dev.</td>
</tr>
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<td>22.86*</td>
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<td>6.4 22.7</td>
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<tr>
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<td>16.0 23.5</td>
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<td>Strongly disagree</td>
<td>3.9</td>
<td>4.0 3.8</td>
<td></td>
</tr>
<tr>
<td>NGOs ask for feedback from people</td>
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<td>4.0 12.8</td>
<td>17.87*</td>
</tr>
<tr>
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<td>10.4 11.3</td>
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<tr>
<td>Agree</td>
<td>56.6</td>
<td>64.0 49.6</td>
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<tr>
<td>Agree nor disagree</td>
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<tr>
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<td>19.2 17.3</td>
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</tr>
<tr>
<td>Strongly disagree</td>
<td>7.8</td>
<td>2.4 12.8</td>
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<tr>
<td>NGOs make profit from the projects</td>
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<td>10.4 11.3</td>
<td>8.85</td>
</tr>
<tr>
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<td>10.4 11.3</td>
<td></td>
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<tr>
<td>Agree</td>
<td>38.4</td>
<td>45.6 31.6</td>
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<tr>
<td>Agree nor disagree</td>
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<tr>
<td>Strongly disagree</td>
<td>7.0</td>
<td>3.2 10.5</td>
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</tr>
<tr>
<td>NGOs have vested interests</td>
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<td>7.2 3.8</td>
<td>8.93</td>
</tr>
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<tr>
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<td>5.8</td>
<td>3.2 8.3</td>
<td></td>
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<tr>
<td>NGOs are corrupt</td>
<td>2.91 .99</td>
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<td>4.87</td>
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<td>4.8 6.8</td>
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<td>5.8</td>
<td>3.2 8.3</td>
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</tr>
</tbody>
</table>

*Significant at the 0.05 level.
Government vs. NGOs

Responses to the question who should address important issues in your community indicated 52.9 percent of the respondents preferred the government (Figure 7.1). Only 3.1 percent indicated NGOs should address important issues. This was true for the two VDCs too where 52.4 percent of respondents in Narayansthan and 53.3 percent in Hatiya preferred the government; only 17 percent of respondents in Hatiya preferred the community against only 8.1 percent in Narayansthan. Only 5.8 percent of respondents in Hatiya and 0.8 percent in Narayansthan preferred NGOs. The differences in response was significant with a Pearsons Chi-square value of 13.99 and p= <.05.

In response to the question who would you approach to discuss community issues with, an overwhelming number of respondents mentioned community leaders (Figure 7.2). Responses varied significantly across the two VDCs (Pearsons Chi-square= 35.70, p<.05). People in Hatiya preferred community leaders and the ward president compared to people in Narayansthan who preferred the VDC chairperson or secretary, and government agencies and NGOs.

Figure 7.1 Who Should Address Important Issues in Your Community?
Regarding NGO accountability, nearly half of the respondents believed NGOs were accountable to people. Only a few people said NGOs were accountable to political parties, the government, or to no one (Figure 7.3). These responses differed significantly across the two VDCs (Pearsons Chi-square= 21.42, p<.05). More people in Hatiya said NGOs were accountable
to people (59.8% vs. 40.7%). On the other hand, more people in Narayansthan said NGOs were accountable to their donors (39% vs. 23.5%).

Sustainability of NGO projects was a major concern with a majority of the respondents. Their understanding of sustainability included: the continuity of the project with financial support from the NGO, the durability of the constructed infrastructure, the performance of the project as planned, and the adoption of new techniques. In this study, I used number of years to measure project sustainability. In response to a question about the sustainability of NGO projects, a majority of the respondents said these projects lasted less than five years. Only 17.1 percent said NGO projects lasted more than 10 years (Figure 7.4). Sustainability responses significantly varied between the two VDCs (Pearsons Chi-square= 36.19, p<.05). More people in Hatiya said NGO projects lasted more than three years. On the other hand, a majority of the people in Narayansthan said projects lasted for one to three years.

**Figure 7.4** Reported Sustainability of Completed NGO Projects in Years by Survey Respondents in Narayansthan and Hatiya
NGOs Involvement

As discussed in Chapter Five, 20 NGOs had worked in Narayansthan compared to 15 in Hatiya over the past 10 years. The mean number of reported NGOs was 2.09 for the aggregate data set. In the two VDCs, equal numbers of respondents mentioned one or two NGOs (30.1%). About 39.8 percent of the respondents reported three or more NGOs in both VDCs. More than three-fourth of the respondents in Hatiya reported less than three NGOs. On the other hand, nearly three-fourth of the respondents in Narayansthan reported three or more NGOs. The difference in reported number of NGOs between the two VDCs was significant with a Pearson's Chi-square value of 1.03 (Table 7.7). Similarly, a majority of the respondents reported two or three sectors where NGOs had implemented projects. These sectors were discussed in Chapter Five. The reported number of sectors between the two VDCs differed significantly with a Pearson's Chi-square value of 79.52, p<0.000. An overwhelming number of respondents in Narayansthan reported three or more sectors compared to respondents in Hatiya.

Regarding the number of projects implemented by the NGOs, more than 50 percent of the respondents mentioned three or more projects (Table 7.6). The mean value of number of projects was 2.37. Unlike the number of NGOs and number of sectors, there was no significant difference in the reported number of projects between the two VDCs. This suggested people in the two VDCs recalled only few NGO projects. The most common projects mentioned by them were drinking water, vegetable farming, livestock, and microfinance.
Table 7.6 Knowledge of NGO Involvement in the Last 10 Years in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>NGO involvement variables</th>
<th>Aggregate</th>
<th>VDC level</th>
<th>Pearson's Chi-square</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Mean</td>
<td>Std. Dev.</td>
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<td>Number of NGOs</td>
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<td></td>
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<td>6.7</td>
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<td>Two</td>
<td>30.1</td>
<td>22.5</td>
<td>37.2</td>
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<tr>
<td>Three or more</td>
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<td>70.8</td>
<td>10.9</td>
</tr>
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<td>Number of projects</td>
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<td>.79</td>
<td></td>
</tr>
<tr>
<td>One</td>
<td>20.2</td>
<td>18.7</td>
<td>21.5</td>
</tr>
<tr>
<td>Two</td>
<td>22.5</td>
<td>22.8</td>
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<tr>
<td>Three or more</td>
<td>57.3</td>
<td>58.5</td>
<td>56.2</td>
</tr>
<tr>
<td>Number of sectors</td>
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<td>.72</td>
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<td>One</td>
<td>13.4</td>
<td>3.3</td>
<td>22.9</td>
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<tr>
<td>Two</td>
<td>30.0</td>
<td>11.5</td>
<td>47.3</td>
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<tr>
<td>Three or more</td>
<td>56.5</td>
<td>85.2</td>
<td>29.8</td>
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</table>

*Significant at the 0.05 level.
Bivariate Analysis

A zero-order correlation analysis was performed to explore the bivariate relationships between the dependent variable and independent variables. In addition, relationships among the independent variables were explored. The analysis was conducted using the conceptual model discussed in Chapter Three and compared across individual characteristics. Pearson’s correlations of the aggregate data are presented in Table 7.7. This section discusses significant bivariate relationships observed in the analysis.

Perceptions of NGO

The bivariate analysis between perception of NGOs and sociodemographic variables indicated the presence of both positive and negative relationships; however, none of these relationships was statistically significant. Similarly, none of the three variables measuring NGO involvement in the community were significant in their association with perception of NGOs.

The relationship between satisfaction with life in the community and perception of NGOs indicated people who reported higher satisfaction with life in the community expressed positive perceptions towards NGOs. On the other hand, respondents who reported higher quality of life perceived NGOs negatively; however, only the satisfaction with life in the community variable was significantly related.

The bivariate analysis was used to examine the relationship between perception of NGOs and level of involvement in community activities. Even though all three variables were positively related, only two were significantly associated with perception of NGOs. People who were active in community activities and who were a member of multiple organizations held positive perceptions of NGOs.
Table 7.7 Bivariate Correlation between Variables related to Socioeconomic Characteristics, Satisfaction with Life, Community Involvement and NGO Activity (DV= Perception of NGOs)

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<th>4</th>
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Mean 23.95  1.53  2.83  .46  .25  3.40  .29  2.76  .17
Std. Deviation  4.26  .50  1.50  .49  .43  1.30  .45  .52  .37

*Significant at the p= <0.05
Table 7.7 Bivariate Correlation between Variables related to Socioeconomic Characteristics, Satisfaction with Life, Community Involvement and NGO Activity (DV= Perception of NGOs)

<table>
<thead>
<tr>
<th>Variables</th>
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<th>13</th>
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<th>16</th>
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<td>.05</td>
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<td>1.14</td>
<td>1.21</td>
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*Significant at the p= <0.05

Other Bivariate Relationships

The bivariate correlations among independent variables revealed older people were less educated, less likely to be members of community organizations, and reported higher satisfaction with life in the community. Women were less educated, less likely to belong to community groups, and reported fewer number of NGO projects than male members. People who belonged to lower caste were less educated, poor, more likely to be farmers, perceived high quality of life, and reported fewer numbers of NGOs, NGO projects, and sectors addressed by NGOs. However, they were more likely to be involved in community organizations than high caste people.

Comparative analysis between the two VDCs indicated respondents from Hatiya were older, reported higher satisfaction with life and were more likely to involve in community activities. On the other hand, more respondents from Narayanshan had higher education, had
non-farm occupations, reported higher quality of life, and reported more number of NGOs and sectors they addressed.

An examination of the relationships between changes in the community and NGO activities indicated several variables were significantly related to NGO activities (Table 7.8). The number of NGOs had a positive significant relationship with NGO activities and occurrence of diseases in the two VDCs; however, it was negatively related with improved quality of life in the community. The number of NGO sectors had a positive relationship with forest management, NGO activities, outmigration, decrease in wild animals, and disease occurrence. These results indicated NGO activities were effective only in the health and forestry sectors.

Table 7.8 Bivariate Relationship between NGOs Involvement and Community Change Variables in Narayansthan and Hatiya

<table>
<thead>
<tr>
<th>Community change variables</th>
<th>NGO projects</th>
<th>NGO number</th>
<th>NGO sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of life has improved</td>
<td>.061</td>
<td>-.129*</td>
<td>-.104</td>
</tr>
<tr>
<td>Household income increased</td>
<td>-.001</td>
<td>-.025</td>
<td>-.023</td>
</tr>
<tr>
<td>Wild animals have decreased</td>
<td>.035</td>
<td>.092</td>
<td>.161*</td>
</tr>
<tr>
<td>More people are educated</td>
<td>.064</td>
<td>-.042</td>
<td>-.033</td>
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<tr>
<td>Agriculture productivity has increased</td>
<td>-.110</td>
<td>-.120</td>
<td>-.109</td>
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<tr>
<td>Migration to cities increased</td>
<td>.003</td>
<td>.123</td>
<td>.124*</td>
</tr>
<tr>
<td>Employment opportunities increased</td>
<td>.032</td>
<td>.077</td>
<td>.053</td>
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<tr>
<td>Forest management has improved</td>
<td>.089</td>
<td>.107</td>
<td>.144*</td>
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<td>NGOs activities increased</td>
<td>.048</td>
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<td>There are fewer diseases</td>
<td>.102</td>
<td>.214*</td>
<td>.257*</td>
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<tr>
<td>Women are empowered</td>
<td>.033</td>
<td>-.066</td>
<td>-.078</td>
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*Significant at the p = <0.05 level.
Multivariate Analysis

This section reports the results from an OLS regression analysis of perception of NGOs of the aggregate data. Multivariate analysis was used to examine how variables related to each other, the strength of these relationships, the predictive power of multiple (single) independent variables on the dependent variable, and to examine the contribution of one or more independent variables when controlling for other variables (Urdan, 2001). The complete regression model for the aggregate dataset of perception of NGOs can be found in Table 7.9. All models report the standardized regression coefficients and adjusted $R^2$ value. In addition, the significance of each model is noted by its $F$ value and corresponding levels of significance.

Perception of NGOs for the Aggregate Dataset

The aggregate dataset was subjected to a multivariate regression analysis to test the hypotheses outlined in Chapter 3 and to assess the influence of independent variables on perception of NGOs. A four-model\textsuperscript{77} regression analysis was performed. In the final model, all four models were introduced to produce a best fit and a reduced model. Model One examined the effects of sociodemographic variables on perception of NGOs for the aggregate dataset. Younger people, male respondents, low caste people, farmers, less educated respondents, and wealthy residents perceived NGOs positively. Similarly, respondents who were affiliated with the Nepali Congress political party and who were independents reported positive perceptions about NGOs compared with supporters of other political parties. However, none of the variables entered were significantly related to perception of NGOs. Model One accounted for .01 percent of the variation in perception of NGOs (Adjusted $R^2 = .001$; $F= 1.026$).

\textsuperscript{77} Each model was run separately.
Model Two tested the hypotheses: People who reported high quality of life in the community have positive relationship with perception of NGOs. To assess this, I examined the influence of satisfaction and quality of life in the community on perception of NGOs. This indicated people who reported higher satisfaction of living in the community and better quality of life were more likely to perceive NGOs positively. Only satisfaction with life in the community was statistically significant. Variables in this model were found to account for 1.2 percent of the variance (Adjusted $R^2 = .012$; $F= 2.561$).

In Model Three, I analyzed the influence of involvement in community activities and membership in community organizations on perception of NGOs. This model tested the hypothesis: Individuals who are members of community organizations perceive NGOs positively. People who were actively involved in community activities and were member of community organizations rated NGOs positively. Although, both variables were positively related to perception of NGOs, only involvement was statistically significant. Variables in this model were found to account for 4.2 percent of the variance (Adjusted $R^2 = .042$; $F= 6.627$).

Model Four examined the effect of NGOs activities in the community on local people’s perception of NGOs and tested the hypothesis: Presence of NGOs and their activities influence perceptions about NGOs. The reported number of projects and number of sectors implemented by NGOs were positively related to perception of NGOs. Surprisingly, the number of NGOs that worked in the community was negatively related to perception of NGOs. None of the three variables were, however, statistically significant in their relationship with perception of NGOs. Variables in this model were found to account for .04 percent of the variance (Adjusted $R^2 = .004$; $F= 1.33$).
The overall model (Model 5) included all of the variable groupings. In this model, only two variables were found to be significantly related to perception of NGOs. They were education, and involvement in community activities. Respondent with the most formal education were negatively associated with perception of NGOs. On the other hand, respondents who were actively involved in community activities perceived NGOs positively. Variables in this model were found to account for 5.7 percent of the variance (Adjusted $R^2 = .057$; $F=1.837$).

The final model was reduced by systematically removing non-significant variables to produce a more parsimonious model. When including all variables, it is possible that non-significant variables could produce effects that alter the relationships of other independent variables with the dependent variable. In the final reduced model, five variables emerged as significant: education, satisfaction with life, involvement in community activities, membership in community organization, and number of sectors NGOs worked. Respondents who had higher education reported negative perception of NGOs. On the other hand, people who reported higher satisfaction with life had positive relationship with perception of NGOs. Similarly, respondents who were active in community activities and were member of community organizations perceived NGOs positively. Similarly, respondents who reported higher number of sectors NGOs worked had positive perception about NGOs. Variables in this model were found to account for 7.4 percent of the variance (Adjusted $R^2 = .074$; $F=4.954$).
Table 7.9 Comparison of Five Regression Models on Perception of NGOs of Survey Respondents in Hatiya and Narayansthan

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
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<th>Model 3</th>
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<td>.004</td>
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<td>.074</td>
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*Significant at the 0.05 level.
Analysis of Differences between VDCs

The above models provided an overview based on the aggregate data for the two VDCs. In order to explore the differences between the two VDCs, additional analyses were conducted. These analyses tested if there was any relationship between respondents’ residence with perception of NGOs. For this, I conducted separate analysis for each VDC. Results from the analysis indicated in both VDCs high caste people and respondents who were farmers perceived NGOs positively. On the other hand, respondents with higher education in both VDCs perceived NGOs negatively.

The following variables influenced the perception about NGOs in the two VDCs: age, gender, wealth status, and political affiliation. It was found in Hatiya older people perceived NGOs negatively compared to residents of Narayansthan. Similarly, in Hatiya as people became wealthier they reported negative perception about NGOs. On the other hand, male respondents in Narayansthan were more likely to perceive NGOs negatively than female respondents. However, in the end, none of the sociodemographic variables were significantly related to perception of NGOs.

In both VDCs, people who reported better quality of life and higher satisfaction with life in the community had positive perception about NGOs. However, the two variables were not significant. Similarly, community involvement and membership in community organizations were positively related to perception of NGOs in both VDCs. This relationship was significant only in Hatiya VDC. The relationship between NGOs involvement and perception of NGOs was mixed in the two VDCs. In both VDCs, the number of sectors NGOs addressed was positively related. Nevertheless, the respondents differed in their perception of NGOs and the number of projects and the number of NGOs they reported. In Hatiya, respondents who reported higher
number of projects perceived NGOs negatively. On the other hand, people in Narayansthan who reported higher number of NGOs perceived NGOs negatively. The models accounted for 5.6 percent variance for Narayansthan and 7.7 percent variance for Hatiya.

Table 7. 10 Comparison of Two Regression Models on Perception of NGOs of Survey Respondents between Hatiya and Narayansthan

<table>
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*Significant at the 0.05 level
Chapter Summary

The analysis presented in this chapter discussed characteristics of individual variables, their bivariate relationship with perception of NGOs and other variables, and results from multivariate analyses. The multivariate analyses, in particular, tested if the four factors had any relationship with perception of NGOs. Sociodemographic characteristics indicated respondents were mostly farmers, belonged to higher caste, had some formal education and belonged to middle class. Similarly, their involvement in community activities was significant where many of them stated ‘bringing changes in the community’ as the objective for their involvement. Also a majority of the respondents reported higher quality and satisfaction with life in the community. A significant finding from the data was that an overwhelming majority of people in the two VDCs preferred to have the government and community leaders resolve local issues. Key informants also reported similar findings. Significant differences were noted between the two VDCs for individual variables. For example, respondents in Narayansthan were younger and more educated than respondents in Hatiya.

Bivariate analysis indicated people who reported higher satisfaction with life in the community, who were involved in community activities, and were members of multiple organizations perceived NGOs positively. Also, older people, women, and respondents belonging to low caste were less likely to have higher education, and reported lesser quality of life in the community. Results from bivariate analysis indicated that NGOs were having positive impact on improving health conditions in the community.

Multivariate analysis of the aggregate data found that several variables had a significant relationship with perception of NGOs. Education was negatively related to perception of NGOs indicating people with higher education reported negative perception about NGOs. On the other
hand, people who reported higher satisfaction with life, involvement in community activities and recognized a higher number of NGO sectors perceived NGOs positively. These results indicated the four hypotheses cannot be rejected. The final reduced model accounted for 7.4 percent of the variance. Comparison between the two VDCs found only two variables differed significantly: involvement in community and member of organizations. Other variables had similar attributes between the two VDCs. Results from the statistical analysis are discussed in detail in the next chapter.
Chapter Eight

Discussion and Conclusion

Globally and locally, over the last several decades, NGOs emerged as important actors in rural development especially in developing nations like Nepal. Supporters of NGO-led development often view NGOs as capable of changing/improving the lives of poor rural people and, as a result, believe governments should support them. On the other hand, opponents of NGOs blame them for doing little for their target groups and criticize them for promoting neoliberal ideals in poor communities. Nevertheless, articles broadly marked by positive perceptions of NGOs dominated the literature on NGOs. The majority of these studies evaluated a single project of the NGOs or the NGOs themselves. Moreover, there are few studies evaluating NGOs at the community level (Dhakal, 2006; Khanal, 2004).

The objective of this research was to assess the performance of NGOs in rural development in western Nepal. To accomplish this, I applied a community approach based on the premise that local people’s perceptions would reflect performance of NGOs in their community. This study used input from 81 key informants, and 265 residents who completed a household survey from six communities in two VDCs in Baglung district. The KI interviews were designed to provide an overview of local conditions and issues related to NGO involvement in rural areas. These informants provided crucial information about NGOs not covered in the household survey. The survey instrument collected broader information on changes in the community, NGO characteristics, involvement in community activities, quality of life in the community, and sociodemographic characteristics. Data generated from the survey, helped test the main study hypotheses, identified differences between VDCs, and served as the basis for evaluating NGO performance.
Findings and Implications

In this exploration of perceptions towards NGOs across the two VDCs, several characteristics were substantively significant. Using the conceptual framework described in Chapter Three, (which examines the relationships between and among sociodemographic characteristics, involvement in community activities, quality of life in the community, and involvement of NGOs on the perception held by local people), several statistically significant relationships were uncovered. In the final reduced model, at least one variable from each construct in the conceptual model was statistically significant. Some variables differed significantly between the two communities. Such differences also occurred in a comparison of KI responses from the two VDCs.

Findings from this study are explained in the context of the original hypotheses. In the next section, I discuss the five hypotheses from Chapter Three using results from key informants interviews and statistical analysis of household survey.

H1: Local people’s perceptions about NGOs vary with socioeconomic characteristics

Bivariate analysis between perception of NGOs and sociodemographic variables uncovered no significant relationships. However, the multivariate analysis of the aggregate data found perception of NGOs was influenced by several socioeconomic characteristics. Educated people and respondents who supported communism and socialism perceived NGOs negatively. In the final regression model, only education had a negative relationship with perception of NGOs.

Analysis of qualitative data also indicated education was a critical factor influencing responses about NGOs among the key informants in both VDCs. For example, people with
higher levels of education were more critical of NGOs compared to people with lower levels of education. People with more formal education were concerned that NGO activities were making rural communities dependent on external support for tasks that could be completed locally. One teacher in Hatiya complained:

Local people are so dependent on outsiders that they do not listen to us even if we give better suggestions than NGOs. For example, if we tell them we must clean our neighborhood, and improve personal hygiene they will not listen. However, when a NGO comes and tells them the same thing they do it.

Further, the data indicated lower caste people had mixed perceptions about NGOs. Even though some of them were positive about the work of NGOs, many were concerned over the long-term sustainability and effectiveness of such efforts. For example, one Dalit leader in Narayansthan believed NGO programs were temporary and such programs did not directly benefit her community. She suggested that instead of implementing many short-term projects, NGOs should implement larger projects that would provide employment and secure the livelihood of Dalit people. Other Dalit leaders were concerned that NGO programs were not inclusive and participatory. In their experience, high caste people dominated such programs and Dalit participation was just a formality. Poor informants who reported elites dominated a majority of the meetings about community development expressed similar concerns. They complained that when they attended such meetings their views were seldom accepted.

Overall, female respondents perceived NGOs more positively than male respondents. Many female respondents were happy with NGOs for their agriculture, livestock, empowerment, health and microfinance programs. According to them, NGOs gave them new ideas and raised awareness about women rights; however, some were concerned with the effectiveness of NGO programs, which were more theoretical than practical. One reason for the overwhelming positive attitude towards NGOs among female respondents could be their limited access to resources
outside the community. For example, a majority of the respondents praised NGOs for bringing microfinance programs to their community; however, they were unaware that NGOs were charging them higher interest rates than banks in the district. Regardless, they were happy for the opportunity to gain easy access to a local loan, without collateral.

Political views influenced KI perceptions about NGOs. People who supported communism were more critical of NGO involvement in their communities. A local leader (socialist) in Narayansthan even blamed NGOs for underdevelopment in rural areas. According to him: “NGOs and INGOs blocked Nepali mindset on development to become self-reliant” (NAVDC5). He added that local people waited for NGO involvement, even for small projects like changing a tap or replacing a toilet roof. A Maoist leader in Hatiya criticized NGOs for not working in remote areas:

They have more budgets, but do little work. They do not take the budget they receive to the people … they implement their projects as per their interests, as they do not work everywhere. They must work in more remote places for backward people. I do not think NGOs are covering all remote places. They only come here in motor and visit schools. For example, here in this (Hatiya) Bazaar area, NGOs come 2-3 times a month, but hardly travel to remote areas even in this VDC (HATVDC3).

The significant relationship between some sociodemographic variables and NGOs indicated we could not reject the hypothesis. The mixed perception about NGOs suggested they were having limited impact in rural areas from the perspective of the target population.

**H2: People who reported high quality of life in the community have positive relationship with perception of NGOs.**

One major NGO program objective was to improve the quality of life of poor people. This hypothesis assumed that if NGOs were successful at bringing positive changes to the lives of people, the latter would positively perceive NGOs. Survey data analysis revealed that the
majority of the respondents were satisfied with life in the community and reported higher quality of life in the community. I conducted statistical analyses to see if these two variables were related to NGO activities. Bivariate analysis between the two variables and perception of NGOs found only satisfaction with life had a significant positive relationship with perception of NGOs. A negative correlation between quality of life and perception of NGOs indicated that NGOs were seen as doing little to improve the quality of life of the local people. Similarly, in the multivariate analysis, only the satisfaction with life variable had a significant relationship with perception of NGOs. The quality of life variable was positively related to perception of NGOs, but the relationship was not statistically significant.

The non-significant relationship between the quality of life variable and perception of NGOs indicated changes in the independent variable were influenced by other variables, such as personal achievements, government policy, migration to foreign countries, and changing political conditions. One factor that noticeably affected quality of life in rural areas was the increase in household income from remittances. In response to a question on foreign employment, 52 percent reported someone in their family was employed outside of Nepal. In Narayansthan, 56 percent of households reported foreign employment compared to 48.2 percent in Hatiya. The contribution of remittance to household income depended on the country of employment. For example, in Hatiya, India was the destination for the majority of foreign employed and their contribution was only 17 percent to the total household income. On the other hand, in Narayansthan, the majority were employed in the Middle East nations, where they received higher pay and contributed 28.7 percent to the total household income. More recently, the outmigration of rural people for foreign employment has become a national phenomenon.
Data from the Third Nepal Living Standard Survey (NLSS III) indicated an increase in household remittance income from 32 percent in 2004 to 56 percent in 2010 (CBS, 2011). Further, NLSS III reported over 1,500 Nepalese youth left daily for foreign employment. As a result of higher income from remittances, people have increased access to education, health treatment, food, and other amenities. Each of these contributes to a higher quality of life in those households. Findings from this study resonate with the one conducted by Narayan et al. (2005) in which only 0.3 percent of the respondents indicated NGOs had helped them reduce household poverty.

Results from bivariate analysis between community change variables and NGO activities (Table 7.8) supported the finding that NGO activities had not been effective in improving quality of life. For example, indicators of quality of life (i.e., household income, education, agricultural productivity, and employment opportunities) had no significant relationship with NGO activities. Rather, some of the variables were negatively associated with NGO activities.

These findings contradicted claims made by NGOs at the local, national, and international level. The majority of NGO documents contained testimonials from rural people saying NGOs had changed their life. Such testimonies are likely cherry picked by the NGOs. During stakeholder meetings to discuss new programs, NGOs used such testimony to attract interest and participation in their programs (personal observation). For example, in Narayansthyan, an NGO presented on the successful implementation of a proposed program in Hatiya and included a photo of a successful farmer who had significantly improved his income through vegetable farming. This same farmer had criticized the NGO program for discontinuing funding for the program and as a result, many farmers in Hatiya were not repairing or constructing any roof over their manure pit.
The fundamental reason why NGO activities were ineffective was a failure to match their programs with community needs. For example, people in Narayanganth desired irrigation projects to make their land more productive; nonetheless, the majority of NGO programs were about livestock, vegetable growing, and women’s rights. Furthermore, respondents were concerned about the rate and scale of change NGO programs brought to their community. In Hatiya, for example, people complained that while vegetable farming was a positive change, it was not enough to bring substantial improvement to their livelihood. According to them, limited access to markets and poor production in vegetable farming did not enable them to make a living. To make changes at a desired scale, participants suggested implementing larger programs to modernize and commercialize agriculture in the region. This mismatch between local needs and development programs has historically contributed to the failures of many development projects implemented by INGOs in developing countries (Ashley and Maxwell, 2001; Chambers, 1993; McMichael, 2008).

Local NGOs considered capable of understanding community issues, more so than international NGOs that repeated the same fallacy – they believed people would simply adopt recommended changes. Actual outcomes were often different – new practice adoption was making communities vulnerable to social and economic changes and less resilient. For example, using hybrid seeds without research had resulted in the loss of crop varieties that were better suited to local conditions. Recently, there had been protests against a program proposed with USAID support to distribute Monsanto hybrid seed to about 30,000 farmers in western Nepal (Bhusal, 2011). Despite this protest, the rapid distribution of hybrid seeds by NGOs/INGOs often

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78 Other reasons for failure reported by survey respondents were: short-term projects, poor community involvement, weak NGO commitment, financial irregularities, elite dominance and limited resources.
occurred with the involvement of bilateral agencies and this continued to underscore the
influence of transnational agribusinesses on local agriculture (see Goldman, 2005; Shiva, 2005).

The significant relationship between the satisfaction with life variable and perception of
NGOs indicated we could not reject the hypothesis. The results from KI responses, bivariate and
multivariate analysis suggested NGO efforts were having limited impacts. For example, in
Hatiya, drinking water projects were improving the quality of life of people both directly and
indirectly. In Narayansthan, the sub-health post and community forestry supported by NGOs
were successful in reducing disease occurrence and converting open land into forest.
Nevertheless, these impacts were not enough to improve life for the majority of people in the two
VDCs. Respondents complained that NGO projects were only partly addressing broader issues
like employment, agriculture commercialization and health facility. They added without
agricultural modernization and access to markets NGO support for vegetable farming was not
enough to improve their livelihood. Such views indicated, a positive response favoring NGOs
reflected a perception that people were not complaining as it was considered better to have
something than have nothing. In the absence of government projects, NGO projects received
positive feedback despite their ineffectiveness. When I asked, who should address important
community issues, an overwhelmingly number of KIs and survey respondents responded it was
the government’s responsibility. They considered NGOs temporary organizations doing short-
term projects.

**H3: Individuals who are members of community organizations perceive NGOs positively.**

Community groups have become an integral part of rural development in Nepal. NGOs,
government agencies, and INGOs have institutionalized such groups to deliver their programs.
They have become so ubiquitous that local groups were formed before programs were
implemented. When I asked government and NGO officials about the effectiveness of community groups they mentioned that such groups made their programs participatory, inclusive, and community based. In fact, my research found many such groups in the two VDCs; but, contrary to the beliefs held by NGOs, the same group of people managed many of the groups in the VDC. It was often the case that the same individuals were members of multiple organizations and presided over those groups.

Univariate analyses found that about two-third of the respondents in the two VDCs were involved in various community activities. Only half of the active respondents were members of one or more organizations. In the bivariate analysis, although three variables had a positive relationship with perception of NGOs, only the number of member organizations was significant. In the multivariate analysis, only the involvement in community activities was significantly related to perception of NGOs. This indicated active people, regardless of their membership in community organizations, had a positive attitude toward NGOs; further, active people were more knowledgeable about NGOs. In the bivariate analysis, the number of projects reported by the respondents was significantly related to their involvement in community activities (r= .147, p<0.05).

The qualitative data presented a mixed picture. Perceptions conveyed by KIs towards NGOs were not systematically positive. A majority of them were critical of NGOs. They were concerned about transparency, accountability, and NGO project sustainability. Previous research found the NGO sector was criticized for these same issues (Hudson, 2001; Petras, 1999; Ronald, 2010; Suar et al., 2006). Community leaders in the two VDCs complained about decreasing participation from community members in development projects. For example, the leader of the forest user group in Narayansthan reported how forest management was no longer a priority for
many people. There were also concerns that the NGO practice of giving money as compensation was affecting local participation in community activities. One local leader described how people were willing to participate in community meetings if there were incentives like food or money. Moreover, participation often depended on whether NGOs gave money to community groups to implement the program or if NGOs themselves implemented the program. More importantly, participation in community meetings did not translate into active participation during project implementation. Community leaders from both VDCs studied indicated many people expressed interest in a given project in front of NGOs or government staff; however, they would make excuses and often did not participate during the project implementation. Therefore, there was no significant difference in the successful implementation of projects between the community and NGO implemented projects.

During my research, I attended three community group meetings in two VDCs: Narayansthan and Paiyunpata.79 The first two meetings were for an improved manure management program. According to the program plan, the NGO would provide all the materials to build roofs over manure pits. By design, no funds were to be directly provided to the committee or participating farmers. In both VDCs, I observed a total lack of enthusiasm among participants to join the committee. The 13 members ultimately selected for the new committee were identified on the basis of prior involvement with other groups and the need for broad representation of different political parties. Surprisingly, some of the new members in the Narayansthan project were not active farmers and did not have livestock. The third meeting was on a project addressing conservation of watershed areas in Paiyunpata for which an INGO would provide 80,000/year Nepali Rupees for the next five year. In this case, more people were present.

79 I attended the meeting in Paiyunpata as I was in the area. Unfortunately, there were no such meetings in Hatiya during my research.
and were competing to get involved in the committee. There were disagreements as to who should be the president and who should be the treasurer. There were three people clamoring to lead the committee and two women participants were contesting to become the treasurer.

These two examples indicated that local people expressed more interest in participating in projects when cash payments were at stake. In projects implemented by NGOs, committee members had to be selected. This resulted in few people leading multiple groups. Despite the rhetoric of inclusive and participatory development proposed by NGOs, elites and high caste people from the community dominated the majority of the existing community groups in Narayansthan and Hatiya.

There was also no evidence of NGOs helping communities become self-reliant and capable of managing completed projects. In the two VDCs, NGOs focused on only creating groups to behave like organizations but not in building community organizations. Their efforts were limited to presenting project details during community meetings and supplying materials. Local leaders played the vital role in solving conflicts associated with the project, and convinced people to make voluntary contributions, and take responsibility for the project. Even though, locals agreed to cooperate and be involved in the stewardship of the project, they backed away soon after the project was completed. Some KIs complained about NGOs, through their local leaders, always demanding their participation in meetings and voluntary labor.

Results from multivariate analysis and KI interviews suggested a relationship existed between community involvement and perception about NGOs. Therefore, I cannot reject the hypothesis. To some degree, the positive attitude towards NGOs among active people could be tied to their anticipation of benefitting from NGO projects that directly gave money to groups.

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80 Members/residents belonging to a community organization act collectively, without outside help, to take control of their local problems (Perkins et al., 1996).
Nevertheless, group formation at the local level by various government agencies and NGOs could be said to be a step toward becoming more inclusive and participatory in rural development. Group formation, along with political changes and education were having a positive impact on local people’s perception about development. Community forestry is a good example of this approach.

**H4: Presence of NGOs and their activities influence perceptions about NGOs**

This hypothesis assumed that as people became familiar with NGOs, they would be better able to evaluate NGO activities. The study found that over the last five years, 20 NGOs had worked in Narayansthan compared to 15 NGOs in Hatiya. According to the DDC data, the two VDCs were part of a group of seven VDCs that received more than 50 projects from NGOs over the last five years. Bivariate analysis between NGO activities (number of NGOs, projects, and sectors) and perception of NGOs indicated a positive relationship existed – the higher the number of NGO activities, the more positively NGOs were perceived. However, this relationship was not statistically significant.

The results from the multivariate analysis also indicated a non-significant relationship between NGO activities and perception. However, in the final model, people who reported a higher number of sectors perceived NGOs positively. This suggested people were somewhat happy when NGOs implemented programs addressing multiple sectors and therefore, expressed positive perceptions. The negative association between NGOs number and perception of NGOs further indicated it was not the number of NGOs but what they did that influenced people’s perceptions. Even though, the relationship was not significant it connoted people became critical with increasing number of NGOs doing similar projects.
Analysis of KI interviews indicated that critical remarks about NGOs were related to the number of NGOs. For example, people in Narayansthan were more critical of NGOs than the people in Hatiya. In Hatiya people evidently believed they were left out of the mainstream development because of remoteness from the district capital. Therefore, they considered even a small NGO project as *bikash* (development). They hoped such projects would in the aggregate, bring major changes and expressed happiness with NGOs. They gave examples of drinking water, sanitation, microfinance, and vegetable farming as the sectors where NGOs had made a positive impact.

In Narayansthan, the most common response to the question on satisfaction with NGOs was “we are happy (*with NGOs*), as we have something, which is better than nothing.” The fundamental reason for lower satisfaction with NGOs was likely related to project duration and sustainability resulting in several failed efforts. Even members of community groups that received money or benefits from development projects critical of NGOs for implementing short-term projects. For example, one community leader from Narayansthan said:

People participate in NGO funded agriculture programs because they get free seeds, materials, and sometimes money to buy fertilizers. They participate despite knowing there is not enough water to grow crops as indicated in the program. Many of them say, “It is free money and seeds so why not participate.” They do not continue to grow vegetables because there is not enough water and they cannot buy fertilizers. In reality, we are not happy with the program, as it has no long-term benefits (NAVDC5).

In another example, respondents from Narayansthan criticized the NGOs for not implementing large programs to address transportation (road), irrigation, and drinking water issues. Therefore, when the government built the road from Baglung to the VDC it became a major change compared to typical community level projects implemented by the NGOs.
The difference in perceptions toward NGOs between the residents in the two VDCs suggested rural people began to criticize the NGOs when they did not see tangible impacts in their community. Based on my field observations, and analysis of the interviews and survey responses, I found such criticisms of NGOs did not develop as a reaction to a program or NGO failure. Instead, it reflected years of dissatisfaction of working with the NGOs; according to the respondents: “(NGOs) say lot in words but deliver little.” Importantly, such criticism was tied to the distance of the VDC from the district capital.

**Study Limitations**

This study was conducted under the constraints of funding, time, and access to resources. As a result, it did not explore the generalizability of its findings in other rural VDCs. To do this, a project would need a larger and more representative population covering all five development regions. Despite these limitations, this study explored one of the most understudied aspects of rural development in Nepal and the implications it holds for the future of NGO led development projects in developing countries. These findings are particularly relevant for understanding the impact of NGOs’ activities on rural communities. Although several studies have evaluated the work of NGOs, this study added a ‘community approach’ for assessing the impact of NGOs. This research strongly recommends using mixed methods to collect and interpret data.

Conducting research using the community approach has several challenges. Foremost of these challenges is the researcher’s role in the evaluation process and potential impact on research subjects (Harrington, 2003; Kusow, 2003; McCorkel and Myers, 2003). The outsider and insider debate on who conducts the evaluation/research adds to the challenges of conducting sound research on a topic that involves international, national, and local actors and agencies. It is very likely local people would respond differently to a foreigner than to a Nepali. Potentially
local people see even Nepali researchers from cities or outside the community to be NGO staff. As a result, during my field research, several respondents assumed I was NGO staff. They told me of specific problems in their communities and requested projects to address them. They were also of the impression that if they evaluated NGOs well then there would be more projects to follow. To overcome their perceptions about my role, it was necessary to spend time in the study communities to convince them I was an independent researcher. In addition, it was important to keep the research away from any local power structure. Even though local leaders were critical for identifying key informants and in helping me to establish myself in the community, their presence sometimes affected the research process. In Hatiya, women, poor, and Dalit informants were hesitant to speak openly in the presence of local leaders.

It was important to balance my relationship with local leaders and collect exact information from informants. This was driven home by the following example. In Narayansthan, I observed an interaction between a German donor and the health post staff regarding the work of the NGO that mobilized funds. The head of the NGO acted as a translator facilitating the discussion. The staff unanimously reported positive feedbacks about the NGO. Later, when I interviewed the individual in-charge of the health post, he was very critical of the NGO. Along with the other staff, he complained about transparency of funds and program failures in the VDC; however, the donor/visitor left with the impression that the NGO was effective.

Another issue about conducting research in Nepal related to protecting identity. In the US, informant anonymity is a critical part of research involving human subjects. Interestingly, in Nepal, several respondents became angry when I did not ask their names and had placed sociodemographic information at the end of the survey. Therefore, the design of survey instruments should consider local expectations and practices.
Conclusion: Are NGOs Making a Difference?

In the last five decades, the promise of development has had little impact on many developing countries, including Nepal. Despite decades of experimentation and implementation of variety of rural development programs, rural areas remain underdeveloped in comparison with urban areas (Fisher et al., 2008; Redford et al., 2008). The top-down vs. bottom-up paradigm debate in rural development has generated new alternatives. The latest alternative paradigm is an NGO-led rural development, which sees NGOs as the ‘silver bullet’ to cure all the ills of previous development failures (Edwards and Hulme, 1995). However, even this approach has been unsuccessful in bringing changes to rural areas.

The objective of this research was to determine if NGOs were having any positive impacts in Nepal’s rural areas. To accomplish this, a plurality of research methods and tools were used. Analysis of KI interviews, survey responses, and secondary data implied that NGO activities in the district were having some positive impacts in the communities where they worked. However, it is important to note that such changes were limited to a single sector and to a small geographical area. Further, such changes, contrary to NGO claims, did not meet expectations held by local people. Nor were they drastically different from what the government was doing.  

The success of a rural development project, therefore, depended on how it was implemented to directly address the issue rather than who implemented it. For example, a comparative study by Uphoff (1993) indicated rural development could be achieved under both

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81 There was not much difference between NGOs and government agencies regarding the sectors they worked and the method used to implement the projects in the district. Both NGOs and government were found distributing goats, supporting vegetable farming, constructing toilets, funding drinking water projects, building school buildings, assisting biodiversity conservation and implementing projects targeted towards disadvantaged groups. The only difference between them was that government projects were mostly larger than NGO projects, especially in sectors that require infrastructure constructions like road, drinking water and education.
state controlled program and through NGOs. It was found: “… that countries which had the best linkage between central government and rural communities through a network of local institutions had the best performance in agriculture and in social indicators” (p.613). Similarly, Korten’s (1980) analysis of five successfully initiated rural development efforts in Asia found the projects were successful because: “they had worked out a program model responsive to the beneficiary needs at a particular time and place and each had built a strong organization capable of making the program work” (p.496). Despite this fact, NGOs in my study were doing little to build a strong community organization, linking rural communities with central government and international agencies and overstating their success to promote projects. Importantly, they relied on local leadership to implement projects. As a result, it was common for NGOs to work in those communities with strong leadership that could organize and mobilize locals. In places with weak leadership, NGOs did not return after their initial visit (baseline study). For example, in Hatiya, NGO staff almost abandoned the drinking water project in ward-6 because of local opposition for the project. It was only after the local leader assured them and convinced the landowners to agree was the project completed.

This research found that NGOs presenting a new program to local people used success stories from their previous programs to convey their effectiveness. These examples included photos of water taps, school buildings, farmers raising goats, or women benefitting from microfinance. These success stories or pictures did not represent the reality of their community impact. Importantly, they were recorded during or immediately after the program was implemented, which made the program look like a huge success. In addition, they selectively chose one or two success stories to represent the whole community.
Furthermore, NGOs made no efforts to conduct summative evaluations to assess program effectiveness in impacted community. Many respondents complained NGOs did not return to evaluate project impacts. They reported that NGOs were like the elected political leaders: neither visited the community once the project/election was over and returned only to implement new projects or to campaign for re-election. Responding to these concerns, NGO leaders indicated evaluation was a governmental responsibility. They added, because they lacked financial and human resources NGOs did not have policies or programs for conducting post-project evaluations. Interestingly, governmental staff noted that NGOs only requested evaluation reports that they submitted to their donors. One government staff member involved in the evaluation process indicated that NGOs took them only to sites that had a record of good project management and maintenance. Another staff member from the District Education Office said evaluation was only a formality; they always reported positive impressions about a given project. In return, NGOs rewarded them with good food and expensive imported liquor. In sum, this indicated a huge gap between what NGOs reported to their donors and reality. This is not to suggest that NGOs have failed completely; some programs were having positive impacts in the studied VDCs.

Most notable were the sub-health post in Narayansthan, and the drinking water projects in Hatiya. Because of these projects, people had access to clean drinking water, medicine, built toilets, and were growing vegetables in their backyard. Similarly, investments in school buildings in the two VDCs were clearly noticeable. NGOs were effective in raising social awareness about education, health, modern agriculture, women’s rights, and sanitation. NGO support for community forestry was also having positive impact in both VDCs. NGOs in conjunction with the District Forest Office trained user groups to manage the forests, assisted in income generation activities, and regularly monitored group activities. Because of their regular

202
feedback and support, forests under community management had improved in recent years. Nevertheless, NGO program failures were common in both VDCs.

Regardless of their claims, this research found substantial evidence of NGO projects failing to meet their long-term objects. These failures were not solely the result of poor management by the local people, as claimed by NGOs. The majority of them had failed through a combination of multiple reasons. These included using poor quality materials, natural disasters, poor management, and inadequate funding. In addition, community members frequently criticized NGOs for not investing resources to fix failed projects. Often, failed projects were abandoned or replaced with new projects. Abandonment was very common for non-development projects framed around social awareness and empowerment. Once the program ended, there were no efforts from NGOs to support program continuity. Had they conducted meaningful evaluations, these NGOs might have understood the need for additional investments of time and resources. Alternatively, when projects focused on infrastructure development, community members would often attempt, at least initially, to fix a failed project. However, if the problem was big and the community could not fix it, the project was abandoned. Interestingly, when the NGO that sponsored the initial investment showed no interest in fixing the project, the community approached another NGO, which, at times, sanctioned a new project. This type of action indicated a community commitment to the work and investment, and suggested they lacked either the resources or funds to sustain many efforts even though there were benefits to them. Such a response, again, begged for the need to have NGO projects evaluated and supported.

One fundamental reason for NGO project failure was the mismatch between local needs and NGO projects. Except for a few projects, locals did not seek the majority of NGO projects in
the two VDCs. Despite this, the NGOs stated they responded to community demands. According to KIs, NGOs would come to the community and say, ‘we have funding for a project to do this. Are you interested in this project?’ Locals agreed to the project because it was free, and they feared that if they rejected it, the NGO would not bring more projects. In sum, they accepted the project because of the belief ‘it is better to have something than have nothing at all.’ Analysis of interview responses and field observations suggested that NGOs were imposing projects on the community. In the absence of strong government presence, communities had no choice but to accept NGO programs despite their limited usefulness. Further, NGOs implemented them without a proper background study and routinely overlooked impacts. Their lack of efforts to build a strong community organization resulted in poor adoption and failures. As one teacher in Narayansthan said, NGOs gave vegetable seeds after the season and did not listen to their requests to address immediate issues in the community. The majority of the failed projects reported by respondents in the two VDCs were examples of this mismatch.

In Hatiya, the drinking water projects were beginning to deteriorate. The taps were broken, pipelines were leaking, and there was not enough water to meet resident needs. I observed backyard vegetable gardens with stunted plants because they lacked water. As well, several of the tunnels constructed to grow vegetables with the help of NGO money were abandoned and deteriorating. Only a few households were raising goats, one woman was raising bees (out of the 15 who participated in the training), and there were no roofs over manure pits in the three communities.

Similarly, in addition to the failures discussed in Chapter Six, I observed several more failures in Narayansthan. An overwhelming number of KIs and survey respondents reported the

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82 Sometimes local leaders and elites contacted NGOs to bring projects.
majority of NGO programs did not address resident concerns. Others claimed support from NGOs was insufficient to keep projects running. The day care center, vegetable farming, goat husbandry, and welfare system were examples of the mismatch of local needs and NGO projects. For example, I observed the poor use of the buildings constructed by the NGOs. In Ward Two, there were only 10 students in the kindergarten school which employed four teachers. As a result, the three rooms built by an NGO were barely used because there were only two students in one class and three students in another. Despite this seemingly poor planning example, the school building project was reported as a success by the NGO. I also noticed a trend toward constructing community buildings by women groups using money from NGOs in the region. In Narayansthan and Hatiya, women leaders said such buildings were planned for every ward. They were however, not clear of their use.

Furthermore, analysis of survey responses and KI interviews indicated the decision-making processes were not participatory. In response to a question about the decision making process in their community, only 35 percent reported everyone was involved, 26 percent reported only half of the residents were involved, 37 percent believed a small number of people were involved, and 2 percent reported outsiders made the decision. Several Dalit informants complained about how their opinions during meetings were rarely heard, and the participation of poor and Dalits was only a formality. In addition, NGOs were most comfortable with having people they were familiar with in decision-making positions.

Another aspect of current rural development in Nepal is the lack of interaction among the various agencies (i.e., local, national, and international) involved in development activities. At the district level, collaboration and coordination among government agencies was more than in the NGO sector. Only recently, NGOs have realized the need for collaboration and they have
started to interact with other NGOs. According to NGOs leaders, this was a necessary change to prevent program duplication and to mobilize resources effectively. On the contrary, based on my participation in a community meeting on manure improvement in Narayansthan, I believe this is only a paper commitment and not evidenced in their actions. Apparently, earlier another NGO had implemented a similar program in the VDC (under a different name). Although the participants did not mention it during the meeting, several KIs reported it as a failed project. KIs from both VDCs reported duplication was very common, especially, with NGO projects focused on non-development issues. Project duplication by NGOs was one of the major concerns expressed by government staff. They complained how repeated projects influenced data for various development indicators. For example, the reported percentage of households with access to clean drinking water in Baglung was 88 percent; however, the staff KI from the District Drinking Water Office claimed the true percentage was between 60-65 percent. He indicated that the higher percentage did not account for old and inefficient projects, and duplicated projects implemented by NGOs. It was common for NGOs to implement a new project in a community with a non-functioning project implemented by another NGO or sometimes even by the same NGO and for both NGOs to report their projects and the number of (same) households to the government.

Interaction between the local government and NGOs was limited. When they did interact on collaborative projects funded by international agencies it was in response to an imposed requirement. Other times they collaborated when the government agency handed over a project to an NGO. Such one on one cooperation resulted in a sizeable fragmentation of the budget so that it could fund smaller projects. For the majority of projects, they did not consult. According to the staff KI at the District Development Office, every year during the budget and planning meeting NGOs and government agencies discussed various development projects planned in the
district. However, during the implementation phase they did not consult or coordinate. In addition to duplication, poor interaction among the various agencies in the district resulted in competition to implement projects. The staff member added, NGOs and government agencies wanted only to work in VDCs with good records of project completion and management, and that were close to the city. Therefore, some VDCs received more projects than others.

Results from this study indicated efforts by NGOs were having very limited impact in the two VDCs. Contrary to beliefs held at the international level, the majority of local NGO projects were ineffective. Local people believed these projects were a step towards unnati (progress) and bikas (development). They talked with enthusiasm about NGOs and their past projects. NGOs were seen as an alternative to the government. However, after repeated failures and the lack of larger projects, people have become critical of the NGOs. Several KIs and survey respondents criticized the NGOs for doing little for the community and making profits from their projects, and they blamed NGOs for setting priorities for program implementation that were not set in cooperation with communities. Except for a few projects, which locals demanded, they said NGOs were reluctant to address immediate concerns but came with readymade projects, which were not addressing community needs or effecting meaningful change. For example, NGOs were praised for constructing school buildings in the district, while there were concerns regarding funding to support new teachers in those schools.

Financial transparency of NGO projects was a major concern to the majority of KIs and survey respondents. KIs blamed NGOs for investing only a part of the budget in the community. The general statement among the community and government KIs was ‘NGOs only invested 10 to 15 percent of their project budget in the field.’ They criticized NGOs for making false reports.

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83 Several people in the VDCs and in Baglung Bazaar criticized government agencies and NGOs for bringing goats and seeds to the same community.
of their expenditures. Similarly, half of the survey respondents agreed that NGOs made profits from their projects. Review of NGO reports found they spent only 50 percent for direct project expenditure. However, the exact amount would be even less as it trickles to the community. According to NGO field staff, NGOs normally reported higher price for materials they purchased, used cheaper resources, reported higher labor rates, and overstated transportation costs.

Most importantly, the overwhelming majority of the respondents preferred the government over NGOs for rural development efforts. This is exactly the opposite of what NGOs claimed. Even the NGO KIs suggested it was the government’s responsibility to monitor and evaluate all development activities, including NGO efforts, in the district. For the majority of KIs and survey respondents, NGOs were temporary with little responsibility to do development work. To them it was the responsibility of the government and local community leaders to do such work. They claimed NGOs would leave anytime they found it too difficult to operate; they were not obligated to do development work. Except for a few informants, a majority of them suggested NGOs should collaborate with the government on development activities. They were aware that both NGOs and the government had strengths and weaknesses; therefore, collaborative efforts would benefit local communities.

In their opinion, neither the government nor the NGOs were doing ‘good development’ in rural areas. NGOs and the government were seen as two components of a larger system that involved local, national, and international agencies. Such views resonated with my views regarding rural development.

Based on the literature review and findings from this research, I propose that future rural development should be more collaborative involving various implementing agencies and,
critically, local stakeholders. Such interactions should focus on identifying issues in the community, selecting the implementing agency, developing a monitoring and evaluation policy, and promoting accountability and transparency. I believe such purposeful interactions would result in long lasting and mutual relationships among stakeholders, government, donors, and NGOs, which is critical for successful rural development to occur. In other words, enhanced interaction would facilitate the sharing of information among the stakeholders as to where and what projects are being implemented in the district. This would prevent duplication of projects in the future. The interaction would also focus on ways to integrate financial, technical, and local resources to implement larger projects, which would bring substantial changes to the community.

Importantly, local and extra-local agencies involved in rural development should focus on creating and strengthening the community field. Unlike social fields, which are targeted towards a particular issue (i.e., health, education, or economic development), the community field includes the general interests of the community members and is not targeted towards one particular sector (Bridger et al., 2011; Theodori, 2005). Another significant characteristic of the community field is that it cuts across several social fields and attempts to unite them as a whole. A strong community field would entail successful adoption and management of completed projects. The initial step in the process involves assessing the problem facing the community. Once the problem has been identified, the stakeholders interact to develop an integrated project to solve the issues. They will also discuss how each stakeholder can contribute to the project. The overall objective of the project would be to improve the quality of life of the community.

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84 Wilkinson (1991) defined the community field as “…the network of social interactions that contains and integrates various community interests in a local society” (p.81).

85 This integrated project differs from the Integrated Rural Development Projects (IRDPs) of the 1970s. IRDPs were implemented by a single agency with an objective to address all the issues in the community (Amatya, 1989; Gurung, 1998). However, the proposed integrated project would be a single project with an objective of solving community issues with the involvement of multiple agencies.
Finally, this research recommends more studies to assess the effectiveness of NGOs in other rural communities. Such studies are critical for improving the NGO sector, and for narrowing the gap between international aid and community development. NGOs should not view evaluation as interference from government authority or donor agencies. Instead, they should use evaluation to improve their effectiveness. On their part, government and donor agencies should adopt appropriate evaluation techniques to prevent resource misuse at the local level. Monitoring and evaluation are the only way to make rural development effective.
Bibliography


223


APPENDIX A

Informed Consent Form for Social Science Research

The Pennsylvania State University

**Title of Project:** Evaluating the Performance of NGOs Involved in Rural Development in Nepal

**Principal Investigator:**
Krishna Roka, Graduate Student
301 Armsby Building
University Park, PA 16802
(814) 242-9823, Email: kbr130@psu.edu

**Advisor:**
Dr. Al Luloff
114 Armsby Building
University Park, PA 16802
(814) 863-8643, Email: aeluloff@psu.edu

Respected participants, Namaskar.
I am a PhD student of Rural Sociology in the department of Agricultural Economics and Rural Sociology at The Pennsylvania State University, USA. My academic program requires that I conduct an original research and submit the results to the university in the form of a dissertation. I am here as a student of Penn State and the proposed research is strictly for research purpose only. The purpose of this study is to evaluate the performance of NGOs involved in rural development in the last 15 years. The research will look at how communities feel about the NGO funded projects and their views to improve the sector. Each participant will be requested to participate in an interview where a set of eight questions will be asked. The questions are about community development and involvement of NGOs in your community.

Your participation in this research is confidential. The interview will be tape-recorded for transcription and future reference. The data will be stored and secured as a protected file in my computer and no one other than me will have access to the information. Recorded data will be used only for research purpose. In the event of a publication or presentation resulting from the research, no personally identifiable information will be shared. As participants, you have the right to ask any questions or concerns about the research. You can contact me by phone (01-8142429823 USA/ 9841280466 Nepal) or by email (kbr130@psu.edu). Your decision to be in this research is voluntary. You can stop at any time. You do not have to answer any questions you do not want to answer.

You must be 18 years of age or older to take part in this research study. Participation in the interview is considered your implied consent to participate in this study. Please keep this form for your records. You will be given a copy of this form for your records.
APPENDIX B

Informed Consent Form for Social Science Research
The Pennsylvania State University

Title of Project: Evaluating the Performance of NGOs Involved in Rural Development in Nepal

Principal Investigator:
Krishna Roka, Graduate Student
301 Armsby Building
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Advisor:
Dr. Al Luloff
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University Park, PA 16802
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Respected participants, Namaskar.
I am a PhD student of Rural Sociology in the department of Agricultural Economics and Rural Sociology at The Pennsylvania State University, USA. My academic program requires that I conduct an original research and submit the results to the university in the form of a dissertation. I am here as a student of Penn State and the proposed research is strictly for academic research purpose only. The purpose of this study is to evaluate the performance of NGOs involved in rural development in the last 15 years. The research will look at how communities feel about the NGO funded projects and their views to improve the sector. Each participant is requested to fill out the survey questionnaire or answer the survey questions voluntarily. The questions primarily deal with the role of NGOs in community development. You can skip the questions that you consider them as being inappropriate or confidential.

Your participation in this research is confidential. The data will be stored and secured as a protected file in my computer and no one other than me will have access to the information. In the event of a publication or presentation resulting from the research, no personally identifiable information will be shared. As participants, you have the right to ask any questions or concerns about the research. You can contact me by phone (01-8142429823 USA/ 9841280466 Nepal) or by email (kbr130@psu.edu). Your decision to be in this research is voluntary. You can stop at any time. You do not have to answer any questions you do not want to answer.

You must be 18 years of age or older to take part in this research study. If you agree to take part in this research study and the information outlined above, please sign your name and indicate the date below.

Participation in the survey is considered your implied consent to participate in this study. Please keep this form for your records. You will be given a copy of this form for your records.
APPENDIX C

EVALUATION OF NGO PERFORMANCE IN RURAL DEVELOPMENT

Key Informant Interview Questions

1. Have there been any changes in your community in the last 10 years?
   - Yes/no
   - What has changed (examples-forest, health, education, employment…)
   - How have they changed?

2. How do you view these changes in your community?
   - Good or bad
   - Explain, why you think so.
   - Were you affected by the changes?

3. Who contributed to the above changes in the community?
   - Leadership, organizations, the government, community
   - Kind of contribution (project, funding, leadership)

4. How did the above actor/agency effect this change?
   - Why this community?
   - Any outside support?
   - Were the changes imposed on the community?

5. In what way did the community respond to the actor/agency?
   - Community or individual contributions
   - Conflict of interests
   - How were conflicts of interests addressed?

6. Let us talk about the …………..(a recent project or the project they mentioned earlier) project in your community?
   - Who was involved?
   - How was it implemented?
   - What was the role of the community?

7. Have there been efforts in the community that have not worked as anticipated?
   - Can you give some examples?
   - Why do you think they failed?
   - What happened?

8. What role, if any, did the NGOs had in the changes we have discussed so far?
   - Any particular project
   - How did they get involved?
   - Are you satisfied with their involvement? Explain.
9. How do you compare the government with NGOs in community development?
   • Suggestions for future rural development

Additional information about the informant
1. Age
2. Gender
3. Caste/ethnicity
4. Occupation
5. How long have you lived in this community? (How long have you worked in this district)
6. Can you think of anyone else I should talk to about community development in your community?
APPENDIX D

A Sample of Household Survey Questions

EVALUATION OF NGO PERFORMANCE IN RURAL DEVELOPMENT

HOUSEHOLD SURVEY

Please listen carefully to understand the questions before answering. All information provided will be treated confidentially and will never be linked with your name.

The first set of questions asks about your community.

Q1. What makes you happy when you talk about your community?

__________________________________________________________________

Q1a. What important natural resources are found in your community?

__________________________________________________________________

Q2. Do you consider your community more or less developed than other communities in the district?

___ More developed  ___ Less developed  ___ Not different from other communities

Q2a. What makes you this way?

__________________________________________________________________

Q3. In your opinion, what is the most important issue facing your community?

__________________________________________________________________

Q3a. Who should address that issue?

__________________________________________________________________

Q3b. Why do you think this person/agency/organization should address the issue?

__________________________________________________________________
Q4. How much do you agree or disagree with the following statements about changes in your community in the last 10 years?

<table>
<thead>
<tr>
<th>SECTORS</th>
<th>CHANGE</th>
<th>WHAT CONTRIBUTED TO THE CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of life has improved</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Household income has increased</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Wild animals have decreased</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>More people are educated now than were 10 years ago</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Agricultural productivity has decreased</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Migration to cities has increased</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Employment opportunities have increased</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Forest management has improved</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>There are more NGOs active in the community than 10 years ago</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>There are few diseases in the community</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
<tr>
<td>Women are not empowered</td>
<td>SD 1</td>
<td>DA 2</td>
</tr>
</tbody>
</table>

SA- strongly agree, A- agree, AD- do not agree nor disagree, DA- disagree, SD- strongly disagree

The next several questions ask about quality of life in this community.

Q5. In general, how satisfied are you with living in this community?

___Very satisfied          ___Mostly unsatisfied

___Mostly satisfied        ___Very Unsatisfied

___Neither satisfied nor unsatisfied

Q6. Overall, how would you rate the quality of life in your community?
Q7. In your community, how are important decisions made?

___Almost every adult participates in the decision making process
___About half of the residents influence decisions
___A small number of persons influence decisions
___Outsiders make decisions for the community

Q9. Taking all things together happening in your life these days, would you say you are:

___Very happy
___Mostly unhappy
___Mostly happy
___Very unhappy
___Neither happy nor unhappy

Q10a. What makes you feel this way?

__________________________________________________________________

Q10. In the past two years, how has cost of living changed in the community?

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Decreased</td>
</tr>
<tr>
<td>A. Price of basic foods</td>
<td>1</td>
</tr>
<tr>
<td>B. School fees</td>
<td>1</td>
</tr>
<tr>
<td>C. Price of buffalo</td>
<td>1</td>
</tr>
<tr>
<td>D. Clothing</td>
<td>1</td>
</tr>
<tr>
<td>E. Health treatment</td>
<td>1</td>
</tr>
<tr>
<td>F. Daily wage of farm laborer</td>
<td>1</td>
</tr>
<tr>
<td>G. Other _________________</td>
<td>1</td>
</tr>
</tbody>
</table>

Q10a. How did your household adjust to the above changes?

__________________________________________________________________

The next several questions ask about NGOs and their work.
Q11. How familiar are you with NGOs?

If NOT FAMILIAR WITH NGOs skip to Question 18.

Q11a. What major sectors (areas) in the community have NGOs addressed in the last 10 years?

Q11b. What NGOs are currently working in your community?

Q11c. What NGOs have worked in your community in the past 10 years?

Q11d. What is the most recent project implemented by a NGO in your community?

Q11e. Did the project solve the problem?
___Yes  ___No

Q11f. Why do you think so?

Q12. How much do you agree or disagree with each of the following NGO characteristics.

<table>
<thead>
<tr>
<th>NGO CHARACTERISTICS</th>
<th>AGREEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. NGOs are non-profit organizations</td>
<td>SD</td>
</tr>
<tr>
<td>B. NGOs address the immediate issues in the community</td>
<td>1</td>
</tr>
<tr>
<td>C. NGOs have no impact on community development</td>
<td>1</td>
</tr>
<tr>
<td>D. NGOs are nonpolitical organizations</td>
<td>1</td>
</tr>
<tr>
<td>E. NGOs conduct needs assessments to identify problems in the community</td>
<td>1</td>
</tr>
<tr>
<td>F. NGOs make profits from the projects</td>
<td>1</td>
</tr>
<tr>
<td>G. NGOs are good because they always bring projects in the community</td>
<td>1</td>
</tr>
<tr>
<td>H. Serving people is the first priority of the NGOs</td>
<td>1</td>
</tr>
</tbody>
</table>
I. NGOs activities are focused around technology transfer (like use of pesticide, hybrid seeds, chemical fertilizer)

SA- strongly agree, A- agree, N- do not agree nor disagree, DA- disagree, SD- strongly disagree

The next several questions ask about NGO responsibility.

Q13. NGOs are accountable to (CHECK all that apply)

 ___People ___ Government ___Donors
 ___Political parties ___No one

Q13a. Why do you think NGOs are accountable to the above group?

__________________________________________________________________

__________________________________________________________________

Q13b. Whom would you approach if there were an issue in your community?

__________________________________________________________________

__________________________________________________________________

Q14. How much do you agree with the following statements regarding NGOs accountability?

<table>
<thead>
<tr>
<th>NGO ACCOUNTABILITY</th>
<th>AGREEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. NGOs always ask for feedback from local people</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>B. NGOs take responsibility for project failure</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>C. NGOs do not have any vested interests in the communities where they work</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>D. NGOs are only interested in implementing the agendas of donor agencies</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>E. NGOs have strong ties to political parties</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>F. Local government is more accountable to community needs than NGOs</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>G. NGOs are corrupt</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>H. NGOs do not conduct public meetings about their projects in the community</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
The next several questions ask about sustainability of NGO projects.

Q15. What is a typical life of an NGO project?

___ Less than 1 year
___ 2-3 years
___ 4-5 years
___ 6-10 years
___ More than 10 years

Q16. Do NGO projects fail?

___ Yes    ___ No

If NO go to Question 17
If YES, can you name a project that failed in your community in recent years?

__________________________________________________________________

Q16a. What were the major reasons for the project failure?

__________________________________________________________________
__________________________________________________________________

Q16b. What was done to deal with the failed project?

__________________________________________________________________
__________________________________________________________________

Q17. What should be done to improve the effectiveness of NGOs in community development?

__________________________________________________________________
__________________________________________________________________

The next several questions ask about your involvement in community development

Q18. Approximately, how far are the following from your house (walking distance in hours)?
Q19. In general, how would you describe your level of involvement in community activities or events?

___ Very active  ___ Somewhat active
___ Not very active  ___ Not active at all

WHY? ________________________________________________________________

Q20. Do you belong to any community groups or organizations of any kind?

___ NO  ___ YES

If YES, what kind of group or organization (women group, farmers cooperative, CFUG)
_______________________________________________________________

The next several questions ask about your household and property.

Q21. How old are you?  ____________

Q22. To which caste or ethnic group do you belong?  ____________

Q23. What is your current occupation?  ____________

Q24. What is the highest level of education you have attained?  ____________

Q25. How much land do you own (acres)?  Khet_________ Bari___________

Q25a. What major crops do you grow in your land?
____________________________________________________________________

Q26. What type of house do you live in?

Concrete  Stone  Hut/thatched

Q27a. How many people live in your house?  ____________________________

Q27. What is the total monthly income of your household (in Nepali Rupees)?

Under 4,999  15,000 to 19,999
5,000 to 9,999  20,000 or more

237
Q28. What are the sources of income in your household?

__________________________________________________________________  

Q28a. Is any member of your household in a foreign country?

___No  ___Yes  ----→ Where__________  ----→

Why______________

Q28b. Is any member of your household and/or relatives associated with a NGO?

___No  ___Yes

Q29. What do you consider yourself?

___ Rich  ___ Middle class  ___ Poor  ___Landless

Q30. How would you describe yourself politically?

Democratic  Socialist  Communist  Monarchy  Independent

The final question asks about Nepal’s development.

Q31. What are the major problems affecting Nepal’s development?

__________________________________________________________________
APPENDIX E

Factor loadings for the perception of NGOs items

<table>
<thead>
<tr>
<th>Factors/Items</th>
<th>Factor 1</th>
<th>Factor 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 NGOs are nonprofit organizations</td>
<td>.44*</td>
<td>.25</td>
</tr>
<tr>
<td>2 NGOs address immediate issues in the community</td>
<td>.66*</td>
<td>-.18</td>
</tr>
<tr>
<td>3 serving people is priority for NGOs</td>
<td>.48*</td>
<td>-.20</td>
</tr>
<tr>
<td>4 NGOs conduct needs assessment of the community issues</td>
<td>.51*</td>
<td>-.33</td>
</tr>
<tr>
<td>5 NGOs make profit from their projects</td>
<td>.14</td>
<td>.71</td>
</tr>
<tr>
<td>6 NGOs are good as they bring projects to the community</td>
<td>.67*</td>
<td>-.00</td>
</tr>
<tr>
<td>7 NGOs focus on technology transfer (hybrid seeds, chemical fertilizers)</td>
<td>.52*</td>
<td>.30</td>
</tr>
<tr>
<td>8 NGOs ask for feedback from people</td>
<td>.60*</td>
<td>.08</td>
</tr>
<tr>
<td>9 NGOs do have vested interests in place they work</td>
<td>-.14</td>
<td>.59</td>
</tr>
<tr>
<td>10 NGOs have ties with political parties</td>
<td>.09</td>
<td>.43</td>
</tr>
<tr>
<td>11 NGOs are corrupt</td>
<td>.03</td>
<td>.70</td>
</tr>
</tbody>
</table>

N = 234

Eigen value

Percent of variance explained

Cronbach's Alpha

Extraction method: Principal components

Rotation: Oblique

*Factor items used to construct the DV (perception of NGOs)
Curriculum Vitae
KRISHNA B. ROKA
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Education
- PhD., The Pennsylvania State University, Rural Sociology and Human Dimensions of Natural Resources and the Environment, May 2012.
- M.F., Yale School of Forestry and Environmental Studies, Forest Management (MF), 2007.
- M.A., Tribhuvan University, Nepal, Sociology, 2001
- M.Sc., Tribhuvan University, Nepal, Botany, 2000
- B.Sc., Tribhuvan University, Nepal, Biology, 1997

Research
- Are NGOs making a difference? A community approach to measuring non-government organizations (NGOs) effectiveness in Nepal (A.E.Luloff)
- Research Assistant, Dept. of Agricultural Economics and Rural Sociology, Penn State University, 2007-2011
  - PA private forest landowners survey (A.E.Luloff and J.C.Finley)
  - CEAP national watershed assessment project (A.E.Luloff)
- Maoist conflict and community forestry in Nepal (Bill Burch, Yale)
- Research Assistant, Yale School of Forestry (2005-2007)
  - Comparative study of community forestry (Ben Cashore and Constance McDermott)
  - Forest management plan for the Blue Moon Foundation, Hawaii (Mark Ashton)
  - Management plan for Beaver Park, New Haven, CT (Mark Ashton)
- Forest management and fuelwood use in rural communities of Nepal (2000)

Publications
- Fuelwood Consumption Rate in the Hilly Areas of Western Nepal in Reference to Parbat District, 2003. Department of Forest Research and Survey, Kathmandu, Nepal.

Teaching experience
- Teaching assistant (Penn State): CEDEV 575 (2010), CEDEV 500 (2010)

Work experience
- Urban community forester, Urban Resources Initiatives, Yale University
- Knowledge management specialist, IUCN Nepal
- Lecturer, Tribhuvan University, Nepal
- Program Manager, Underprivileged Children’s Educational Program, Nepal

Awards
- Research grant (2010), Office of International Programs, College of Agricultural Sciences, The Pennsylvania State University
- Graduate Fellowship (2007-2011), The Pennsylvania State University
- Graduate Fellowship (2005-2007), Yale University
- Research Fellowship (2006), Tropical Resources Institute, Yale University
- Graduate Fellowship, (2000), Tribhuvan University, Nepal

Professional Memberships
- Rural Sociological Society (RSS)
- International Association of Society and Natural Resources (IASNR)
- Association for Research on Non-profit Organization and Voluntary Action (ARNOVA)