

Chapter 7

A Catalog of Other Actors in the Sahel

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IN BRIEF . . .

The United States was a major actor in developing the multinational Club/CILSS framework and has continued to play an active role in the evolution of its strategies. In recent years, AID has made important, major policy revisions in its Sahel program in an attempt to incorporate the lessons learned in the past decade, but some important issues have been left inadequately addressed and AID's strategy is ambiguous in certain areas. AID's effectiveness is constrained by three other factors as well: internal institutional characteristics of AID, the sometimes adversarial nature of AID's relationship with Congress, and the lack of agreement about the role of development assistance in overall U.S. foreign policy.

AID is only one of many actors in the Sahel development effort. An array of African institutions, U.S. agencies other than AID, and various multilateral and bilateral donors have direct and indirect effects on development in the Sahel. Chapter 7 reviews the roles, strengths, and weaknesses of some of these institutions. Highlights of the chapter include:

- Africans and African institutions must play the fundamental role in development in the Sahel, though their strengths must be supplemented and their weaknesses addressed. Donors can complement and enhance these efforts.
- U.S. private voluntary organizations (PVOs) can offer special development skills. PVOs generally can provide small-scale, low-cost, flexible approaches and often operate effectively at the grassroots level. However, the quality of PVO efforts often can be uneven, they may lack technical skills, and they sometimes have limited impact.
- The Peace Corps and the African Development Foundation share many of the strengths and limitations of PVOs. However, both of these organizations have begun new initiatives that incorporate many of the lessons of the past decade.
- U.S. private sector investment currently plays a minor role in the Sahel and its role is likely to remain limited for the short to medium term because of investment risks, language and cultural barriers, competition from Europeans, and policy-related constraints. Policy reform could enhance the climate for U.S. private sector involvement in development in the Sahel, but reform alone would not change the situation substantially.
- At the heart of the Club/CILSS framework is a commitment of donors to work together with the countries of the Sahel in a long-term, coordinated approach to development. Each of the different participants has its own specific agenda and characteristics (both strengths and weaknesses) that affect its ability to contribute effectively in the Sahel strategy. A more concerted attempt is necessary to identify and build on the diversity of the many donors and recipients.

The ongoing processes by which strategies in the Sahel are being changed to reflect the lessons of the past decade are being addressed by thousands of people in hundreds of institutions. The internal characteristics of these institutions and their relationships to society have

an effect on how people within the institutions carry out their roles,

By understanding the strengths and weaknesses of these institutions, policy makers can increase the likelihood that their strategies will

translate into successful development. Too often, donors focus their efforts on technical and economic analysis and overlook the equally important analysis of institutional, social, and political realities. Any discussion of future strat-

egies for the Sahel would be incomplete without examining several major categories of institutions, both Sahelian and donor, and the obstacles and opportunities their institutional environments provide.

AFRICAN INSTITUTIONS

African institutions are central to the success of development assistance in the Sahel. Yet the weaknesses of African governmental and parastatal institutions have hampered their ability to carry out development programs and this has been one factor in the poor performance of the past decade. A fundamental premise of international assistance, and specifically of the partnership between donors and Sahelians in the Club/CILSS framework, is that the commitment is finite in both time and levels of resources. Assistance is intended to complement the strategies of Sahelians themselves. Thus a long-term commitment to building up the capacity of these institutions is an important element in revised donor strategies,

Sahelian institutions (government or private, regional, national, or local) exhibit a wide range of characteristics that influence their abilities. They face many constraints but observers with long experience in the Sahel believe that many positive changes have taken place since independence. A number of promising institutions and organizations have yet to be integrated into official development strategies, so the future holds continued new potential. The complexity of the constraints facing all institutions and the lack of clear analysis on how to optimize the contribution of each reinforce the need for devising improved ways to coordinate efforts based on a shared set of strategic directions.

Sahelian Government Institutions

A wide range of government institutions are involved in the design and implementation of agricultural and rural development strategies in each Sahelian nation. These include national political organizations, local administrations, technical agencies, and parastatals of many forms. Their specific roles and relative powers

vary from country to country. It is difficult to generalize, but these institutions do share some common characteristics that affect their abilities to successfully implement programs and projects.

Lack of Skills and Experience

The majority of Sahelian States are just 25 years old. While Africans had some roles in colonial administrations, they rarely held positions of major responsibility. Between 1952 and 1963 only four university graduates in agriculture were trained in Francophone Africa (47). Although the countries have made impressive advances in education and training, there remains a great need for training opportunities for Africans (4). Many senior agricultural researchers are expatriates. Sahelian educational systems, based on French colonial models, are often lacking or inappropriate. But training provided to Sahelians in institutions outside the Sahel is also often inappropriate.

One difficulty faced by many new institutions, but particularly acute in research, is the necessity of first filling administrative positions. Often the best technically trained Sahelians are not doing research, they are placed in administrative positions for which they have little training or interest. A recent analysis of management in African agricultural projects indicated that bad policies and poor organization seemed to be the key constraints--not lack of skilled personnel. It recommended organizational and management assistance, policy reform, and action-oriented training (65).

The Legacies of Colonial Administration

Significant differences existed between the approaches of different colonial administrations, but overall they were largely based on

hierarchical, authoritarian models, more designed for economic, political, and social control than for development. Those models tended to foster farmers' dependence on government personnel and programs. Like their predecessors, Sahelian administrations tend to be highly centralized. Lower officials operating in rural areas have limited decisionmaking authority. And systems of rewards throughout the developing world tend to move the most qualified, motivated people to the capital city while the rural areas get less experienced and less competent personnel. Francophone systems of agricultural research and extension, which emphasized basic research and export crops for better endowed farmers, continue to influence the national agricultural institutions that operate today (56).

Colonial administrative structures were often based on values that differed from traditional Sahelian values, particularly in the areas of individual responsibility and accountability. For Sahelians, *de facto* incentive systems are based more on personal or group loyalty than on performance. The absence of effective sanctions, the acceptance of certain levels of graft, and the pervasiveness of "clientelism" are all manifestations of alternative systems of rule within Sahelian institutions (35).

Lack of Resources

The past 15 years have brought Sahel governments to the point of financial collapse. The causes are multiple. Revenues have declined because of diminishing budget support from the former colonial powers. The drought-reduced export crops and drops in world market prices also contributed to declining revenues. Expenses, meanwhile, have remained high with overstaffed civil services, heavy investment in unproductive infrastructure, growing debt service burdens, and the operating deficits of most parastatals. The lack of priority given to the agricultural sector in the past was exacerbated as budgets tightened in the late 1970s and early 1980s. The result has been paralysis in many rural development operations—especially, extension programs—with few resources to replace the deteriorated equipment, little to sup-

port recurrent costs such as fuel and supplies, and difficulty paying salaries (4). Projects often could not be sustained after donor funding ended because Sahelian governments could not pay for recurrent costs. Strapped for resources and crippled by poor morale, these institutions cannot perform as expected.

Obstacles From the Outside

A recent General Accounting Office report concluded that the poor capabilities of Sahelian governments to plan and manage development efforts is a significant factor in their slow progress toward economic development (134). The study also found, however, that internal weaknesses are often compounded by the heavy administrative workload imposed by the large number of donors and projects. For instance, last year there were at least 18 village water supply programs, with as many donors, operating in Mali, each with different equipment and different approaches to training and recurrent costs (57).

Opportunities

Some experts feel that the management performance of Sahelians has been relatively good, considering their institutional weaknesses and the many responsibilities involved in managing nearly \$15 billion in development assistance over the past decade. Sahelian institutions did much better helping identify needs and delivering emergency food supplies during the 1984 to 1985 food emergency than they had during 1972 to 1973, evidence of the growth of their administrative capacity. Thus it appears that Sahelian institutions will be able to be increasingly effective in the future.

Despite these problems, several trends provide opportunities to increase the effectiveness of Sahelian institutions and increase their capacity to implement development strategies. As the number of university-educated Africans increases, more Sahelian staff will be available to take administrative positions in government and parastatal institutions. Also, staff who have accumulated valuable experience working on past donor-supported projects are increasing. These more skilled staff will help the institu-

tions become more effective partners in development activities.

A new generation of Africans, more highly educated than their predecessors, is coming to power in both political and administrative realms. These young leaders are dynamic, pragmatic, and sophisticated in dealing with rural development issues. Additional positive trends that might help increase the effectiveness of Sahelian institutions include: relative political stability (with the exception of Chad); the growth of democratic institutions (political parties, labor unions, and legal systems in various countries); increasing national identity and overall decrease in ethnic and geographical divisions; growing acceptance by Sahelian leaders of the necessity of policy reform and their initial success in implementing politically risky austerity programs.

Nongovernmental Sahelian Institutions

Nongovernmental institutions in the Sahel have great potential to play key roles in the development and implementation of future strategies for agricultural and rural development. Extremely diverse, nongovernmental institutions, including formal and informal ones, village level and national bodies, often have more legitimacy with farmers and herders than government institutions. Their direct grassroots associations put them in a strong position to facilitate local participation and tap the benefits of traditional knowledge and agricultural systems.

At the same time, however, many of these institutions display the same managerial, technical, and organizational problems as public sector institutions. Their relatively greater effectiveness results largely because they are small and insulated from major development programs and projects. However, this presents one important drawback: because these institutions are small and generally lack national impact, increased support will likely have only limited effects. It is also expensive and com-



Photo credit: U.S. Agency for International Development

Small stone dikes can trap water, halt soil erosion, and increase crop production. AID supports this work in Niger. In Burkina Faso, an indigenous PVO works with the regional government and a British PVO to help farmers improve the same technology and to share it with farmers in other regions of Burkina Faso and several other countries.

plex to use such diverse, widely dispersed institutions.

Nongovernmental groups must be considered within their political and economic context. Giving greater roles to alternative local nongovernmental groups can cause conflicts with groups currently holding economic and political power. A greater understanding of the dynamics of each of these groups and of the context in which they operate is necessary to determine their potential role in the implementation of future development strategies. While the diversity of nongovernmental groups makes generalizations difficult, it is useful to consider the merits of four basic types of institutions: the traditional hierarchies, the indigenous community self-help groups, African private volun-

tary organizations (PVOs), and the African private sector.

Traditional Power Structures

The colonial and postcolonial experiences of the Sahelian nations have reduced the importance of many precolonial social and political structures, but some remain important in modified forms (e. g., the traditional chieftaincies), and others have been enhanced through links to the postindependence state (e. g., the Muslim Brotherhoods of Senegal). In the past, these structures have not been major actors in donor-sponsored agricultural development programs in the Sahel. But they have a potential role to play because they have influence in rural areas and a n ability to mobilize people around such issues as protection of the environment and controlled grazing on communal pasture (86). Additionally, such structures can provide improved access to traditional knowledge systems.

These potential benefits, however, must be measured against some risks. Many experts see these traditional hierarchies as inegalitarian and working with them could exacerbate existing inequalities (60). The new government of Burkina Faso, for example, is moving to limit the power of the traditional chiefs. Nonetheless, the potential seems to justify more consideration of some traditional groups; one of the lessons learned in the past decade is that it is important to build on existing strengths, including local leadership structures and incentive systems. In the Dire' zone of Mali, for instance, a Taureg Deputy has used his traditional position to settle pastoral refugees devastated by drought and introduced mixed sedentary farming and livestock production.

Community Self-Help Groups

Community groups have long been major recipients for assistance from international private voluntary organizations. Whether defined along family lineage, political, village, male/female, age group, or ethnic lines, forms of communal groupings exist in most Sahelian

countries. Many of these groups were formed because of high labor requirements under traditional production systems or the need to mobilize resources at times of disaster or for ceremonial obligations. Their forms and methods have evolved and multiplied with changes in village economies and social systems. For example, groups have expanded the use of collective fields and communal gardens thus increasing the output of the available land and providing more income. To reduce individual risk and cash outlays, self-help groups often share tractors, plows, wells, and other sizable investments.

Community groups have had a much smaller place in most direct official bilateral or multilateral aid programs. To an extent, this is because it is difficult and costly for major donors such as the Agency for International Development (AID) to develop and implement programs at the village level. Another reason, however, has been that Sahelian governments have been unwilling to support such direct approaches, often seeing such community groups as threats to their centralized administrations. Official donor efforts to increase cooperation or incorporate these groups into larger rural development programs have met with varying degrees of success. However, the failure of many past agricultural development activities and the search for alternatives focused on participation have increased interest in informal village-level institutions and have resulted in a loosening of controls on village-level groups in several countries,

Despite their potential, however, problems have arisen in the relationship between community groups and donors. Generally donors lack effective programming methods to work with community groups. Donors sometimes actually compete to fund projects and hastily organized village groups appear with no other *raison d'être* than to receive such funding. Sudden influxes of funds and supplies often have undermined the strengths of existing groups, encouraged internal dissension, reduced in-

dependence, and substituted a “welfare mentality” for their original self-help orientation.

Sahelian Private Voluntary Organizations

Sahelian PVOs have proliferated recently. Different from community groups in their origins and larger in scope, most are organized on religious, ethnic, or geographical lines. The majority were formed during the past decade and suffer from the same lack of management and technical skills as their government counterparts. Because they have a potential ability to mobilize important constituencies, they have come into conflict with centralized bureaucracies and political groups.

Nonetheless, African PVOs are expanding their role as effective intermediaries between external donors and community groups. In several countries (Senegal, Mali, Niger, and Burkina Faso) they have formed into loose coordinating federations to share information, and eventually, resources. Often governments and externally based PVOs have encouraged and supported this move. Despite their growing strength and potential, the success of many such groups is based on the dynamism or skills of one or a few individuals. Their impact is often as limited as that of more traditional community groups and designing programs to support them is equally difficult. In several cases, their initiative and management capacity has been overwhelmed by well-meaning donors trying to do too much too fast. Yet their potential to mobilize people and resources at the village level, linking them with resources from the outside, is an important strength to consider in designing an overall assistance effort.

The African Private Sector

A major change in donors’ development approaches over the past 5 years has been a new emphasis on the role of the African private sector. In policy dialog, donors such as the World Bank and AID are encouraging Sahelian governments to remove restrictions on their indigenous private sector and let it handle some

functions and services currently provided by government agencies.

The Sahel private sector has shown vibrancy, creativity, and success even under government restriction (84). One example is the rapid development of small-scale private cereal milling operations over the past 5 years. Many experts, however, see actions to increase the capacities of the private sector (e. g., training, credit programs, and careful subsidies) as being as important as removing restrictions.

Others, however, question how far and how fast the private sector will be able to respond (6) or even whether data are available to make such an analysis (45). Private sector development is uneven among Sahelian States, being best developed in Senegal. Government controls have produced a private sector profile where the majority of firms are very small. The relatively few larger firms often owe their position to State support rather than to higher efficiency.

The private sector is being encouraged to replace many parastatals, but not all the parastatals are equally inefficient. Many of the public sector functions that donors are encouraging Sahelian governments to give to the private sector involve activities that, due to high risk, geographical isolation, low profitability, or high initial investment, are beyond the financial or management capabilities of existing firms. Others see the private sector as unlikely to provide even the minimal levels of subsidies essential to encourage farmers to adopt intensified practices. Finally, some experts point to the lack of success of past small business development projects as evidence of the contradiction inherent in asking relatively inefficient public sector organizations (be they Sahelian or donor) to increase the efficiency of the private sector.

Finally, many small farmers and herders have a long history of distrust of private grain merchants and traders—who because of their virtual monopoly would purchase agricultural products at low prices following harvest, and then resell them to the farmers at far higher

prices in later months. Similarly, the consumer goods these private traders provided in rural areas were highly priced. The imperfect market conditions that fostered these abuses con-

tinue. From the farmers' point of view, the government parastatals provided at least some hope of protection from unscrupulous private entrepreneurs.

U.S. ORGANIZATIONS

In addition to the Agency for International Development (AID), many other U.S. organizations, public and private, are active in the Sahel. These include private voluntary organizations (PVOs), the Peace Corps, the African Development Foundation, private businesses, and other agencies of the U.S. Government. Each has different objectives, activities, and organizational strengths and weaknesses. Coordination among the various public agencies could be enhanced by careful analysis of how each institution can most effectively join in a comprehensive, better coordinated development strategy. While the autonomy of private agencies and businesses is important, improved coordination with the directions agreed on in the Club/CILSS process would bring many benefits. Specific analysis of the key U.S. institutions operating in the Sahel can help facilitate the development and implementation of more effective Sahel strategies.

U.S. Private Voluntary Organizations

PVOs are nonprofit organizations established by private citizens with a philanthropic purpose and they act to complement official assistance working in the Sahel. InterACTION, an association of over 100 U.S. PVOs working in international development, rehabilitation, and relief, commissioned a survey of 150 U.S. PVOs whose efforts account for 80 to 90 percent of PVO aid to Africa and found that these U.S. PVOs participated in many projects of varying sizes in the Sahel (table 7-1).

Interaction estimates that 10 to 15 percent of the \$460 to \$600 million spent in Africa by U.S. PVOs in 1984 was spent in the Sahelian countries (144). Initial estimates are that spend-

Table 7-1.—U.S. Private Voluntary Organizations (PVOs) in the Sahel

| Country | Number of PVOs | Number of projects |
|------------------------|----------------|--------------------|
| Burkina Faso | 19 | 82 |
| Cape Verde | 3 | 12 |
| Chad | 11 | 30 |
| The Gambia | 18 | 39 |
| Mali | 22 | 84 |
| Mauritania | 11 | 34 |
| Niger | 13 | 46 |
| Senegal | 24 | 100 |

SOURCE: InterACTION, *Diversity in Development U.S. Voluntary Assistance to Africa: Summary of Findings* (New York: InterACTION-American Council for Voluntary International Action, 1985).

ing doubled in 1985 as a result of an outpouring for famine relief.

PVOs show a diversity of goals, activities, funding sources, and memberships. They collaborate in a number of major coalitions: PACT (Private Agencies Collaborating Together; 5 of the 19 member agencies of this international consortium are based in Latin America and Africa), CODEL (Coordination in Development, an ecumenical consortium of 40 religious-based PVOs), and InterACTION. Some work only in Africa, like Africare; others, such as CARE, Save the Children, and Oxfam, have European affiliates,

In 1984, PVO projects in Africa were divided among the following sectors: community development (23 percent); refugee, famine, and disaster relief (14 percent); food production and agricultural development (12 percent); medicine and public health (12 percent); family planning and population (8 percent); education (7 percent); water (6 percent); small enterprises and income generation (4 percent); construction (4 percent); nutrition (3 percent); social wel-

fare (3 percent); and environment (1 percent) (72).

The amount of public funding of PVOs increased after 1981 when the U.S. Congress directed the Agency for International Development to make available at least 12 and up to 16 percent of AID's development and disaster assistance funding to PVOs. The response to the recent drought increased the amount of both public and private funds available to U.S. PVOs working in the Sahel. In 1985, Congress increased the PVO earmark from 12 to 13 percent for fiscal years 1986 to 1989. Congress defined PVOs as organizations obtaining at least 20 percent of their annual funding for international programs from nongovernmental sources (131). However, funding available to PVOs through AID's Sahel Development Program (SDP) account has declined from a high of nearly \$25 million in fiscal 1985 to less than \$12 million in fiscal year 1986 (71).

In 1984, 60 percent (\$270 million) of all U.S. aid to Africa from PVOs was funded by the U.S. Government. Nearly half of PVO aid to Africa (\$220 million) was food aid, including the costs of ocean freight for the Public Law-480 Food for Peace Program. About 10 percent of PVO aid (\$50 million) was derived from U.S. AID grants and contracts. Private cash contributions amounted to about 20 percent (\$100 million) of the total. The private share was 30 percent of the total when in-kind gifts (e.g., medicines) and services are included (72). The largest two PVOs, Catholic Relief Services (CRS) and CARE, together provided two-thirds of all PVO aid to Africa. They received 70 to 80 percent of their resources from the U.S. Government, mostly Public Law-480 commodities and transportation costs. These ratios of government to private funding for PVOs in Africa are probably similar to the ratios applicable in the Sahel, but specific breakdowns are not available.

The increase in public funding available to U.S. PVOs has created dilemmas for their members and African counterparts (108). PVOs desire to maintain independence in their African activities whether or not they accept public funding. Some PVOs, for example, apply for

AID grants to support projects designed by themselves. Yet, increasingly, they also apply for contracts to do AID-designed work. Some fear that the latter activities will either distort or conflict with their other efforts. Other PVOs, for example, the American Friends Service Committee and Oxfam-America, have elected not to accept any U.S. Government funding because they are reluctant to depend on the U.S. Government financially for a variety of philosophical and other reasons.

Views differ regarding the efficacy of current AID support of PVO activity in the Sahel. Several AID staff questioned the policy of earmarking a percentage of funds specifically for PVOs because this requirement contributes to AID's inflexibility. Also, PVOs do not always have the best record or expertise in the priority areas. PVOs frequently complain about the length of time required for AID funding approval and about procurement restrictions (tied aid) that require them to purchase U.S. equipment and services, often to the detriment of the project.

While most PVOs now agree that their primary goal should be long-term development, many of their resources continue to be dedicated to short-term relief and distributing food aid. Even those PVOs that normally do not distribute food, like the Mennonite Central Committee and Church World Service, did so during the 1984 drought. This demonstrated one of the strengths of the PVOs: their ability to move quickly to implement relief programs when the need arises. CRS and CARE, the largest distributors of Public Law-480 commodities, distinguish between distribution of emergency food aid for relief and their development programs using Food for Work, but they stress the complementarity of the two programs (79).

With the return of rain to the Sahel in 1985, PVOs are reassessing their immediate and long-term work. A large number are moving from relief to rehabilitation and development. Many are using Food for Work, private funds, or a combination of private and public funds (Africare) to support projects to increase agricultural production and restore the environment, such

as antierosion projects or small-scale irrigation projects.

Some PVOs question the role of food aid in development, especially since late 1985 when U.S. surplus commodities competed with locally produced grain for storage and were said to depress the price of local grain. In response, PVOs such as Church World Service in Senegal and Freres des Hommes in Paris are planning ways to develop "triangular food aid" where they purchase African-produced food crops, store them, and sell them in food-deficit areas. This provides relief but, at the same time, increases market incentives for small farmers. Other PVOs are seeking ways to improve grain storage and reduce price fluctuations. For example, several PVOs have established grain banks in villages where they help local communities purchase locally produced grains at harvest and store them in the village for later resale below rising market prices before the next harvest to bypass private grain merchants. However, the success of these efforts often depends on government cereal policies.

PVO Opportunities and Limitations

Alternative Approaches to Development.—Many of the unrealistic expectations and mistakes in the Sahel were common to programs of both official and private agencies working with small farmers. In contrast to official assistance, PVO programs are said to be more participatory, people-to-people rather than government-to-government. In theory, most stress bottom-up rather than top-down development, and reach the poorest of the poor. Without the many political constraints of official aid, PVOs can often work in countries or areas where official bilateral aid programs cannot, and use more experimental approaches. However, there is a need for careful case-by-case evaluation of the strengths and weaknesses of PVOs so they can be more effective in the future (113). While this evaluation is only beginning to be conducted (72,120), most observers agree that the PVOs have benefited many poor people, and that they often have more freedom than official groups

to attempt alternative approaches to development.

Small Scale.—PVOs have the advantage of being able to work with smaller projects, many on a village level. In addition, they are able to distribute relatively small amounts of money and test pilot approaches. Most provide some technical assistance and funding for materials, but require that the village supply labor. While some PVOs limit the scale of their projects because of limited resources, others receive large sums from public or private sources and reallocate them to several projects or an activity carried out in a number of locations. One good example of this is the series of small-scale irrigation projects carried out by Africare.

Many PVOs have learned that they can work effectively at a level above the village level, and in turn increase their impact in the villages. Some groups, like the Overseas Education Fund in Senegal and the Unitarian Universalist Service Committee in Burkina Faso, have worked with national-level Sahelian PVOs. Thus PVOs also have an ability to strengthen local, regional, and national institutions—and also can contribute to implementation of SDP strategies on these levels.

Direct Access to Farmers and the Rural Poor.—Most PVOs prefer to work at the grassroots level with local indigenous organizations. Many stress village-level agricultural and rural development programs. While PVO headquarters are usually in the capital city, field staff either travel to the villages or live in smaller towns. Some PVOs employ African staff who are from ethnic groups or rural areas where projects are implemented. Some PVOs have staff members who have worked in the Sahel for a number of years, and speak fluent French and an African language. This experience and ability to use staff outside the capital city helps PVOs overcome the common urban bias of many assistance organizations. However, not all PVO staff are equally skilled. Many need to give more emphasis to less visible and well-off groups. Nevertheless, direct access to farmers gives PVOs a good opportunity to obtain ac-

curate data so policy makers can be better able to judge the impact of their decisions,

Lower Costs.—U.S. PVOs are usually able to implement projects at lower costs than other U.S. groups for a number of reasons: 1) the pay scales of their U.S. staff are lower than those of other U.S. officials, consultants, or university personnel; 2) they often implement projects using volunteer labor; and 3) their administrative costs generally are lower. U.S. PVO activities, however, may have higher costs than those of African organizations, especially when tied aid requirements or relatively costly U.S. personnel are involved,

Flexibility.—PVOs often are not as bureaucratic as official assistance agencies. They typically have simpler, less centralized decision-making processes and lack many political constraints. Often the country director has authority to implement projects and flexibility in managing them. PVOs have been praised for their altruism and open-minded acceptance of African realities. However, many PVOs complain about constraints connected with projects funded by AID. Specifically, PVOs feel that the need to design projects in detail long before they are funded and the bureaucratic difficulty of changing them midstream, as well as the length of time required to approve and actually fund projects, all act to hinder their flexibility and effectiveness.

African Institution-Building.—Most U.S. PVOs, like official donors, believe in acting in partnership with Africans. But since U.S. PVOs often have access to human, material, and financial resources that Sahelians do not, it can be difficult to establish a mutual relationship. Thus PVOs are not always as effective as they could be in helping build institutional capabilities in the Sahel.

Most PVOs are oriented to work with non-governmental organizations and do not provide resources to governmental entities. In an effort to run programs efficiently, PVOs sometimes bypass public officials who they perceive as ineffective or they set up parallel structures to public programs, thus undermining the effectiveness of those programs. African public offi-

cial have complained about the lack of communication and coordination with PVOs, especially when the PVOs were setting up village organizations or projects that competed with public agencies, indigenous institutions, or other PVOs. This competition reduces the effectiveness of local and regional institution-building.

While U.S. PVOs often hire Africans as staff, they infrequently work as true partners with indigenous private organizations. This may be due to the fact that the local PVOs are not structured the way U.S. PVOs are structured: the indigenous PVO maybe working with only one ethnic group, or in certain areas, or it may not have a full-time staff or compatible financial accounting system. There are, of course, cases where PVOs have worked successfully with local organizations. For example, in Burkina Faso, the Centre d'Etudes Economique et Sociales de l'Afrique Occidental provides training for village leaders working with Africare and CRS projects. In several Sahelian countries U.S. PVOs belong to coalitions of international and indigenous PVOs. Yet there are difficult issues of project control, funding constraints, and operating styles to be resolved. The relationship becomes especially delicate when a U.S. PVO channels U.S. AID funds to a local PVO. Several observers mentioned the harmful effect of too much money being made available to local PVOs: the natural growth of these groups was being distorted, new national PVOs were springing up overnight and volunteer-based groups were pressured to hire staff.

Finally, the desire to have measurable results to show its members or financial supporters can create a situation where the staff of the U.S. PVO do much of the work themselves, rather than supporting the efforts of the local group to carry out the project. This pressure to produce quantifiable results often constrains PVO effectiveness in building local capacity. In the African view, the major role of the outside PVOs in Africa is to support and build the capacity of the African PVOs (70).

Impact of Projects.—One commonly voiced criticism of the work of PVOs is that the small

scale of their activities limits their overall impact. PVOs are aware that there has been little evaluation of the impact of their projects; they acknowledge that it is difficult to judge the cumulative impact of their work or replicate successes (120). They note that too often PVO projects do not have strong marketing or economic development components nor do they take into account recurrent costs, which limit sustainability. Lack of local involvement in the design and implementation of projects and the lack of local “ownership” of the project are key constraints to sustained impact.

To increase their impact, some PVOs are learning to plan strategically and to work in coalitions. A current topic of discussion in these groups is the role for PVOs in policy reform. While there is little disagreement that macro-economic conditions and policies can cause the best-run projects to fail, most PVOs feel that the policies and programs of African governments and overall political conditions favorable to development are needs that the U.S. PVOs cannot address directly (72). Others feel that PVOs with local experience and credibility, especially those with successful economic development records, are in a good position to provide data and advocate policy changes that would benefit the poor. In some cases, PVOs are engaging in policy reform on a local level. For example, a windbreak project sponsored by CARE in Niger resulted in local resolution of tree tenure and land management reforms, areas not yet included on AID’s policy reform agenda (120). Some authorities note that the long-term effects of empowering local organizations will eventually result in significant social, political, and economic change. The view of African PVOs is that a principal role of outside PVOs is to seek changes in the policies of their own countries conducive to development in Africa (70).

Lack of Technical Skills.—Traditionally, PVO staffs have not had a high level of technical expertise. Not surprisingly, PVOs have made the same technical mistakes as the official programs regarding food crops and livestock in the Sahel. Some see their role as one of diffusion of technology rather than devel-

opment since their strength is at the grassroots level. However, it is now generally accepted that promoting the adoption of new agricultural technologies takes a high degree of technical skill as well as cultural sensitivity and socio-economic understanding. In the past, this lack of technical skills has created problems. For instance, the lack of a research orientation by PVO staff implementing a highly successful project in Burkina Faso (reclaiming eroded land) make it less likely that others can duplicate the project. A recent AID study of PVO efforts worldwide concluded that the lack of resources to collect baseline data before and measure effectiveness after implementation, together with the absence of mechanisms for sharing lessons learned from successes and failures, were key PVO weaknesses (120).

Concern also exists that the distinction between PVOs and for-profit consulting firms is becoming blurred by the increased government funding available to the PVOs. For example, the AID contract process encourages PVOs to hire more technically qualified people but some are now sending people without the experience, language skills, and local understanding that normally are PVO strengths.

Many of the characteristic strengths of the PVOs can be used to increase their effectiveness in achieving some of the key objectives of Sahelian development. Their limitations can be compensated for with careful, coordinated planning that includes an honest analysis of their specific strengths and weaknesses in a country or sector. However, to better achieve this there is a need for documentation and careful evaluation of PVOs’ successes and failures in the Sahel. AID and PVOs should study their past performance in the Sahel—e.g., cost of tied aid requirements, funding delays, lack of logistical support, problems caused by AID’s project design and monitoring requirements—and use this information to improve AID’s ability to work more effectively with PVOs.

The Peace Corps

The Peace Corps has volunteers and programs in six of the nine countries of the Sahel

(Chad, Cape Verde, and Guinea Bissau are excluded). The goals of the Peace Corps—to foster development on a people-to-people basis, promote understanding of the United States in developing countries, and American understanding of developing country societies—are achieved through a variety of programs. The numbers of volunteers and the major programs in each of the Sahelian countries in 1985 are shown in table 7-2.

A number of the projects that volunteers are engaged in relate directly to low-resource agriculture including work in agricultural research, young farmer education, agricultural extension, agroforestry and reforestation, wood stoves, animal husbandry and health, agricultural credit and marketing, wells, small-scale irrigation and vegetable gardening, wildlife, game ranching, range management, seed production, rice production, fisheries, and beekeeping (95).

In addition, many staff within AID, the multilateral institutions, and the PVOs working in the Sahel are former Peace Corps volunteers. Their knowledge of the local culture, language, and country condition was an important consideration in their selection and gives them a unique perspective on their new tasks. In 1982, more than 10 percent of the AID work force were former Peace Corps volunteers (124).

peace corps Opportunities and Limitations

The Peace Corps shares some of the same institutional opportunities that PVOs enjoy: small-



Photo credit: U.S. Peace Corps

This Peace Corps volunteer from Delaware works on village gardening, nutrition education, and fuel-efficient stoves in Mauritania.

scale projects, direct access to the farmers and rural poor, and flexibility in programming. As an independent government agency with a worldwide program, the Peace Corps has less flexibility and is not as free of political constraints as many of the PVOs. However, the peace Corps' funding base is more secure and predictable than many PVOs.

Begun in 1984, a Peace Corps program called the Africa Food Systems Initiative was set up to be "a long-term (10 year) collaborative effort assisting up to 12 African nations in their struggle to reverse the decline in per capita food production and attain self-sustaining food systems" (96). Two of the four pilot countries involved are in the Sahel: Mali and Niger. Building on past Peace Corps experience, teams of volunteers will work in activities designed to resolve problems of preproduction (land preparation, water supply, inputs, agroforestry, animal power, and implements); production (introduction of improved varieties and agronomic practices, fisheries, husbandry, and gardening); and postproduction (processing, preservation, storage, marketing, and distribution). Most work will be carried out on the village level.

The Africa Food Systems Initiative builds on the trend to recruit more technically qualified volunteers, while maintaining the traditional strength of the Peace Corps on the community,

Table 7-2.—The Peace Corps in the Sahel

| Country | Number of volunteers | Major Peace Corps program areas |
|------------------------|----------------------|---|
| Burkina Faso | 75 | Teaching English, agricultural education, reforestation |
| The Gambia | 55 | Health, nutrition, forestry |
| Mali | 80 | Woodstoves, water, teaching English |
| Mauritania | 48 | Agricultural extension, health education |
| Niger | 125 | Education, nutrition, forestry, health |
| Senegal | 95 | Rural development, forestry, health |
| Total | 478 | |

SOURCE Peace Corps, *Africa Region Briefing Book* (Washington, DC: April 1985)

grassroots level. Its implementation will affect recruitment, training, and programming.

The Africa Food Systems Initiative also builds on a growing collaboration between the Peace Corps and PVOs and AID. The collaboration with PVOs has taken many forms: volunteers assist PVO projects in their free time and have been assigned to work on PVO projects. For example, a fisheries Peace Corps volunteer helped Africare establish a co-op in Niger. Africare, Partnership for Productivity, and Aprovecho Institute have used Peace Corps volunteers to carry out collaborative projects in the Sahel (124). PVOs have provided materials and funding in response to volunteer requests. There are formal and informal systems of information-sharing between the Peace Corps and PVOs. Sometimes AID funding of PVOs is also used by the volunteers working on their projects.

Since the mid-1970s, increasing numbers of peace Corps volunteers have been assigned to work directly with AID projects. Collaboration of the Peace Corps with AID has its risks as well as benefits. The risk is that local people might come to identify the Peace Corps with an agency whose mission is more directly linked to U.S. foreign policy. The benefits are increased financial and technical resources available to the Peace Corps and grassroots outreach for AID. AID has developed two "fast funding" mechanisms for community-level development projects which are being used by volunteers in the Sahel: the Ambassador's Self Help Fund (\$50,000 to \$100,000 depending on the country and year for commodity procurement for self-help projects) and the Small Project Assistance Program (a \$40,000 fund in each country to support community self-help efforts identified with the assistance of volunteers).

Institutionally, the Peace Corps shares several limitations with PVOs—those dealing with overall impact and technical personnel. Institutional communication and coordination problems with the African government entities are less than those encountered by PVOs. Because of the short-term nature of the volunteer assignments, and emphasis on local community organization, local capacity-building is enhanced

by Peace Corps programming. However, because volunteers stay for short tours of duty (normally 2 years) Peace Corps programming has the built-in limitation of being short term and lacking continuity. This high turnover also helps account for the lack of an institutional memory and written record of over 20 years of Peace Corps village experience in the Sahel. Such a documentation of the accomplishments and lessons learned would provide valuable information for those planning programs and activities in the Sahel.

The Peace Corps does not have a Sahel-specific development strategy or regional administrative structure for the Sahel. The Peace Corps staff in Washington have responsibility for a mix of Sahelian and West African coastal nations; the Country Directors meet on a much larger regional basis. This administrative structure prevents the Peace Corps from developing coordinated subregional programming and training strategies that could better use scarce resources and extend the impact of the Peace Corps effort. Despite these limitations, the Peace Corps has the potential to continue to provide an important contribution to development in the Sahel according to the strategy objectives described earlier.

African Development Foundation

The African Development Foundation (ADF) is designed to support local self-help development efforts. Congress authorized the establishment of the foundation in 1980 to fill the gap between official U.S. assistance programs and the needs at the grassroots level by delivering assistance directly to people in rural communities and urban slums. Wholly supported by public funds, the ADF funds small projects designed, implemented, managed, and evaluated by Africans, who are required to include the poor in this process to the maximum extent possible.

The foundation began operations in fiscal year 1984. When two officials resigned in the first year, Congress requested the General Accounting Office to evaluate ADF's capacity to carry out its mandate. There was congressional pressure to fund quickly and develop a

number of policies and strategies before full-time staff was hired. The congressional awarding of “no-year” money was critical for the early survival and growth of the ADF. ADF now seems to be on its feet (135) with core staff in place and funding proceeding according to its 5-year plan.

In the first 12 months of operation slightly over \$1 million was awarded to 13 projects in 7 African countries. While both grants, loans, and loan guarantees are permitted, only grants have been made. Grants have ranged in size from \$700 to \$250,000, with an average size of \$70,000. The foundation is active in 14 countries in Africa, and has funded 70 projects. Eleven projects have been funded in the Sahel in Mali and Niger. The foundation will begin work in Senegal and Mauritania in 1986. A review of the projects funded in the Sahel shows that they take an integrated, local approach: several are helping transhumant herders make the transition to sedentary herding and include complementary activities such as vegetable gardening or poultry raising; others involve integrated village development projects with mixed livestock and food production, irrigation, and other social services; and three are women’s income-generating cooperatives.

ADF Opportunities and Limitations

ADF has some of the same institutional opportunities as the PVOs: smallness of scale, direct access to the poor, lower costs, and flexibility (1). It also shares with the PVOs and Peace Corps the limitations regarding smallness of scale and impact, and these are accentuated because it is so new,

However, the approach to development taken by ADF differs from that taken most often by both the other official programs and PVOs because it provides direct support to local community groups. While ADF does have funding criteria, its congressional mandate enables it to support development strategies and programs designed by Africans—rather than pre-selecting priorities and designing strategies and projects with passive participation by Africans. It is based on the assumption that development

is essentially an indigenous, self-directed process and that the role of outside assistance is to support it,

In addition, African groups funded by ADF are supported through local African technical assistance, authorized to purchase equipment and supplies on the local market, and are audited by African accounting firms selected by the foundation. In waiving tied aid requirements, Congress’ intent was to strengthen African capabilities.

Because it provides direct support to local self-help efforts, often business enterprises, local capacity-building is central to ADF’s mandate. Its first priority is to work with village organizations, and its second priority is to work with African intermediary organizations to provide technical assistance to the local groups, thus strengthening both. Several of its funding criteria are also designed to strengthen local capacity: ADF requires that the poor participate in project design, implementation, management, and evaluation, as well as garner benefits from the project; funding is limited to a maximum of 5 years to reduce dependency; and ADF does not fund core salaries to increase the chances of sustainability.

An important limitation on ADF’s contribution is its low priority in U.S. official development assistance. ADF was appropriated a total of \$8.5 million between 1980 and 1985 and an additional \$3.87 million in fiscal year 1986 (out of a total of \$15 billion for foreign economic and military assistance). However, because of the previous money made available, the Foundation’s fiscal year 1985 budget was \$4.5 million and the fiscal year 1986 budget is programmed at \$6.1 million.

The ADF mandate is clearly consistent with many of the elements of the development approaches needed in the Sahel. However, the degree to which ADF projects actually achieve these objectives, and the wider impact of the projects it supports, have not yet been subject to careful evaluation because funding started so recently,

American Private investment

A number of donor agencies, including the World Bank, AID, and several European donors, have given increased attention to the role of external private investment in Third World development. Nonetheless, even though there is some U.S. investment in the Sahel, the potential for significant increases is extremely limited for the short to medium term. Tourism offers some potential for increased foreign investment, for example, in Senegal and The Gambia, but the net benefits of tourism to the local economy are reduced by the sector's high demand for scarce foreign exchange—e.g., both to build and maintain the hotels and by negative social effects. The Overseas Private Investment Corporation (OPIC), which offers financing and insurance to U.S. investors to cover exchange of local currency into dollars and losses due to expropriation and war or revolution, has not financed any projects in the Sahel but has insured five investors in the Sahel: four in Senegal and one in Niger. In Senegal OPIC is insuring Mobil's oil refinery, Citibank, and two pharmaceutical projects of Warner-Lambert/Park Davis; in Niger, OPIC is insuring Citibank.

There has also been some activity in Sahelian nations by the Export-Import Bank, which supports U.S. exporters by enabling foreign buyers, including governments, to purchase American goods under various financing mechanisms. However, the Bank does not consider the Sahel as very promising for private investment and has limited its support to providing short-term credit for private sector purchases in several countries,

OPIC and Export-Import Bank-supported projects are the only primary U.S. investments in the Sahel. Most potential investors feel they can make more money elsewhere. Using the same logic as Sahelian farmers who chose not to accept proposed agricultural packages—businessmen feel there is not enough profitability in Sahel investment opportunities to offset the risk.

Beyond the obvious linguistic and cultural obstacles to increased U.S. private investment

in the Sahel, most of the major constraints to increased investment in and trade with the Third World identified by American business respondents to a Fowler-McCracken Commission Survey are relevant to the Sahel (82). The following policy-related constraints are of particular significance to U.S. business investors:

- **Complex investment Codes of the Sahelian Countries:** Based on French models of heavy State intervention, regulation, and control in the private sector, Sahelian investment codes are accompanied by a level of bureaucratic and legal procedure unacceptable to most American investors.
- **Restrictions on Ownership and Repatriation of Profits:** Most Sahelian States require majority local partnerships and/or significant public sector interest in most investment categories and restrict the repatriation of profits.
- **Complex Labor Relations Legislation and Relatively High Wage Rates:** Minimum wage legislation, social security benefits, pension requirements, and the forms and practices of labor relations make labor relatively high-cost for the skill level it represents.
- **Political Instability:** Perceptions of political instability create a major disincentive to foreign investment in the Sahel. Since 1980, the civil war in Chad with Libyan involvement, coups in Mauritania, an attempted take-over in The Gambia, and the anti-capitalist rhetoric of the current government in Burkina Faso have increased these uncertainties.

Despite efforts to alter disincentives, Sahelian and donor governments alike have been unsuccessful in attracting much new investment, or even, in some cases, of retaining past levels. The overall decline of Sahelian economies, both from production shortfalls and donor-encouraged (or imposed) austerity programs, has certainly been a factor in what amounts to a substantial net disinvestment in the area by private capital since 1980. Other more structural constraints limit external private investment and will continue to do so even if the economies

improve and policy obstacles are removed. These include:

- **Poor Infrastructure:** The lack of adequate roads, ports, airports, railways, access to inexpensive and reliable water and power limit private opportunities in the Sahel.
- **Lack of Skilled Labor:** General education levels, literacy, and technical skills remain lower in Africa than in almost any developing region. The costs of sending and supporting foreign management and skilled labor are increasingly high.
- **Small Market Size:** The population and size of African States, their poverty, deficiencies of marketing systems, customs differences between States, export restrictions, and costs all cut the market size for African enterprises, limiting efficiencies of scale and eroding potential profitability.
- **Underdeveloped Local Private Sector:** The indigenous private sector in many Sahelian countries is poorly developed and this limits opportunities for collaboration and joint ventures.
- **Lack of Raw Materials or Access to Them:** With few exceptions (phosphate in Senegal, iron in Mauritania and potentially in Senegal, uranium in Niger, and the principle industrial agricultural products: cotton, peanuts), the Sahel has few raw materials of industrial interest on which to build industry. At the same time, port and customs constraints and transportation problems for the land-locked states limits the economic viability of bringing in raw materials from the outside.

Little private capital currently flows into the Sahel and it is offset by outflows repaying past, external, private investment. For the low-income countries of Africa, outlays for repayment of principal of private nonguaranteed loans exceeded funds from new loans by \$74.1 million between 1981 and 1984. If interest payments are included in this calculation, African outlays exceeded funds from new loans by \$279.8 million for this period (151). Accepting a basic premise of the liberal free-market system, i.e., that capital will flow to the areas of greatest opportunity, private investors see their poten-

tial role in Sub-Saharan Africa and particularly the Sahel as more limited than development theoreticians would hope. The basic factors that underlie these perceptions on the part of businessmen are unlikely to change in the short to medium term. Thus, it does not seem that at this time U.S. private business investors are likely to be significant participants in the Sahel.

The many constraints to increased private investment notwithstanding, there are a variety of prospects for economic development within the Sahelian countries, and between them and the coastal States, that donor agencies can support—and perhaps even recruit the assistance of U.S. business in the long term. Some of these opportunities are small scale, building on existing enterprises. The strategy for achieving improved food security includes finding ways of increasing nonfarm incomes of both rural and urban people. Agriculture-related industries can create links with farm-level agriculture production. Certain U.S. PVOs, such as Partners for Productivity and Technoserve, are already involved in this area. Alternative sources of outside private investment may be better suited to these types of activities than are the larger U.S. multinational businesses. Private, church, and corporate foundations are starting alternative investment funds. For example, the Ecumenical Development Cooperative Society and Women's World Banking make loans and equity investments in small-scale economic ventures in Sub-Saharan African nations on confessional terms. Corporate social responsibility groups may be recruited to provide financial or technical support. In the short term, there is a need to collect information on sources of private funding in the United States that could be used by PVOs and others working in the Sahel,

In addition, some people interested in increasing U.S. private investment in developing countries recommend increasing the role of OPIC. Possibilities include restoring funding for direct financing of projects and investment feasibility studies—but targeting them to support the strategies necessary in the Sahel. Both could be helpful in developing long-term

business development strategies for investors interested in the Sahel.

Other U.S. Federal Agencies

Coordination problems increase with the number of actors involved, especially when each has a different goal and perspective. While a certain amount of diversity in approach is to be expected among U.S. Government agencies whose work affects the Sahel, agreement on an overall development strategy for the region would help increase the impact and avoid waste of public funds. Improved awareness by each of the actors of the objectives, strategies, and programs of the others could help improve matters. AID, because of its participation in the Club/CILSS process, is in a particularly good position to take more active leadership in trying to improve coordination among the U.S. Government agencies with programs affecting the Sahel.

Although AID and the State Department play the major policy roles in development assistance to the Sahel, other Federal agencies make important contributions. The U.S. Department of Agriculture, particularly because of its role in influencing policy for large amounts of food aid, is key among the other U.S. Federal agencies. In addition to its departments with jurisdiction over food aid, other USDA departments and programs which have valuable contributions to make to Sahelian development include: the Office for International Cooperation and Development in training and technical assistance (this office managed the Sahel Manpower Development Program); the agricultural research programs supported by the Agricultural Research Service, the Cooperative State Research Service, and the Forest Service; and the Economic Research Services,

The National Oceanic and Atmospheric Administration of the Department of Commerce has used its expertise in climate assessment in support of Sahelian development. Through such techniques as satellite imagery and data collection from Sahelian countries, NOAA compiles rainfall and crop production data used in a Famine Early Warning System run in con-

junction with AID. However, present techniques better estimate crop productivity per acre than total production. NOAA also supports the Sahelian Regional Center for Agrometeorology and Applied Hydrology (AGHRYMET) located in Niger.

Because of its role in relation to the International Monetary Fund and World Bank, the Treasury Department is also an important U.S. actor. Monetary policies and debt issues of Sahelian countries in particular are affected by its actions. OPIC has already been mentioned, as has been the Export-Import Bank. In addition, the Office of Management and Budget, because of its key role in allocation of public funds for all other agencies, is another key actor.

Insofar as AID funds the activities of various private organizations, including U.S. universities and private firms, such as consulting firms, it clearly has a role in coordinating



Photo credit: U.S. Agency for International Development

NOAA, along with AID, supports the Sahelian Regional Center for Agrometeorology and Applied Hydrology near Niamey, Niger.

their individual efforts. For example, through the Board for International Food and Agricultural Development, AID supports agricultural research efforts of U.S. universities. Especially important are those of the Collaborative Research Support Programs (CRSPs) in which U.S. universities work together with research institutions in developing countries. The CRSPs active in the Sahel are: sorghum/millet, peanut, bean/cowpea, and tropical soils. (See table 7-3.)

This list is illustrative, not exhaustive. If AID is to take a leadership role in improving coordination among U.S. agencies active in the Sahel, one of the first steps would be a careful identification of the various U.S. programs that either currently do—or could have—bearing on more effective achievement of the strategic directions described earlier. Coordination could occur both in-country and in Washington.

Table 7-3.—Collaborative Research Support Programs (CRSPs) Active in the Sahel

| CRSP | Countries | U.S. universities |
|----------------------|--|--|
| Sorghum/millet . . . | Burkina Faso The Gambia Mali Niger Senegal | Kansas State University, Purdue University, and Texas A&M |
| Peanut | Burkina Faso Niger Senegal | University of Georgia and Texas A&M |
| Bean/cowpea . . . | Senegal | University of California at Riverside, University of California at Davis, and University of Arizona |
| Tropical soils . . . | Niger | Texas A&M |

SOURCE: U.S. Agency for International Development, Board for International Food and Agricultural Development, May 1986.

MULTILATERAL AND BILATERAL DONORS

In addition to understanding Sahelian institutions, it is important to examine the Sahel's partners in development—the international donors. The aftermath of the Sahelian drought of 1968 to 1973 witnessed not only more than a trebling in donor assistance but also an unprecedented proliferation of the number of external organizations involved. They are bilateral and multilateral, governmental and private; they provide technical assistance, loans, grants, training, commodities, or merely good will. The diversity of these organizations is great—from their goals and objectives, to their strategies and methods of operation. Given their great investment in the Sahel and the influence they collectively have on development activities, the characteristics of these donor organizations have fundamental implications for the implementation of Sahel development strategies.

In 1984, total official development assistance (ODA) committed to the CILSS countries was \$1.9 billion: about 69 percent of the assistance was through bilateral channels and 31 percent through multilateral agencies (32). After steadily rising through the 1970s, total ODA peaked in 1981, declined through 1983, and rose nearly

to its *1981 level* in 1984 because of increased levels of emergency food aid (26). The United States contributed 9 percent of the total ODA from 1975 to 1983;¹ however, the U.S. commitment of \$274 million in 1984 was 14 percent of the total. (Club statistics include all U.S. aid, not just development assistance under the SDP.) Including its contributions to the multilateral organizations, the United States is an important but not predominant donor in the Sahel. (See table 7-4 and app. A tables A-1 through A-4.)

At the heart of the Club/CILSS framework is the commitment of the donors to work together with the CILSS countries in a coordinated approach to achieve Sahelian development. While the various donors have a diversity of strengths and resources, some of them are more important in relation to the regional strategies than others. The number and diversity of actors increases coordination problems and the potential for duplication and conflicting priorities. However, the diversity of strengths also en-

¹Data regarding ODA in this section is from Club du Sahel/CILSS, *Official Development Assistance to CILSS Member Countries in 2983* (Paris: OECD, 1985) unless otherwise noted.

Table 7-4.—ToP 10 Donors to Sahelian Member Countries, 1975-83 (U.S. dollars)

| Donor | Millions of U.S. dollars | Percent of total aid |
|--|--------------------------|----------------------|
| France | 2,247 | 18 |
| European Economic Community | 1,540 | 13 |
| West Germany | 1,067 | 9 |
| United States | 1,041 | 9 |
| World Bank/International Development Association | 998 | 8 |
| Saudi Arabia | 792 | 6 |
| United Nations | 609 | 5 |
| Canada | 554 | 5 |
| The Netherlands | 439 | 4 |
| African Development Bank | 411 | 3 |
| Total of top 10 donors | 9,698 | 80% ^a |
| Total commitments, 1975-83 | 12,201 | |

NOTE In 1984, \$192 billion was the total committed

^aOf total Official Development Assistance

SOURCE Club du Sahel/CILSS, *Offical Development Assistance to CILSS Member Countries in 1983* (Paris: Organization for Economic Cooperation and Development 1985)

hances the ability to deal effectively with the various challenges of Sahelian development (the interrelated technical, policy, and institutional issues), at various levels (farm, village, national, and regional levels).

The different multilateral and bilateral donors active in the Sahel have different institutional strengths and weaknesses arising from different purposes, perspectives, and histories. There are important differences in size of programs, scale of programs and projects, sectors within which each operates, types of assistance provided, and approaches to development.

Size of Programs and Trends

Decisions about the total resources to commit to recipient countries are made independently by each donor as are many other decisions regarding types of assistance and approaches to development.

The largest bilateral donors from 1975 to 1983 were France, the Federal Republic of Germany, the United States, and Saudi Arabia. The largest multilateral programs were those of the European Economic Community (EEC), the World Bank's International Development Association (IDA), the U.N. agencies—World Food Program (WFP), U.N. Development Program/Food and

Agriculture Organization (UNDP/FAO), the International Fund for Agricultural Development (IFAD), and the African Development Fund of the African Development Bank (ADB).

France remains predominant among the donors in the Sahel, continuing its historical, cultural, and economic ties with its former colonies. Many French expatriates are involved in governmental and parastatal bodies as technical advisors and Sahelian governments receive a sizable portion of the external assistance under the French Assistance and Cooperation Fund (FAC). Recognizing the increasing costs of maintaining its influence over the region after independence, France successfully pursued a strategy to involve other European donors in providing assistance, especially through the EEC.

The Organization of Petroleum Exporting Countries (OPEC), who together with their multilateral institutions are another significant set of donors, also have historical, cultural, and political ties with the Sahelian nations including membership in the nonaligned movement and pan-Islamic movements. Petroleum income influences OPEC's levels of funding: after peaking in 1981 at \$425 million, OPEC funding declined to \$300 million in 1982 and leveled off near \$200 million in 1983 and 1984 (15 percent and 12 percent of total ODA in 1983 and 1984).

While the OPEC nations are reducing their assistance, others are increasing theirs, in part as a response to the drought. Some bilateral donors, for example the Canadians and Dutch, are increasing their assistance. Other donors new to the Sahel, such as Italy, Japan, and some PVOs, are now designing aid programs. Some donors are active only in Sub-Saharan Africa; for example, the Economic Development Fund (EDF) of the EEC and the ADB. Other donors conduct programs throughout the world but give special status to the Sahel, such as France and the United States. Some donors concentrate the majority of their resources in one country: Sweden to Cape Verde, England to The Gambia, and Saudi Arabia and Kuwait to Mauritania. Senegal has received the most assistance (from 1974 to 1982); The Gambia, Cape Verde, and Chad have received the least.

Project Size and Scale

The regional development strategies in the Sahel include a role for both large- and small-scale projects. Certain donors fund large programs and projects, including the World Bank, IFAD, the OPEC nations, and AID. Because some types of projects or programs require larger amounts of funds, such as capital-intensive infrastructure (roads, dams and river basin development), balance of payments and budget support, food aid, multisector (integrated) rural development, funders who emphasize these projects tend to be the larger donors who make large commitments. The lending institutions generally make larger commitments than grant-making ones: the French Central Fund for Economic Cooperation, ADB, and IFAD make large average commitments. However, some grant-making institutions, such as AID and EEC's EDF, have a tendency to make larger grants than others.

Size of commitment and scale of project generally show a positive correlation. Large projects, however, can impede local development. For example, large sums of money sometimes can be counterproductive for small, community-based, approaches. According to one analysis of the World Bank's effort to implement a poverty-oriented approach, the need to move large amounts of money was a major constraint to its success (3). IFAD is unique in its attempts to resolve the tension between large- and small-scale approaches: it commits large amounts of money to projects carefully designed and monitored for impact on a small scale and local level. AID also has attempted to resolve this tension by providing large grants to U.S. PVOs for similar projects in a number of villages.

Sectors Where Funders Operate

Various donors concentrate their resources on different sectors (see table A-4 in app. A). Most of France's funds from 1975 to 1983, for instance, were for technical assistance, budget support, and rainfed and irrigated agriculture. During the same period the United States concentrated on food aid, rainfed agriculture, mul-

tisector rural development, and technical assistance. The OPEC nations primarily supported transportation and other infrastructure, multisector rural development, and balance of payments and budget support. EEC focused on food aid, balance of payments support, infrastructure, and multisector rural development.

By coordinating complementary activities, donors can obtain greater impact and use resources more efficiently (17). For example, France provides as much funding for agricultural research as the United States, but places most of its funds and technical expertise in the national agricultural institutions, with a small part going to the international research institutions. This is the reverse of U.S. support. The need for more effective collaboration between the national and international agricultural research institutions reflects a need for closer collaboration among donors.

In each of the sectors, several bilateral and multilateral donors predominate. For example, the World Bank/IDA and the United States have major programs in forestry and ecology. Since the mandate of the United Nations Sudano-Sahelian Office (UNSO) was expanded in 1978 to help 19 African nations combat desertification (working together with the U.N. Environmental Program), most of the projects UNSO now supports in the Sahel deal with conservation issues.

Donors' priorities change over time. New commitments to river basin development and livestock have been declining recently, while support for food aid and rainfed and irrigated agriculture have been increasing (see table A-5 in app. A). The World Bank's increased emphasis on agriculture and rural development in the 1970s was an integral part of its Basic Human Needs Approach; now its published research and policy statements also stress other issues, including policy reform, population, and environment. However, donors' stated priorities may differ from the actual allocation of resources. The Club/CILSS strategy stresses forestry and environment in its policy statements, yet these areas receive less than 2 percent of the funds allocated. Most major donors call for direct assistance to small farmers, while the ac-

tual allocation of funds supports large-scale projects with only indirect benefits for farmers. For example, the greatest amount of IDA loans to the Sahel from 1975 to 1983 were for transportation and infrastructure (\$276 million) and irrigation projects (\$121 million; see table A-4 in app. A), while agricultural projects stressed export and irrigated, import-substitution crops.

Types of Assistance

Donors provide different general types of assistance to countries or sectors within countries—grants, loans, food commodities, and technical assistance. Certain donors may prefer some types of assistance while recipients may prefer others. Assistance from multilateral organizations or aid packages from several donors can provide the flexibility to match available assistance with the needs of recipients.

A number of institutions award grants: EDA of EEC, France's FAC, AID, and the UNDP. Others provide loans: e.g., the World Bank, France's CCCE, IFAD, and ADB. In the Sahel, more development assistance has been in the form of grants than loans. However, the trend is for an increasing portion to be loans: the 1980 to 1983, 3-year average of ODA provided to the CILSS countries was 65 percent grants and 35 percent loans, but the annual percent of grants declined from 67 to 62 percent during this time. France, for example, provided two-thirds of its assistance in 1983 in loans (through CCCE) and one-third in grants (through FAC).

Most development lenders make loans both at market rates and on better-than-market, concessional terms, but only loans on discounted terms (e.g., loans by IDA of the World Bank and African Development Fund of ADB) are considered part of development assistance. Because of their poverty, the Sahelian nations usually receive concessional loans from these institutions; Senegal is the only nation that has received nonconcessional loans from the World Bank.

Even though concessional terms delay the impact, these loans eventually must be repaid.

While the multilateral lending institutions play a major role in designing the projects they fund, the Sahelian governments face the greater financial risk of whether or not the projects succeed. The lending institutions' first goal is ensuring that previous loans are repaid, a perspective that may lead to some conflict with the Sahelian countries' development priorities. Related tensions exist between donors with differing amounts of grant and loan funds for a certain country or sector, between concessional and market rate lenders, and between lenders whose mandates require short-term payback and those with "softer" terms. This situation clearly calls for increased collaboration among donors on a country-by-country basis. Until now, however, donor discussions on debt primarily have related to debt rescheduling.

Another form of assistance is to provide commodities, especially food aid, which may be distributed by recipients as emergency food, used in Food-for-Work type programs, or sold by Sahelian governments at subsidized or market rates. Donors may give commodities free of charge or sell them on concessional terms to Sahelian nations. The United States and other nations provide food aid through bilateral and multilateral channels. The United States, the U.N. WFP, and EEC are major providers of this type of aid in the Sahel. Food aid totaled 14 percent of ODA to the Sahel in 1983, before the height of the drought, and 40 percent of it was provided by WFP. WFP, which provided 60 percent of all U.N. assistance to the Sahel in 1983, distributes commodities received from the United States and other nations. At one time, its food assistance included animal feed (important for the pastoralists in the Sahel) but this is no longer the case (55). In its analysis of trends over the past decade, the Club/CILSS concluded that food aid had grown even in years of normal rainfall, an annual average rate of growth of 7 percent from 1975 to 1983. This shows that the food aid is increasingly accepted as normal and that commodities are being used more as a form of budget support and less for emergency aid (25). The major drawback of this type of aid is its possible negative effect on incentives for domestic food production.

The actual extent of these negative impacts is controversial. In a recent survey of food production and food policies in 20 Sub-Saharan African nations, including all the CILSS nations but The Gambia, the Congressional Research Service was unable to find any empirical studies on the effect of food aid on recipient government agricultural policies or on prices received by farmers (63). The role of food aid in relation to Sahelian agricultural development, especially in relation to food policy reform, needs to be carefully evaluated. In this area, as in so many others, there is also a need for concerted effort among the donors.

Many donors, including France, the United States, and FAO, also provide technical assistance. Technical assistance is usually classified as a grant or loan even if the money is used to pay salaries and expenses of a person from a donor country, a practice that recipients feel reduces the value of such aid. The quality of foreign technical assistance to the Sahel has been mixed and the costs are very high. Questions can be raised as to its appropriateness, especially regarding the lack of Sahel-specific experience of outside experts, and the degree to which this limits institutional development of the recipients.

The UNDP provides U.N. funds and coordinates U.N. projects in Sahelian countries with technical assistance provided by other U.N. agencies, often FAO. Some projects are implemented by a U.N. agency, but financed bilaterally. In addition, the technical assistance may be in the form of assistance to raise funds from other sources. For example, UNSO, set up in 1973 to coordinate assistance of the U.N. agencies in the CILSS countries and help the Sahel recover after the drought, identifies projects supported by the African governments and then finds other bilateral or multilateral donors to fund them. While its administrative costs are borne by UNDP, it acts as a broker with an array of funders (including other African nations) rather than as a funder itself.

Many donor countries, like the United States, provide all of these types of assistance, sometimes through different agencies. In addition,

there are other forms of assistance, such as loan guarantees and equity investments, and differences in how they are provided. Some donors prefer to be the sole funder of a large, visible project while others prefer to co-finance projects with other donors; I FAD, for example, has co-financed half of its projects with the World Bank.

Faced with such an array of actors and mechanisms of support, Club du Sahel Executive Secretary Anne de Lattre concludes that the best starting point for donor coordination is:

... to introduce low-key, technical coordination mechanisms at the country level starting with various sectors [e. g., irrigation, reforestation] where responsible nationals and donors can discuss ongoing projects, try to solve pending problems, and use their experience to plan more successful initiatives (38).

A Variety of Strengths

Donors possess a variety of strengths in the substantive areas of the overall development strategy directions that are needed in the Sahel. Some PVOs and the Peace Corps, as well as volunteers from other nations, are commonly perceived to have a comparative advantage in grassroots or village level work. The World Bank and United States are considered strong in macroeconomic analysis and policy reform while the United States and France are experienced in agricultural research. The United States and West Germany have skills and experience in forestry; the Dutch are strong in small-scale irrigation. Of course, at any given time in a specific country, the strengths of the personnel available in assistance organizations will vary.

However, the perceived strengths need to be reviewed critically. For example, a concern exists regarding the process by which analysis for the World Bank's recommendations for policy reform is carried out. This is particularly important because the Bank is seen as providing the lead for AID and other donors that lack the World Bank's capability for economic analysis.

Reasons for the World Bank's relative strengths in policy reform include the advantage it has as a multilateral organization and because of its relationship with the International Monetary Fund (IMF), though there is concern about lack of coordination between the World Bank and IMF (17,99). Because of the Bank's centralized structure, most of the economic analysis is done by the Bank's economists in Washington, where 94 percent of the Bank's staff work (3). Criticisms are often heard that economic analysis is based on generalizations, untested beliefs such as the efficacy of the private market, and that these are applied to all countries without much sensitivity to social and economic costs to the people or political costs to the government of a specific country.

So far, policy reform theories are largely untested in the Sahel. One official in a French development agency suggested that some economic advice is derived more from ideology than analysis. This criticism has been directed at the United States, the World Bank, and other donors supporting policy reform and who make it a condition of their assistance.

A Diversify of Approaches

Donors take different approaches regarding degrees of centralization and intensity of management, whether they employ a top-down or bottom-up approach, and degrees to which their programs are influenced by other goals such as political or commercial interests. Some assistance programs are very centralized, with the vast majority of their staff in headquarters (e. g., World Bank/IDA and IFAD), while others have a number of field offices and large numbers of staff in the Sahel (e. g., AID, UNDP, and FAO). Some donors (e.g., France) combine centralized approaches with field staff. Whether these differences are advantages or not is hard to judge. Some see the small number of World Bank field staff as an institutional constraint preventing implementation of the Bank's professed poverty alleviation policy; but it also can be seen as an advantage over AID in that once the Bank funds projects, it is not closely in-

involved in their implementation (105). Management approaches also vary. Different donors require different numbers of people to administer a given amount of money, with those that fund large, capital-intensive loan programs generally requiring smaller numbers of field staff,

Some programs and projects are more management-intensive than others. For example, one of the strategic elements described as important in previous chapters is the need for local participation and village level programming. Development, support, oversight, and evaluation of these types of programs require significant amounts of staff time in relation to sums disbursed. The benefits of such an approach for achieving the goal of providing more effective assistance to Sahelian food security—on the national, regional, and individual level—argue against further cuts in field staff and for relieving field staff of some requirements. They also argue for greater use of Sahelian staff and organizations, perhaps on a contractual basis, and PVOs. They also indicate a need for a reduction or simplification of a number of reporting requirements for the local-level project implementors.

Another basic difference in approach is the degree to which a particular donor espouses, and then implements, a top-down or bottom-up approach to development. Many PVOs, the Peace Corps, IFAD, and the African Development Foundation, for example, espouse a bottom-up approach. On the other end of the spectrum are highly capital-intensive, large-scale, top-down government-oriented funding programs that favor infrastructure and balance of payments. The rural development strategies of the large funders, including the World Bank and AID, encourage bottom-up, participatory development. However, their size and institutional characteristics constrain their ability to develop and implement programs based on those goals.

Another difference in approach among donors is the degree to which they are *influenced* by goals unrelated to development. The Dutch program, for example, has been characterized as more development oriented and less

tied to commercial interests than other bilateral programs. The political pressures of groups such as American and European farmers, Italian engineering firms, and Japanese and U.S. automakers, often result in policies that lessen the effectiveness of development assistance. For example, tied aid requirements limiting the recipient to procure goods and services in the donor country affected 43 percent of bilateral ODA from DAC countries in 1982 to 1983. These requirements not only reduce the value of the assistance but also result in the introduction of inappropriate technologies. While most of the European donors have tied aid requirements similar to the United States, the OPEC nations and multilateral agencies do not (147).

An oft-cited advantage of multilateral aid is that it is not tied to the commercial or short-term political objectives of individual nations (57,147), although others challenge both of these assumptions (3,94,99). A greater proportion of

multilateral funding goes to low-income countries than does bilateral aid. Most bilateral funds go to middle income developing countries, often for nondevelopmental purposes (147). Bilateral aid is an increasing percentage of total U.S. assistance.

Within the diversity of donor organizations and forms of assistance, each has relative strengths and weaknesses. The scope of the challenge in the Sahel is broad enough so there is a role for each. Since no one donor can meet all the needs, collaboration is essential to maximize the impact and make the best use of scarce resources. An effective U.S. strategy should be based on a determination of the relative strengths and weaknesses of the various institutional actors and forms of assistance. Such an analysis must begin by considering U.S. institutions and the potential they have for contributing to the Sahel.