Community user groups: vehicles for collective action—or personal gain?

A study of three user groups in India suggests that such groups rarely perform as expected.

Devolution of management to the local level has become increasingly common in development initiatives. Nearly 40 percent of World Bank projects in India, for example, depend on local organizations such as user groups to enhance project effectiveness. The assumption is that user participation in project implementation:

- Improves project outcomes.
- Fosters the inclusion of disadvantaged people in decisionmaking.
- Promotes equitable distribution of project benefits.
- Increases local commitment to project objectives.
- Contributes to democratic governance and accountability.

Yet projects involving user participation have had mixed results in achieving these goals. This note is based on an empirical study of the performance of 100 community user groups involved in the collective management of natural resources in three Bank-supported projects in India. The study was undertaken in the states of Andhra Pradesh, Madhya Pradesh, and Uttar Pradesh. It used a mixed methodology, covered 100 villages, involved more than 2,000 respondents, and assessed whether the user groups were performing as expected.

Two aspects of performance were evaluated: group achievement and group functioning. Among the issues analyzed were member perceptions of groups' achievement of formal and member objectives, participation in different group activities, realization of benefits, group transparency, and internal accountability.

**Group achievement**

Formal group objectives involved the equitable distribution of benefits, increased supply or productivity of benefits, and maintenance of assets used or created. Among all the groups analyzed, 35 percent of members felt that the groups had done a good job of achieving formal objectives, 28 percent felt that formal objectives had been satisfactory achieved, and 14 percent felt that these objectives had not been achieved. Yet projects involving user participation have had mixed results in achieving these goals.

Despite the hierarchical social context, distribution of benefits was not biased toward any social or economic group.

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group meetings, served as group representatives, or were young or well-connected community members.

In addition, while groups’ formal objectives rarely coincided with members’ personal objectives, user groups did provide most members with the benefits they expected—regardless of their social or economic status.

**Participation and equity**

All the user groups studied were expected to support the equitable inclusion of different stakeholders and to function as democratic bodies overseeing collective resource management and benefit distribution. Advocates of community participation in resource management believe that it increases local ownership and enhances equity, thereby contributing to development goals.

Member participation varied considerably among the groups. Members who attended meetings indicated that their participation was motivated by prospects of personal gain and improved livelihood options. None of the members cited cooperation for the maintenance of collective assets as a reason for their participation. Groups were considered means to individual ends, not mechanisms for cooperation or collective action.

Overall, group meetings were poorly attended. Attendance was more likely among elected representatives and members involved in political activities—and most likely among members who were well-connected or who owned more material assets. Women rarely participated in meetings or served as representatives. The user groups in Madhya Pradesh had the highest attendance, with regular participation by nearly half of members. In Andhra Pradesh and Uttar Pradesh two-thirds of members rarely or never attended a group meeting.

Lack of information about when meetings occurred was the most common reason for nonattendance, cited by 40–55 percent of members. In addition, in Madhya Pradesh and Andhra Pradesh nearly a quarter of nonattendees said that they did not have time to participate in meetings. In Andhra Pradesh the same proportion said that they had no interest in attending meetings, and in Uttar Pradesh the same proportion indicated that no meetings were held.

Among members who attended meetings, participation in different stages of group decisionmaking varied by state. As a result different stakeholders had different influences on group business. Although project staff usually initiated discussions during meetings in Uttar Pradesh, 70 percent of attendees reported being involved in the discussions. Project staff also played a major role in making final decisions for these groups—but only about 20 percent of attendees felt that they had participated in this stage of decisionmaking.

In contrast, in Madhya Pradesh group chairmen tended to initiate discussions and finalize decisions, with project staff playing a smaller role. Perhaps more important, more than 90 percent of attendees felt that they had participated in discussions. In Andhra Pradesh few group members reported participating in any aspect of decisionmaking. Members said that chairmen made nearly all decisions based on discussions with representatives rather than with the group as a whole. The study found no case where a woman initiated a discussion or made a final decision.

Despite this, there was no evidence that extensive participation in decisionmaking was required to achieve distributional equity. This was largely due to the efforts of project staff, who played an important role in ensuring that no group appropriated benefits—particularly in areas where wealthier and upper-caste residents have traditionally benefited most from development opportunities. In Andhra Pradesh caste-based power and politics undermined group functioning, leading members to request increased involvement by project staff. Similar conditions prevailed in Uttar Pradesh, causing project staff to act as “equity police.”

**Transparency and accountability**

Transparency is essential to a well-functioning organization. It allows people to
know what decisions have been made, how they were made, and whether the organization’s rules were followed. The study, however, found that little information was available on the outcomes of group meetings, that few members knew how group funds were structured or used, and that members were generally unfamiliar with accountability mechanisms (figure 1).

When members have little knowledge of group operations and transactions, it can increase opportunities for mismanagement and corruption. But it does not necessarily indicate that the rules of the game are being ignored or that the distribution of benefits is inequitable or unsustainable. If rules of governance and accountability are in place and dependable, groups can function well even if members lack knowledge of group business.

In all three states, members knew very little about group governance. In Uttar Pradesh two-thirds of members did not know how group chairmen were selected. Most members in Andhra Pradesh and Madhya Pradesh knew how chairmen or presidents were chosen, but few knew much about rules for holding representatives accountable. In Uttar Pradesh and Andhra Pradesh nearly 95 percent of members knew of no such rules; in Madhya Pradesh, 63 percent. And regardless of awareness, accountability mechanisms were rarely—if ever—applied.

**Sustainability**

Given that few people attend meetings, few know how implementation committees operate, and even fewer are aware of rules on accountability and governance, it is questionable whether benefits will continue to be equitably distributed once the Bank projects end, or that groups will continue to function.

User groups are crucial in implementing decentralized projects, and project designers and implementers expect the groups analyzed here to continue functioning after the Bank projects end. But in all cases, group formation and support activities responded only to the incentives of project staff—rather than to group needs such as building local initiative, responsibility, and accountability.

User groups require varying support from project staff. External support is especially important in the early stages of implementation, when members of project-induced groups tend to exhibit little ownership of group activities and governance. Based on their experiences with various government and nongovernmental organization initiatives, group members are accustomed to external agencies taking ultimate responsibility for group management.

This approach may be appropriate for groups not intended to survive beyond a project period. But the success of longer-lasting groups may depend on whether roles played by project staff can be transferred to other individuals or agencies, such as India’s elected panchayati raj institutions. Current links between these organizations and user groups are extremely limited and tend to be confined to individual, not group, contacts.

**Conclusion**

Indian villages are often divided by factions, hierarchies, and exploitive relationships between rich and poor people. These divisions can impede project goals such as broad participation, believed to form the basis of decentralization and local decisionmaking. If collective management of a natural

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**Figure 1  Member awareness of user group finances and transactions**

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<tr>
<th>Percent</th>
<th>Availability</th>
<th>Amount</th>
<th>How spent</th>
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*Note: Sample covers 100 user groups in 100 villages. Source: World Bank data.*
resource is required to achieve a project’s objectives, project staff need to develop strategies for working with differing levels of member interest and for building member confidence in the benefits of cooperation. Project designers and implementers need to better understand member objectives, be more pragmatic in their expectations of how local organizations function, and be more realistic about what they can accomplish given the level and type of resource management required. Although the user groups studied were effective in some ways, it is not certain that they will be able to evolve or even handle serious problems independently.

**Further reading**


This note was written by Ruth Alsop (Senior Social Scientist, Poverty Group, PREM Network) and Samantha Forusz (Social Development Specialist, Environment and Social Development Unit, South Asia Region). The research report on which this note is based and the related Social Development Paper are available on request.

If you are interested in similar topics, consider joining the Decentralization Thematic Group. Contact Dana Weist (x82210) or click on Thematic Groups on PREMnet.

Until the long-term benefits of cooperation become tangible, user groups are unlikely to be sustainable.