

NGO Competition and Urgency Bias

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This project falls into the domain of the theoretical analysis of non-profit organizations, and more generally, the private provision of public goods. In this project, we plan to study – using the methods of industrial organization and game theory – the functioning of economies with non-governmental organizations (NGOs) that produce public goods but have to compete with each other for donations.

More specifically, we aim to study the effect of the intensity of spatial competition among NGOs on the allocation of resources by them between different projects (e.g. more urgent – emergency driven and more long-run – capacity development ones) and to compare the outcome with optimal allocation from the point of view of beneficiaries' welfare.

This is an under-explored question of interest, with important policy implications, in particular, for designing regulatory policies in the NGO sector and decentralized foreign aid.