

Effect of market development and macroeconomic policy on feelings of trust and acceptance of diversity

Market development and macroeconomic policies show harmful effects on overall feelings of trust and acceptance of diversity by increasing divisions between members and non-members.

Geographic region: Sub Saharan Africa

Effect: Harmful effect ($g=-0.076$)

Confidence in study findings: Low (1 study with 4 effect sizes)

Short Summary

Market development interventions like agricultural cooperatives can enhance trust and acceptance of diversity among members by promoting collective farming, resource sharing, and collaboration. However, non-members often report lower trust in their neighbors, reflecting a harmful effect on overall community-wide trust. This indicates that while cooperatives may benefit participants, they can inadvertently create divisions and reduce social cohesion across the broader community.

Long summary

The intervention

Agricultural cooperatives are designed to support rural farmers through collective bargaining, shared labor, knowledge exchange, and economies of scale. In the included study, three cooperatives in Burundi (Muzye, Musongati, and Kiremba) were organized by the NGO Plant with Purpose. Membership required a small fee (approximately US\$40), and cooperatives provided opportunities for financial and social collaboration among participating farmers.

How the intervention is expected to work

Cooperatives aim to improve livelihoods by pooling resources, sharing knowledge, and enhancing economic stability. Participants may experience increased trust and social support due to collaboration. However, non-members may perceive inequality or exclusion, which can reduce trust toward cooperative members and undermine broader community cohesion.

The evidence base

This cell includes one study on agricultural cooperatives in rural Burundi. The study utilized data collected through a one-time survey conducted in 2011 across three villages where cooperatives were either operational or newly established.

Evidence findings

Agricultural cooperatives increase trust and acceptance of diversity among members, but can lower trust between members and non-members, resulting in harmful effects on overall community trust.

Included studies

McDougal (2014) examines the effects of agricultural cooperatives on land conflicts, inequality, violence, and community trust in three Burundian villages. Burundi has a history of ethnic tensions and violence, with the Tutsi minority controlling the government and military, and the Hutu majority facing exclusion and repression. The study uses a pseudo-difference-in-differences (DiD) analysis on a cross-sectional dataset of 95 community members in three different villages in which the cooperative has been, or is becoming, operational. The interaction between cooperative membership and being in a cooperative village is positive and significant indicating that cooperative members report greater trust in their colleagues. The interaction between cooperative membership and being in a cooperative village is not statistically significant. The study is rated as high and medium confidence quantitative study that the one-shot evaluation design and the small number of communities surveyed prevent the authors from making causal claims.

Confidence Assessment

Overall confidence is low, due to the limited number of studies, with only one study included in this cell.

Other outcomes in the study:

Violence and atrocity prevention / nature and scale of violence and atrocities