CHAPTER TWO

ROLE OF NON-GOVERNMENTAL ORGANISATIONS IN THE CONTEMPORARY SOCIETY

2.1 Introductory

A Non-Governmental Organization (NGO) is an institution that is often been engaged in many social development activities. These institutions are organized by a group of people who feel that they have a moral duty to serve the community. A non-governmental organization is a legally constituted organization created by natural or legal persons that operates independently from any form of involvement of any government. The term ‘Non-Governmental Organisation’ originated from the United Nations and is normally used to refer to organizations that are not a part of the government and are not conventional for-profit business, too. In the cases in which NGOs are funded totally or partially by governments, they maintain their non-governmental status by excluding government representatives from membership in the organization. The term is usually applied only to organizations that pursue wider social aims that have political aspects, but are not openly political organizations such as political parties. These are organized on a voluntary basis on the principle of service to the socially disadvantaged classes.

Non-Governmental Organizations are playing increasingly important role in the development process in less developed countries. They are supposed to perform a very distinct function in filling the gaps ignored or bypassed by other agencies, both in private as well as in public sectors. NGOs are found operating in what is sometimes labelled as the third or voluntary sector to distinguish it from public (state), and private (market) sectors. Although the NGOs

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are part of the so-called ‘third sector’, yet it is important to note that they are among many other types of organisations covered by this particular sector. National governments throughout the length and breadth of the world have had to deal with the growing visibility of NGOs in varying degree.

The growing visibility of NGOs provoked a series of associated responses. Major international and national development agencies, planners, ideologists and theoreticians had to deal with NGOs their roles, position, behaviours and dynamics - a phenomenon largely missing a decade ago. Most bilateral agencies large in providing development aid and have started including NGOs in their framework. The same can be said for multi-lateral institutions’ and, in recent years, by such bodies as the work band.NGOs in India are generally registered under the Societies Registration Act. Sometimes they are also registered under other similar legislation like the Indian Trust Act, the Indian Cooperatives Societies Act etc.

This chapter has been devoted to the history, roles and related aspects of voluntary organizations in India in supporting the growth and development of voluntary initiatives in the country. I have also briefly mentioned about the contemporary challenges and problems facing voluntary organizations in India. It may be appropriate to mention here that the era of 1980s and of 1990s could well be called the era of Non-Governmental Organizations (NGOs), Voluntary Development Organization, Voluntary Agencies, etc. In the border arena of the development debate, the work and experiences of NGOs have received particular visibility during that period. Whether it is adult education and literacy or primary heath care, NGOs seem to have made their mark in each one of these areas. Issues of women’s rights, themes of women and development, of oppression against women and gender discrimination are today at the centre-stage of the development debate and on the agenda of planning for programmers because of the work citizen’ groups, women’s organizations, voluntary agencies and the like. In more recent years, the entire spectrum of the debate on the question of environment and sustainable development can easily be traced back to the work, as well as the experiences of those associated with NGOs and voluntary organizations.

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The visibility has been possible, on the one hand, because of the claims and public posture taken by the NGOs, consortiums and networks of NGOs themselves. The internationalization of those networks and linkages across NGOs has, on the other hand, only helped to increase that visibility. Bringing hitherto neglected sectors and clusters of population into development planning - women, tribals’, the landless, working children, etc.etc - is being claimed as one of the major contributions of voluntary development organizations during the last few decades. Raising issues hitherto ignored in the development dialogue debate and planning - issues of legal rights, women oppression deforestation, sustainable development, indigenous health practices etc.etc - has also been claimed to be possible because of the continuous work of NGOs in these areas.

Voluntary organizations that until now have been considered traditionally conservative made a beginning in manifesting themselves as dynamic and open to new insights and thinking. Some of them also demonstrated an experience of facing up to new challenges in the time of education and peoples organizations. The growing importance of voluntary organizations is both an outcome and a challenge to what is construed as development in today’s parlance.4

2.2 Concept and Definition of Non-Governmental Organisation

Non-governmental organizations primarily focus on social issues and work towards the benefit of the society in general. A large number of such organizations function not only abroad but also in India and work towards various issues concerning the society and its people. These issues may be as varied as pollution and underprivileged children to old people and shelters for stray animals. NGOs include groups and institutions that are entirely or largely independent of government and that have primarily humanitarian or cooperative rather than commercial objectives. Most often, they are private agencies in industrial countries that support international development; indigenous groups organized regionally or nationally; and member groups in villages. NGOs include charitable and religious associations that mobilize private funds for development, distribute food and family planning services and promote community organization. They also include independent cooperatives,

community associations, water-user societies, women’s groups and pastoral associations. Citizen groups that raise awareness and influence policy are also NGOs\(^5\).

As regards the definition of the term “Non-Governmental Organisation”, it is said that it is difficult to define and classify the term and the term 'NGO' is not used consistently. As a result, there are many different classifications in use. One of the earliest mentions of the acronym ‘NGO’ was in 1945, when the UN was created. The UN, which is an inter-governmental organization, made it possible for certain approved specialized international non-state agencies or non-governmental organisations - to be awarded observer status at its assemblies and some of its meetings. Later the term became used more widely. Today, according to the UN, any kind of private organization that is independent from government control can be termed an "NGO", provided it is not-profit, non-criminal and not simply an opposition political party.

In India we have given more appropriate words like voluntary agencies, political groups, development agencies, social action groups, mass organisation, charitable organisations - in favour of a phrase which says nothing - that is, ‘Non Governmental Organisations’. At one end of the spectrum are those involved in genuine service and development work -‘voluntary’ in spirit. At the other end are the organisations registered by the government to implement government programmes. In between there are a wide range of resource organisations, fronts for political groups, business oriented ‘development shops’, research institutions, project structures created by the corporate sector, ‘charitable clinics’ set up by doctors and medical investors, organisations set up by retired civil servants to channel development funds, community based construction organisations, schools- the list is endless. Legally all of them fall under same category because they have been registered under the Society’s Registration Act or as ‘Trusts’. Societies and trusts popularly referred to as NGOs.

Small group working in a few villages and a large corporate entity working in several districts are all treated as non-governmental organisation. The former may have turnover of a few thousand rupees and the latter’s budget may run into crores of rupees, with a professional

staff. While specific networks and associations may distinguish between NGOs - legally they are bound by same Act. The term NGO is the most widely misunderstood jargon in development today; therefore, it is important to spell out what we mean by NGOs in a given context\(^6\). Although two definitions for voluntary organisation was found to be:

(i) A voluntary organization is a social service and developmental institution motivated to meet the needs of the most disadvantaged in society, either through direct services to the people or through facilitative/ indirect services to other voluntary organizations or Government, nonprofits making and not undertaken to be fully funded for its maintenance, directly or indirectly by the Government (drawn in the National Conference on the Role of Voluntary Organization in Health Care in India).

(ii) Voluntary Organizations are non-profit making agencies that are constitute with a vision by a group of likeminded people, committed for the uplift of the poor, marginalized, unprivileged, and underprivileged, downtrodden and the needy and they are closer and accessible to the target groups, flexible in administration, quicker in decision making, timely in action and facilitating the people towards self-reliance ensuring their fullest participation in the whole process of development.\(^7\)

2.3 Characteristics of Non-Governmental Organisations

(i) **Voluntary:** They are formed voluntarily. There is an element of voluntary involvement in the organization. NGOs are built upon commitment of a few persons.

(ii) **Legal Status:** NGOs are registered with the Government under the Societies Act, Trust Act and a few under Foreign Contribution Regulation Act (FCRA) with the Ministry of Home Affairs, Government of India. This is to get entitled for obtaining funds abroad.

(iii) **Independent:** NGOs are independent in planning and implementation of their programs’. They are not bound by the hard and fast rules as in Government Institutions.

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(iv) **Flexible:** NGOs are flexible in interventions. They are not bound by red tapes and bureaucratic obstacles. In the name of audit objections, they won’t cease peoples initiatives.

(v) **Quicker in Decision-Making:** NGOs take quick decisions in response to the needs of the community. As decisions are taken quickly, their services are delivered timely to the people. NGOs could overcome the constraints of cumbersome procedures and act readily to the community demands.

(vi) **Non-Profit Oriented:** NGOs are not run on profit motives. The surplus and gains from economics projects, if any are not distributed to the members or stake holders. They are re-used for development purposes.

(vii) **Not Self-Serving:** NGOs are constituted not or the benefit of the promoters. NGOs serve the poor and impoverished for their upliftment and not for that of NGOs themselves. The NGO members are nurtured by the response and co-operation of the people. This offers a great deal of mental satisfaction to the NGO members which inspires them to do better and more.

(viii) **High Motives:** The member and staff are endowed with high motivation and inspiration to work for the cause of the poor. Their hours of work are not clock bound. They strive tirelessly to achieve their purpose for the benefit of the target group.

(ix) **Freedom in Work:** NGO workers enjoy their maximum freedom in their field work, in organizing the community and carrying out the development schemes. Such freedom becomes a source of motivation to accomplish the task in spite of their less numeration. They are not pinched by their bosses for petty mistakes.

(x) **Value Driven:** NGOs are driven by social values and humanitarian principles and hence they try to promote a value based society.
(xi) **Catalytic:** NGOs facilitate the communities towards social action but they do not dilute and distort themselves the intervention.

(xii) **People-Centred:** People are the heart of the NGOs. They plan things with the people and implement the same through the people. Thus they learn the best people and replicate the same with other groups.  

The United Nations High Commission for Refugees (UNHCR) asks for the following in an NGO, that it is non-profit; non commercial; non government; legally registered and subscribing to universal humanitarian values and practices. NGOs have been active in the United Nations since its founders committed themselves to non-governmental participation. Following NGOs are accredited by UN.

- **International Red Cross Societies:** International Red Cross Society is for providing relief to the suffering in time of wars or disasters. International committee of Red Cross was founded in 1863.
- **Amnesty International:** Amnesty is worldwide human rights organization established on May 28 1961 with its headquarter in London.
- **Scouts and Guides:** Scouting is a worldwide organized movement for young people started in 1907. Similar movement for girls - the Girls Guide movement was founded in 1910.
- **World Council of Churches:** WCC was formally constituted on 23rd August 1948 at Amsterdam in Belgium by an assembly representing 147 churches with over 330 members from more than 100 countries.

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8 Ibid p. 39.

These NGOs have been accredited to the UN, and therefore we find them international movement\textsuperscript{11}.

\section*{2.4 Importance of Non-Governmental Organisatios in the Contemporary Society}

We can now realise the importance of NGO’s in bringing about various kinds of social development. The role of VO’s is central to the development of the personal social services. In recent years there have been considerable changes in all sectors involved in this area. The govt alone is unable to take the heavy burden both financially and organisationally. It is not possible for the govt to look into the details of a local situation as in the case of flood relief or poverty amelioration, local public health and limitation. The NGOs working with local people and can enlist their active support in such activities in literacy movement, forest conservation, nutrition and child health etc. Voluntary effort is society’s own effort. So, NGOs are able to draw own social energy because of information and flexibility in operation. NGOs can innovate and suggest new ways of doing things like rural water supply, soil conservation and newer ways of creating opportunities for the poor people to improve their economic condition. Working with people demonstrates NGO operations. People freely express their views about their real needs and participate in decision making relating to the planning and implementation of local development projects. The quality of work therefore is likely to improve when NGOs will be involved in development. The cost of development work is also expected to be less, as the people themselves will mobilise resources and execute the work.

Welfare and development NGOs are not the only ones in the field, there are political NGOs also that mobilise public opinion against govt policies and actions. The resistance can be against the government’s policy of forest conservation, price increase or subsidy reduction, say in electricity, fertiliser or irrigation water. To the extent such NGOs are able to educate the public and put pressure on public policy, they acts as important pressure groups in a democracy.

The range of NGO activities is very wide. They have been active in social work (relief and rehabilitation), economic development (irrigation and water shed management), educational upliftment (literacy movement, primary education), political movement (mobilising people to

influence govt policy), and environmental development (forest conservation) and natural resources management. This shows the importance of NGO activities in a developing country like ours, where socio-economic problems are too numerous to be handled by govt alone.

Role of NGOs as a social mediator is important. The social inter-mediation is an intervention of different levels of society by various agents to change social and behavioural attitudes within prevailing social environment for achieving desired results of change in society. NGOs are agents for change - voluntary organizations work closer with people near their homes in a flexible, informal and less complicated manner and are accessible to the people. They understand easily the rural problem and try to solve the problems “through their sonic-economic programs and stimulates action among them. They are in a better position to plan and implement programmers’ with people and common better people’s participation. In addition, they can provide very close personal services to sensitive areas of rural development. In Indian context wherein people are still steeped in superstition faith, belief and custom, there is need for their motivation of act according to the changing situation. Voluntary organization act as catalysts and create awareness among rural people. Such organizations cannot be expected to create structures parallel to those of the state, nor, can act as a substitute in the provision of service that are recognized as State responsibility. Rather, as agents of change, they can provide complementary and supplementary services to the people because the aim is development of people and areas.

Voluntary action stimulated and promoted by voluntary agencies engaged in development play a significant role at the grass roots level in the Indian social milieu, the success of rural development depends upon the active participation of the people through self-help organizations. NGOs can effectively function as agency of change if they focus on what they are good at doing the ways in which they help involve local people in acting for themselves and not asking them to be responsible for those activities which should rightly be the responsibility of govt.

Particular NGOs like Ramakrishna Mission and other educational societies in western and Southern India have long been engaged in various social development activities. Their

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commitment to social welfare and selfless work for the needy, the sick and the poor and the disadvantaged has been nationally and internationally recognised. To conclude, following role is played by NGOs:

(i) To supplement government efforts and not to compete: the effort is to offer to the people choices and alternatives. Where possible, initiatives have given rise to voluntary agencies there is room space for both to work. A government that promotes the private and the public sector in industry cannot only opt for a monopolistic system in rural development. Consider the voluntary agencies as the private sector (without the profit motive). It should not be looked upon as duplication.

(ii) To be the eyes and ears of the people, there is need for an independent agency to act as are liable feedback so that government policies and programs could be designed taking real community problems into account.

(iii) To set an example: it should be possible for the voluntary agency, with limited resources, to reach a larger number with less overhead and with greater community involvement. Any number of examples is readily available from all over the, country that the government can replicate on a larger scale. They all offer practice-oriented proposals and have policy implication when it comes to relocation.

(iv) To activate the system and make it respond: there are act of the government, like minimum wages act, Abolition of Bonded Labour Act, and Protection of Civil Right Act, which are either not being observed of effectively enforced. Voluntary agencies must take up such tasks as have been started in recent years through public interest litigation and other administrative measures.

(v) To disseminate information: very often, schemes, programmes and projects of the government, there are many policy changes, order and circulars do not percolate fast enough to the village level. More often interpretation of these schemes is left to the mercy of the lower government functionaries not entirely sympathetic to the problem of the rural poor. Information is power and the role of voluntary agencies is to distribute such power and to the mercy of the lower government functionaries not
entirely sympathetic to the problem of the rural poor. Rural poor can decide for themselves what they want to do with it or which schemes they would like to use.

(vi) To illustrate the local, village and indigenous resources would be used for neither own development: human resources, rural skills and local knowledge are grossly underutilized in the villages by government and it is for voluntary agency to show what is possible. The demystification of processes of technologies of knowledge and skills and recognition they deserve is long overdue. While the credibility of ideas has already been proved in the voluntary sector, it is time to get it accepted in the government circles.

(vii) To make communities as self-reliant as possible: unfortunately, the development and delivery system as it exists today is designed to make communities more dependent than independent. The system of accountabilities within government is so severe and inflexible that subsidies, lines, input, services and support mechanisms, ostensibly designed to serve families living below the poverty line actually, tend to ensure them rather than allowing greater freedom for their work.

(viii) To train a cadre of grassroots workers, who believe in professionalizing voluntarism: the technology base that we think exists at the village level is virtually non-existent in practice? The demands of the community as well as the high expectations have made it necessary to bring professional expertise to the poor without intermediaries.

(ix) To mobilize financial resources from within the community: if the ultimate idea is to promote self-reliance, if it is to generate awareness and develop human beings, then much depends on how much value we give to self respect and dignity. Anything given free is not appreciated.

(x) To mobilize and organize the poor to demand quality service and impose a community system to accountability on the performance of grassroots government functionaries.14

2.5 Role of Non-Governmental Organisations Envisaged in the Indian Five Year Plans

Because of unique features and advantages of NGOs, many official committees in India have recommended their roles as partners of the state and Panchayati Raj institutions. Little effort was made in any of the Five Year Plans of the Govt of India up to the sixth plan to define the role of Voluntary agency. The role was welcomed, encouraged and supported but there was great hesitancy in making an attempt to bell the cat. The tendency was to equate the work of voluntary agencies with only welfare activities and charity work. In times of disasters, like floods, famines and droughts, or, in short rehabilitation work, there was sympathy and support for the work of voluntary agencies. But in long term development work, for instance in provision of drinking water programmes, the Govt called Voluntary agencies were prepared to involve the community in decision making in site selection and doing the same work at a cost which was 30 percent less than the approved Govt rate.\(^\text{15}\)

Since the sixth Five year plan, an important feature of our development projects planned and executed by NGOs. NGOs have been promoting social and economic development in many states, especially at the grass root levels. They are participating in Integrated Rural Development Program (IRDP) and other activities such as agricultural extension, adult education, health care and family planning, relief and rehabilitation of the disabled micro or lower level planning and special schemes for poverty alleviation.

The Sixth Five Year Plan (1980-85) emphasized the importance of NGOs in carrying out development activities at the local level. New areas where NGOs could work to create public awareness and involve peoples’ participation. Some of the development activities as identified were:

(i) Development of renewable source of energy including social forestry.

(ii) Family welfare, health and nutrition education.

(iii) Water management and social conservation.

(iv) Welfare programmes for weaker sections.

(v) Implementation of minimum needs program.

\(^{15}\)ibid.
(vi) Disaster preparedness and management e.g., floods.

(vii) Promotion of ecology and tribal development and

(viii) Environmental promotion and education.

Particular types of NGOs were called upon to undertake these development activities were youth and women organizations, specific beneficiary or interest groups like employed women, farmers in command areas of irrigation projects and watershed areas, unirrigated areas, social and cultural organizations and educational institutions.

The seventh five year plan (1985-90) acknowledged the need to increase the involvement of VO’s in implementation of plan programs. The seventh Five year plan recommended a more active role for Voluntary groups in order to make the local communities as self-reliant as possible. The Seventh Five year Plan document gave recognition to voluntary organizations but perhaps also demanded certain restrictions on the nature and from of their work. Ever since the Plan approved in 1952, government had been planning for voluntary agencies. Schemes had been designed by Govt. officials with little or no experience of the problems of voluntary agencies. Small groups working in remote villages found these schemes inflexible and impractical and, as a result, only the bigger groups availed of these funds from the Govt. Thus, setting an unhappy trend. In the seventh plan, for the first time, voluntary agencies were given freedom to plan their own schemes and follow methodology they think best to tackle poverty in villages they are working in. This led to better utilization of resources and more effective mobilization of available village manpower.16

The idea was to make use of full local village resources including human resources. By utilizing local resources like land, water, forests etc. and by creating public awareness and new skills, it was thought that grassroots workers would be able to take up their own development work. It would thus be possible to raise resources from local communities, organize the poor and disadvantage groups and create in the process self-reliant and decentralized development. People would be able to demand more quality services and hold the local functionaries of the govt. accountable to the local community.

16 ibid.
Today, in different parts of India, voluntary efforts by NGOs are recognized as essential for people’s awareness and local need based development. There are of course, weaknesses in NGOs activities, and it is not true that voluntary organizations have been a success everywhere. But, in local social development, the culture of voluntary work has come to stay. That is why eighth five year plan (1992-97) has laid similar emphasis on NGO led local activities with more and more public participation in grass root welfare and development work. In the Indian situation, there are other types of voluntary organizations also that are often critical of govt activities and involved in organizing the people to resist anti-people policies- be it forest policy or irrigation, electricity rate policy. It is not unusual therefore for NGOs to get politically involved, although the general notion about welfare NGOs is that they are non-political. Political NGOs, by organizing public opinion and mobilising the people, can be useful for Indian democracy. Constructive opportunities and critical outlook may not always be to the liking of the govt. Yet, for the health of a functioning democracy, this is of considerable democracies.

In the wake of 73rd amendment, NGOs should play a supportive and complementary role to the Panchayats and thus facilitate community participation in development programmes.\textsuperscript{17} Another fact is that even after the Constitution’s 73rd amendment, no serious effort has been made to include the NGOs in the rural local seafronts decision making process.\textsuperscript{18}

\textbf{2.6 The Concept of Voluntarism: History of Development of Non-Governmental Organisations}

International non-governmental organizations have a history dating back to at least 1839. It has been estimated that by 1914, there were 1083 NGOs\textsuperscript{19}. International NGOs were important in the anti-slavery movement and the movement for women's suffrage, and reached a peak at the time of the World Disarmament Conference. However, the phrase "non-governmental organization" only came into popular use with the establishment of the United

\textsuperscript{19} http://en.wikipedia.org/wiki/Non-governmental_organization visited on 30/11/12.
Nations Organization in 1945 with provisions in Article 71 of Chapter 10 of the United Nations Charter for a consultative role for organizations which are neither governments nor member states.

2.6.1 The History of Non-Governmental Organisations in India

Prof. Manubhai Shah, ex-Managing Trustee, CERC explained that though voluntary organisation existed during the pre-independence days, they flourished only after we attained our independence, especially after the coming of the Gandhi era. During the earlier days, the main area of activity was pure welfare activity while after independence, the focus shifted to confrontational educational, rural development and women’s welfare promotional activities.  

Through the roots of voluntarism or voluntary action as a concept may be traced to the functioning of social Institutions in the ancient period and even outside of social institutions in the medieval period. According to Dr R.C. Majumdar (1961), in ancient and medieval periods “the kings, merchants, landlords and various corporate organisations vied with one another, according to their means for helping the cause of religion. This took various forms, such as founding temples and monasteries, making endowments for their maintenance, construction of residences for the monks, and making permanent deposits with appropriate guilds for the supply of food, clothes and other requisites of wandering ascetics or temples and monasteries. The religious institutions such as temples, maths, dharamshalas etc., later became the centres of social service on an extensive scale. The joint family, caste or village panchayats also provided for the care of the aged, physically handicapped, chronically ailing and mentally deficient. Among Muslims rendering help to less fortunate is an essential feature if Islam, as is evident by the payment of Zakat or poor tax by every Muslim.”


The origins of the organised non-profit sector in India can be traced back to Christian missionary activities in the 1800s. Church-based organisations set up education institutions and engaged in other development activities, albeit with the aim of religious conversion.

Social and religious reform movements such as the Brahmo Samaj and Arya Samaj, in the pre-Independence period, too can be viewed as voluntary organisations working to improve people’s mental and physical conditions. In the early post-Independence period, the emergence of a large number of Gandhian non-profit organisations (NPOs) is attributable to initiatives taken by the newly-independent Indian State to involve such organisations in development work. The next phase could be seen between the mid sixties to the early seventies. This was the period when the development model followed by the government was critiqued and evidence about the failure of that approach of development and the trickle-down theory began to show. Despite their professed aim of carrying out elaborate developmental and welfare functions, the elected Government during this period were able to establish only a token administrative presence at the village level. The contradictions between the rich and the poor, and the divide between the urban and rural had increased during the past 20 years of independence.

By the late 1960s, India was caught up in a dual crisis of economic stagnation and political instability. It was at this stage that alternative and integrated rural development began to be experimented with, through the initiatives taken by a new generation of people in 1968-69. The response to droughts and floods caused the motivation. The liberation of Bangladesh and the gigantic task of rehabilitation of refugees and the people of Bangladesh also saw many young people join this effort. Part of the motivation of this period also came from the changed political circumstances with the defeat of the Congress in several state assemblies in 1967 and the gaining momentum of the student’s movement in the 1967-69 periods. This was also the period when the ‘Naxalite movement surfaced and gained momentum and reached its peak in 1969-70 period. This was the period of development of a progressive alliance, by the split of the Congress Party, with a more socialist, populist, and human face of the ruling party emerging. The new professionally trained youngsters also began to enter voluntary development organizations setting up new initiatives during this period, though their numbers were very restricted and localized near the metropolitan areas of Madras, Calcutta, Bangalore, Delhi, Trivandrum and Bombay.
The next phase is the period from the clamping of National ‘Emergency’ in 1975, though its roots began in the 1974 J.P. movement. This was the period when the circumstances had forced a number of people to reflect upon their experiences or look back critically at the emerging trends in the country's political process. The rise and fall of the Janata experiment between 1977 and 1979 was quite a disillusioning experience for many. All those who came to form the Janata Party united only on one point to fight the Congress and kept on harping against the personalized politics of Indira Gandhi and the excesses under Sanjay Gandhi. Since the party did not take any clear stands on important policy issues - economic, political or foreign policy, it could not remain in power for very long. The glitter of a socialist, populist and human face had become a thing of past so soon. The process of politicization of the post independence generation which began during the 1967-69 period was almost shattered by 1979. This had left many restlessly looking for constructive alternatives to channelize their energies and concerns in order to realize their dreams for a more humane and just society. This fall out from the political process contributed to the growth in voluntary action, both in terms of quality and quantity.

This was the period when ideas about conscientization and people's participation began to emerge. This was the period when more "focused work with target groups, landless labours, tribals, small farmers, women, scheduled castes, scheduled tribes, dalits, etc., also became the basis for the programme of work of voluntary organizations. With the growth in number and scope of voluntary agencies, sectoral specialization in health, agriculture, education, literacy, etc., also gained momentum during this period.

The phase of the 1980s witnessed a growth in voluntary action at other levels, in the form of support organizations specializing in training, research, advocacy, documentation, legal aid, etc. Issues like women's development, environment, forestry, etc., began to gain significance. The work of voluntary organizations also began to get organized around issues and campaigns related to droughts, floods, deforestation, land alienation, bonded labour, housing rights, water, pollution, etc. The recognition and visibility of the work of voluntary organizations also increased during this period. A more professional approach to development characterized the work of voluntary organizations in this period.

This was the period which gave rise to professionally trained social workers from different academic institutions joining the sector of voluntary action. The distinction of this trend had been that such people in a way took to voluntary action as a profession and tried to find ways
for matching their social commitment with a profession. One more trend of this period which
needs mention was that of people from specialized disciplines like medicine, engineering,
science and management joining the field of voluntary action. The implication of these two
trends on the culture of the voluntary sector will be discussed later in this study.

The above description seems to suggest that voluntary action in different parts of India was
rooted in a specific socio-political context and was inspired by the emergence and continuity
of social reforms, social change and political movements in different parts of the country. The
constructive work and political struggle agenda for independence, popularized by Mahatma
Gandhi became the basis for voluntary work and voluntary organizations in several parts of
the country before independence. Student movements in different parts of the country in the
mid 1960s also formed the basis for strengthening voluntary work and organizations.
Occurrence of major disasters like droughts, cyclones and floods also attracted a large
number of people to get into relief or rehabilitation activities which later got transformed into
more holistic developmental initiatives. Continuity is also visible in those parts where social
movements from the mid 19th century have continued to occur till the contemporary times.
An interesting example is the activity of the voluntary organizations in the Telangana region
following the Telangana uprising during the mid 20th century. All along this period,
Christian missionary based voluntary action had also matured beyond the boundaries of
church compounds and began to emerge in extension and conscientization and organization
of marginalized people in various parts of the Country.

Essentially, these were the factors which provided conducive conditions for the rise and
growth of voluntary organizations during the last few years. Socially inspired and committed
youth began to seek an expression of their commitment through the work of voluntary
organizations. Just as they saw that expression through the work in political parties. Over this
period of four decades, the gap between those who stayed in political parties and those who
moved out to set-up or work in voluntary organizations has substantially increased. Thus after
the decline of the Naxalite movement in early 70's, many young people who were part of that
movement came out and set-up voluntary organizations in different parts of the country. A
similar phenomenon was visible in the late seventies when several young people who were
part of the J.P. Movement and Chhatra Yuva Sangharsh Vahini moved out to set up voluntary
organizations while others remained in the Janata Party.
Voluntary organisation work with local people to promote their involvement and participation in development tasks. They can also act as catalysts in the rural setting to develop or community’s organizational competence and ability to mobilize resources for development.\textsuperscript{22} The environment in which NGOs are functioning at present is radically different from the environment before 1970. There are great variations in respect of the degree of political independence that NGOs exhibit.\textsuperscript{23}

Another stream of voluntary organizations are those set-up by established business/industrial houses in India. Historically, they have played a role in charity--helping the needy. Education and Health have been two sectors of focus for such efforts too. During the past 30 years or so, some have also started rural development projects. In recent years, these organizations have been criticized as instruments to siphon-off funds by the rich from their existing business incomes to save income tax.

Certain charitable and “help the needy “activities have always been carried out by various religious organizations in the country. They have occasionally focused on health and education, though mostly engaged in religious preaching’s. Some organizations have also worked towards supporting peoples struggle to protect and safeguard their basic human, civil and political rights.

What started off as social work (or service to mankind) with a focus on charity has now veered towards developmental work and community mobilization. There has been a proliferation of voluntary organizations across the board, each with its specific perspectives, priorities and strategies.

2.7 The Types of Non-Governmental Organisations Functioning in the Indian Society

The previous section on elaborating the history and evolution of voluntary organizations has clearly highlighted the significance of understanding regional variations in a country like India. Regional variations have affected evolution of types of organizations as well. Certain inspirations are more available in certain parts of the country. For example, the western


region of the country is full of voluntary organizations inspired by a Gandhian perspective. Inspiration of Mahatma Phule is most visible in Maharashtra and that of Dr Ambedkar (and Dalit) in Maharashtra, Tamil Nadu and Andhra Pradesh. The history of evolution indicated that a number of larger size voluntary organizations evolved more in states like Andhra Pradesh and Tamil Nadu, than Uttar Pradesh and Madhya Pradesh. So it is useful to keep in mind the effect, regional variations in the historical evolution of voluntary organizations has, on the types that dominate in those regions.

The experience of voluntary development organizations and other non-governmental organizations in India has become so diverse and multifaceted that there is a need to systematize and classify this vast range. In some ways the label “Non Governmental Organizations” is a negative, non-explanatory label. Under this label, private sector institutions and a host of other formations are being included. In our experience, the use of the term ‘voluntary development organisations' tends to connote this category of formations somewhat better; though there is also considerable debate about the meaning of the word “voluntary” or “voluntarism” in the contemporary context. It has nothing to do with being honorary, which may have been its historical roots; it has to do more with a combination of self-initiative and social commitment.

Therefore, what is included in the scope of this typology? Development oriented voluntary organizations are the focus of the typology. These are non-profit institutions. Many of them are registered under the Societies or the Trust Act, though a large number remain formally un-registered. We are including ostensibly authentic organizations, not those which are deliberately fake or a cover-up for something else.

The purpose of evolving a typology is to attempt a classification of the range of voluntary development organizations in India today. The typology is intended to be descriptive, and not prescriptive. It is an attempt to describe (through certain categories) what exists. The typology is also exploratory and evolving, and not water-tight. In some significant ways, the purpose of evolving this typology is to attempt differentiation between one type of voluntary organization with another and to understand implications of these differences. In some ways, the typology is already being used in practice by those within voluntary organizations and those who relate to them. They all describe voluntary organizations in different ways, in different categories and differentiate one from the other on the basis of certain dimensions and parameters. Therefore, what follows is an attempt to classify voluntary organizations in
India today on certain dimensions which have both a descriptive as well as an analytical value in enhancing our understanding of the nature and functioning of such organizations.

No single unitary parameter is enough to provide the basis for understanding the wide range of voluntary organizations that exist in India today. So, we need many different parameters. Generally, there are three main parameters that tend to distinguish in some significant ways the voluntary organizations existing in India today.24

(i) Inspiration

One of the most important sources of differentiation in voluntary organizations is the nature of the inspiration of the Founder(s). This inspiration provides the philosophical perspective as well as an analytical framework in viewing the social reality and thereby becomes the basis for evolving a set of actions by a given voluntary organization. The inspiration takes various forms. It may be philosophical, intellectual, religious, or ideological inspiration. Different inspirations have quite different implications for the manner in which these organizations get established and the manners in which they function some of the common types of inspiration are described below.

Historically, one of the most significant inspirations has been the Gandhian School built on the experience of the freedom struggle and Gandhi’s call for constructive social work, to help the rural masses achieve their own economic, social and moral regeneration. Gandhian inspired voluntary organizations practice a set of norms and values in the conduct of the organization and design certain specific targets and strategies for themselves. The keystone of such organizations has been village reconstruction to re-establish traditional handicraft industries and create pride in 'swadeshi' or Indianans’.

A second school, also historically quite active, is what could be called a socialist School. This inspiration can be best typified in the leadership of Purushottam Das Tandon, Ram Manohar Lohia and Jaya Prakash Narayan. The influence of this inspiration can be seen in the waves of voluntary organizations which emerged out of the political struggle, and student movement, etc. Chhatra Yuva Sangharsh Vahini, as an outcome of the J.P. movement in Bihar and other parts of north India during mid 70s is a typical example of this inspiration.

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A third inspiration is the Marxist and neo-Marxist perspective. Several persons inspired by this perspective left political parties for a variety of reasons to set up voluntary organisations and gave them an initial meaning from this ideological stand point. Some people who were involved in ultra-left movements, like the Naxalite struggle, after some time changed their course and also set-up voluntary organizations. Within the Church, the Marxist perspective among some clergy and a debate on liberation theology also inspired several voluntary development organizations in the country.

As mentioned in last section, religious organisations like Church has been a major source of inspiration and the teachings of Christ have been used to inspire whole generations of missionaries to serve the poor and the needy. Among the contemporary configuration of voluntary organizations, a large number of people and institutions continue to receive inspiration from Christian thought. Likewise, the influence of Islamic, Buddhist and other traditions have also been quite visible. One of the most interesting inspirations of this type is reflected in the Rama Krishna Mission and its various development initiatives throughout the country its contemporary version is a voluntary development organization the Lok Shiksha Parishad. In several parts of the country, inspiration for the founders of voluntary organizations came from such social thinkers and reformers as Mahatma Phule, Dr. Ambedkar and the whole tradition of Dalit inspiration to work for the down-trodden.

(ii) Rationale

The second parameter could be called the rationale for initiating voluntary action. It is almost like a world-view or an underlying assumption of why a voluntary initiative is needed. It is almost like a statement of belief from the Founder(s) about what needs to be done in the society for an appropriate change to occur. If we examine the range of voluntary organizations in the country today, four distinct types emerge under this parameter.

The first type is based on the rationale that people need help, that poor, down-trodden, weak need assistance and help. They need material assistance and resources, they need assistance of knowledge and ideas and skills; but the, fact they are poor is because they have not had the help. This help or assistance could be temporary, during times of extreme crises or hardship, or this help could be perpetual. Most voluntary organizations operating on a charity and welfare perspective carry this rationale. Most organizations providing relief and rehabilitation during events of disaster, droughts, cyclone, floods, earthquake, etc., also operate on this underlying assumption. They tend to treat members of the community as incapable and
resource less; their activities include transfer of skills and resources, they also include provision of assistance based services like mid-day meals, food kitchens, clothing, shelter, medicines, etc.

The second type comprises a world-view which could be called ‘develop mentalist’. Here the focus is on people who could do it on their own but with some support particularly that support in the form of programmed, resources, ideas and skills. It is under this category that we may place programmes of health, education, agriculture, irrigation, forestry, economic activities, appropriate technology, etc.

The third type is based on the theme of empowerment. It assumes that the poor need to get organized and struggle in order for appropriate change to occur. The focus of intervention, therefore, becomes on the conscientisation and organization of certain sections - poor tribal’s, dalits, landless, women, etc. The, ultimate purpose of the strategy is empowerment. The struggle of the poor may be catalysed through a variety of activities which may focus on acquisition of assets, wages, implementation of certain progressive legislations, education, etc.

And finally, the fourth type believes in the need for support and influence at different levels not merely struggle by the poor directly and their organizations, but struggle at the level of influencing policy; struggle at the level of ideas, struggle at the local, district, state, national and international levels. This perspective assumes that with growing internationalization of our societies and economies, forces of oppression and marginalization operate from different levels and need to be countered and confronted at those levels. Therefore, the support and influence will take different forms at different levels. It is here that institutions engaged in advocacy, research, networking, documentation, training, federating, etc. come into the picture.

These four types tend to describe a wide variety of programmed and activities that voluntary organizations undertake. More than that, they tend to describe the basic underlying world-view or rationale of those programmed and activities. Therefore, it is found that a health programme carried out with the first rationale of 'help' tends to provide medicines and treatments, while another one carried out with the rationale of ‘development’ tends to educate people and solve other non-health related problems in an integrated manner. Therefore, these distinctions are important not merely in their underlying belief but in the outcome as reflected
in the manner in which programmed and activities are carried out by such voluntary organizations.

Further differentiation does occur on the basis of the strategy of intervention. For example, some organizations focus on one sector, like health, education, income generation, forestry, etc. Some organizations are multispectral or integrated in their approach. Some organizations focus on one constituency for example tribal’s or landless in a given geographical area. Some organizations focus on multiple constituencies. These variations of sector and constituency also get further amplified within the rationale and the world-view described above. Thus, it is possible to find different types of voluntary organizations, carrying out the same sectoral work with similar constituencies but having totally different orientation, approach and activities. It is important, therefore, to keep this distinction in mind because this tends to explain the differences that occur among voluntary organizations.

(iii) **Size**

Size has become one of the main parameters which explain the differences among voluntary development organizations. Size can be classified in various ways. One dimension of size is the area of coverage. Many organizations are very local, covering one or two villages or slums; some are national in their coverage. Related to the question of coverage is the size in terms of full-time and part-time staff and the over-all budgets and resources.

The question of size cuts across the previous two parameters and can be seen as an independent parameter describing the range of voluntary organizations and, therefore, the nature of their functioning. It is possible to develop various categories within this parameter of size. But four such categories seem to make more sense.

The first category of small organizations is the most predominant one in the Indian context. These are the organizations which work in a few villages within a block of a district or in a few slums in one part of the city. They have generally many part-timers, volunteers and a few (may be two or three) full-time staff. Most of their funds are based on local resources, some contributed by members of the organizations themselves, though they may occasionally receive some funds from outside on an informal or intermittent basis.

The second category of medium size organizations tends to cover a block or two in rural areas or several slums in a city and could also cover larger canvas if the nature of their work is at other levels than grassroots. They may have about ten full-time staff and an on-going
project budget based on project grants from national or international sources in the range of about rupees one lakh per year. Their number is also fairly large in a country like India.

The third category of big organizations would be those who employ between 25-50 fulltime staff at different levels and have project budgets varying from 5-20 lakhs rupees per annum. They cover wider area, several districts or cities and they operate on a regular programmed basis.

The last category could be called large size organizations which are fewer in number in India today. They would have staff size in the range of 100 or more and a budget around or above rupees fifty lakhs per annum based on project grants from several sources. Various dimensions about the nature of voluntary organizations and the issues they experience get determined by this parameter of size and its implications on their functioning.

The above three broad parameters, i.e., inspiration, rationale, and size, can be used to classify various voluntary organizations active in India today. It is possible to see all types of combinations exist in the country today. Different inspirations get translated into different sizes; it is possible to find all types of sizes for all types of inspirations; even the worldview and rationale may vary among the different sizes as well as within the same size. All four types of world-views and rationales could be seen in all types of sizes.

What is the implication of such a classification? it should be mentioned that such a classification will help us describe and understand the nature of voluntary organizations in India today. But all these ‘pure forms’ need not exist in reality. Increasingly, we are finding that world-views are being combined; size changes over time; and inspirations alter as people grow and develop. So it may be difficult to find ‘pure types’ in each of these categories. But it is useful to keep this classification in mind when we examine further issues with respect to voluntary organizations in the country.

The first implication of this classification is that when world-views or rationales are mixed within a single organization, it creates confusions about identity. When an organization based on the rationale of help and charity also takes on a developmental perspective, different segments and people within the organization behave and react differently, thereby causing internal tensions and confusion externally. This is not to imply that mixing world-views is undesirable, but to understand that issues of identity- confusion across roles and functions
may well be caused because of two or three different world-views or rationale have been combined within the framework of a single organization.

The second implication is that the nature of the world-view and rationale for setting-up an organization may end up defining its relations with others in society. In fact, this rationale or world-view tends to provide a definite space to voluntary organizations in the socio-political arena of the country. Their relationship with the government, with the political parties, with trade unions, with other voluntary organizations, etc., may get determined on the basis of rationale or the world-view of a particular voluntary organization. For example, those set up with the rationale of help may find no conflict with the government or the political parties, while that setup with the rationale of empowerment may find themselves in conflict with both. Different rationales and world-views among different sets of voluntary organizations may make it difficult for them to come together around common issues. It is useful, therefore, to keep in mind that world-views and rationales influence the nature of relationships an organization has with others in the society.

A third implication is that growth in size implies several institutional demands and forces which are different from other parameters. And that independent of inspiration and rationale for setting-up of an organization, growth in size brings similar pressures and demands. Is it possible to say that all large voluntary organizations look and behave alike irrespective of world-views and inspirations? And that all small ones would face similar tensions and difficulties?

And finally, it is important to keep in mind that the personality of the Founder(s) of voluntary organizations has a paramount influence. It is the influence coming from their inspiration, their world-view and rationale, as well as their capacities for size that determine the shape of voluntary organizations. In some ways, the influence of the founder(s) and the leaders in such social change organizations may be the most dominant influence and has the most visible impact.  

2.8 The Classification of Non-Governmental Organisations

The function of NGOs is varied in accordance with the work they undertake. Keeping in view the various activities classified into the following types:26

2.8.1 Charity Non-Governmental Organisations

Charity is the earliest function of the NGOs: Giving something to others is their primary motto. (e.g.) offering food, dress to the orphan and destitute, etc. Most of them believe that giving to the poor is like giving the same to God. Their activities are transitory in nature.

2.8.2 Relief and Rehabilitation Non-Governmental Organisations

NGOs who are involved in providing relief and rehabilitation programmers fall under this types. Followed by natural calamities like flood, fire or epidemic diseases or by man-made catastrophe like war, genocide etc.

2.8.3 Service Providing Non-Governmental Organisations

Service providing NGOs are welfare oriented. These are inspired welfare concern and they largely provide services for the poor and marginalized such as mobile clinics, hospital, schools, training programmers, non-formal education, literacy, etc. They provide these services with great sacrifice, with high efficiency, with low expenses, with commitment and dedication. These services are flexible to be responsive to the needs of the community. Such service-oriented NGOs operate in those areas where government programmers are inadequate or non-existent. A related category of welfare work is that which arises in situations requirement relief and rehabilitation, the work with refugees, the work in situations of great crises and disasters, cyclones, famine, wars, etc. The debate seems to indicate4 that in recent years most NGOs which started with a service and welfare orientation seem not to get limited to that but see it as a means to the wider focus of development work.

2.8.4 Economic Development Non-Governmental Organisations

These types of NGOs believe that rise in income of the poor and the marginalized will bring about development for them. Economic gain is the social gain according to them. Hence these NGOs endeavour to provide employment opportunities to the farmers and women to mitigate

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poverty. They implement various income generating projects mobilizing resources from the
government and the funding agencies abroad. Scientific and appropriate technologies are
introduced to increase production and productivity so as to ensure more remuneration to
wages to the denied. But these NGOs are predominantly project holders while the people are
their paid labourers-cum-beneficiaries. They try to uplift dualists, women and the oppressed
by providing increased opportunities to fetch better income. These NGOs do not involve in
challenging social injustice. They will be more of pro government and pro existing systems.
But within the boundary or under a given situation they want to uplift the poor.

2.8.5 Social Development Non-Governmental Organisations

These types of NGOs focus more on social facets of the community. They believe that social
awareness and people’s involvement will bring about development. They lay more emphasis
on people’s component in the development programs. They organize communities and impart
social education. They sanities and concertize people and enable them to deal with their
issues. They enhance people’s management in all the economic development projects and
promote people’s leadership. They ensure people’s participation in the process of
development. However they work in the isolation in a given region or cluster without much
interacting with the order allied communities and NGOs.

2.8.6 Empowerment Non-Governmental Organisations

These NGOs enable people to gain power and authority so that they access and control over
resources. They directly work on the question of community organization and empowerment
through educational interventions. These NGOs have begun to address a variety of
development concerns-like drinking water, economic activities, injustice etc. these are the
popular education NGOs who have contributed towards development of many innovative
approaches to strengthen socio-economic status of the deprived. Their approaches towards
planning, interactive, flexible and impactful. As a result, in many countries the ideas derived
from the work of such NGOs have been attempted to be utilized in national policies. It is here
that the works of such NGOs become the basis of formulation of national and international
policies and programs to be people centred. The work of many NGOs in the area of literacy
of adults is non-formal.

2.8.7 Network Non-Governmental Organisations
IT is interesting that the 1980s also marked the rise of network of NGOs, and umbrella or federation type of NGOs. The network of more informal, with limited purpose and, therefore, time-bound association of NGOs come together to work on a common issue or concern (like watershed development, Indigenous medicine, drug abuse, women’s rights, occupational health, etc.) Umbrella NGOs or federations are more formal attempts of liking NGOs together. Such networks and umbrella NGOs operating at state or national level have emerged. The main reason for their emergence and continuance is the need for bringing together the experience in different micro settings to address an issue that requires collective strength, advocacy and wider perspective. Thus many of these umbrella NGOs have begun to play an important role in rising the issues to the level of national and international policy debate and to contribute towards changing the framework and strategies of development based on the experience of grass-roots NGOs operating in local settings.

2.8.8 Support Non-Governmental Organisations

These are the newly emerging NGOs which provide a variety of support function to different grass-root NGOs. The support function vary depending on whether it is related to a sector (like health or education or forest) or a general support. The work of these support institutions has been to provide inputs they would strengthen the capacities of grass-root NGOs to function more effectively and impact fully. The work of support institutions, therefore, is comprised of training, evolution, programme planning etc. Newness of this category of NGOs makes it rather difficult for their work to be recognized or their impact to be assessed. They contributed towards the strengthening of the work of grass-root NGOs and also those of people’s organization and social movement by extending the kinds of support which is other not available to them. In broad terms, this could be defined as education support, and financial support, though the latter may also, in some occasions, be part of the overall package. They provide conceptual clarity and professional and philosophy input to the grass root NGOs. They open eyes of the NGOs to see among the people, the supports NGOs are empowering those NGOs themselves. There are few in the country like PRIA (participatory Researcher in Asia0 New Delhi, ISI (Indian social Institute) New Delhi etc.

2.9 Mixed Role Played by Non-Governmental Organisations

So far, we have seen 8 broad types of NGOs. But one cannot strictly say that NGOs come under any one of the particular types alone. In practice he roles of NGOs are mixed and heterogeneous. An NGO involved in empowerment may also carry out economic
development programmers and even relief activities during calamities. But their major focus may be confined to any one type.

Some find it helpful to classify NGOs by orientation

- Professional association
- Empowering orientation;

NGO type by level of co-operation

- Community-based organization
- City-wide organization
- National NGO
- International NGO

Apart from "NGO", there are many alternative or overlapping terms in use, including: third sector organization (TSO), non-profit organization (NPO), voluntary organization (VO), civil society organization (CSO), grassroots organization (GO), social movement organization (SMO), private voluntary organization (PVO), self-help organization (SHO) and non-state actors (NSAs).

Non-governmental organizations are a heterogeneous group. As a result, a long (and sometimes confusing or comical) list of additional acronyms has developed, including:

- BINGO, short for 'business-friendly international NGO' or 'big international NGO'
- TANGO, 'technical assistance NGO'
- TSO, 'third sector organization'
- GONGO, 'government-operated NGOs (set up by governments to look like NGOs in order to qualify for outside aid or promote the interests of government)'
- DONGO: Donor Organized NGO
- INGO stands for international NGO; Oxfam, INSPAD,[7] Institute of Peace and Development "A European Think Tank For Peace Initiatives";
- QUANGOs are quasi-autonomous non-governmental organizations, such as the International Organization for Standardization (ISO). (The ISO is actually not purely an NGO, since its membership is by nation, and each nation is represented by what
the ISO Council determines to be the 'most broadly representative' standardization body of a nation. That body might itself be a nongovernmental organization; for example, the United States is represented in ISO by the American National Standards Institute, which is independent of the federal government. However, other countries can be represented by national governmental agencies; this is the trend in Europe.)

- National NGO: A non-governmental organization that exists only in one country. This term is rare due to the globalization of non-governmental organizations, which causes an NGO to exist in more than one country.[5]
- CSO, short for civil society organization
- ENGO: short for environmental NGO, such as Greenpeace and WWF
- NNGO, short for 'Northern nongovernmental organization'
- SNGO, short for 'Southern nongovernmental organization'
- SCO, also known as 'social change organizations'
- TNGO, transnational NGO; the term emerged during the 1970s due to the increase of environmental and economic issues in the global community. TNGO includes non-governmental organizations that are not confined to only one country, but exist in two or more countries.
- GSO: Grassroots Support Organization
- MANGO: short for market advocacy NGO
- NGDO: non-governmental development organization

USAID refers to NGOs as *private voluntary organizations*. However, many scholars have argued that this definition is highly problematic as many NGOs are in fact state and corporate funded and managed projects with professional staff.

### 2.10 Nature and Scope of the Work of Non-Governmental Organisations

NGOs exist for a variety of reasons, usually to further the political or social goals of their members or funders. Examples include improving the state of the natural environment, encouraging the observance of human rights, improving the welfare of the disadvantaged, or representing a corporate agenda. However, there are a huge number of such organizations and their goals cover a broad range of political and philosophical positions. This can also easily be applied to private schools and athletic organizations. In the third world countries, the role of NGOs in development activities is being increasingly emphasised. NGOs contributes
valuable information and ideas, advocate effectively for positive change, provide essential operational capacity in emergencies and development efforts and in general increase the accountability and legitimacy of the global governance process. Many NGOs claim they initiate their activities because they see gaps in govt programs.\textsuperscript{27}

Society’s interest is reflected in the rising contributions to NGOs and the growing frequency with which representatives from them are interviewed in the mass media. Some donor agencies, such as the World Bank, now have departmental statements that emphasize work with NGOs.\textsuperscript{28}

Any discussion of relations between NGOs and the state in a country like India needs to be based on the thorough understanding of the nature of voluntary organization on the character of the State, on the other. In the previous sections, we have described the history of evolution of voluntary organization in different phases as well as attempted a classification and typology of the contemporary scenario of voluntary organizations in India. The common perception is that NGOs are ‘by their very nature’ flexible, participatory, gender sensitive and transparent whereas government carries the baggage of red-tapism and rigidity. However, experience has shown that there is tremendous variation in both sectors. Some govt. programmes and departments have functioned with remarkable sensitivity and transparency under dynamic head and there have been instances when NGOs have been rigid, rule bound, corrupt and insensitive. Be it NGOs or Government institutions, both are rooted in society and changing values are manifested in all institutions: Corruption, manipulation, power and control are not the exclusive preserve of governmental institutions, and NGOs certainly are not free from it. Therefore, any discussion on partnership must begin with recognition of this fundamental issue\textsuperscript{29}. In this section, we begin by examining various aspects of the State, particularly in a parliamentary democracy from - a form of governance that has been enshrined in the India Constitution and practiced since independence in 1947. The following

\textsuperscript{27} Anil Chitrakar, Working with NGO’s, TUCN, The World Conservative Union,1996, p. 5.


description of the nature of such relation is not based on pure types because none exist in reality. The vast diversity of voluntary organizations and the complexity of the character of the State in a country of the size of India with local, regional and national dimensions mark it difficult to propound a specific set of relationships; and the nature that they acquire in the contemporary context.

2.10.1 State as the Regulator

One of the functions of the government in a modern society is to regulate the social, political and economic space. The State enacts a variety of regulatory mechanisms through its agencies as well as through laws and legislations.

Three types of legislations directly affect voluntary organization in India Today. The first set relates to laws of registration or incorporation. The most common form of registration is a Society or a Trust. Both legislations were first set-up during the colonial British Rule. The Society Act has been subsequently modified and amended by several state governments in different parts of the country. In some fundamental ways, Incorporation or registration provides a legal identity to voluntary organization and, therefore, limits the liability of its promoters and founders. But it also means’ playing by the rules the game’ as established by the state. Therefore, each successive amendment to the Society Registration Act in different states of the country has been an attempt to further tighten the noose around the neck of voluntary organizations by giving unilateral and inordinate power to the agents of the State to intervene, regulate and check the fates of voluntary organization registered under the Society Registration Act of the states.

The second set of legislations that affect voluntary organization are those related to finance. Two specific laws become relevant here. One is the Income Tax Act of 1961 which has always treated the work of voluntary organizations at par with that of a business trust, charitable hospitals, dispensaries, educational institutions, etc. So in the eyes of the Income Tax Act, all such organizations, including the ones which are the focus of this study, are treated similarly. In fact, the Income Tax Act gives special concession to boarding schools, public schools, hospitals and dispensaries, but not to those voluntary organizations which are engaged in non-formal adult education, on the one hand, or primary health care, on the other. Thus every year, voluntary organizations must justify their non-profit status in the eyes of the income Tax Department. Over the years, various amendments to the Income Tax Act have
been made with a view to further tighten the control over voluntary organizations, and to create provisions is undermined. For example, the current provision of Income Tax Act makes it impossible for voluntary organizations to carry out any activity to raise resources for its own because surplus generated through those activities would be liable to tax.

The second legislation related to finance in the *Foreign Contribution Regulation Act*, which was enacted during Emergency in 1976 and created to regulate the flow of foreign Gants and contributions to all kinds of voluntary organizations in the country. That’s Act has been located in the Ministry of Internal Security and Home Affairs and those responsible for the implementation of that Act treat it as a problem of development social change.

The Act has been amended since then with a view to further tightens it as an attempt to limit the space and narrow the work of voluntary organizations. In an overall sense, over the last 20 years, the state has been tightening its role as a regular and using it more often than not for limiting the space, work and the activities of those types of voluntary organizations which go beyond mere provision of help and charity and welfare of the poor.

### 2.10.2 State as the Funding Agency

State’s role as funder dates back to the grants-in-aid program that was started in 1956 to disburse funds to support welfare activities through the Central Social Welfare Board (CSWB). The active promotion of NGOs and the expansion of state’s role as funder began with sixth five year plan (1980–1985). In every subsequent plan, the state has called for increased professionalization of NGOs and increased its allocation to NGOs through various Ministries at the Central and state levels.

Historically, a very unique role the state has played in India is that of Funder of voluntary organizations. Right after Independence, the then Congress Government began to utilize its access to vast resources to provide land, facilities, infrastructure and funds to a large number of Gandhian social work and constructive work organizations. In fact, several institutions have been set up by the Government over the last 45 years to find ways to promote funding of voluntary organizations. One of the early ones to be set up was Khadi and Village Industries

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31 [http://www.isec.ac.in/Karnataka_Kudva17.5.05_aligned.pdf](http://www.isec.ac.in/Karnataka_Kudva17.5.05_aligned.pdf) visited on 21/2/13.
Corporation (KVIC) - a unique institution set up to finance activities of those organizations engaged in promoting Khadi and Village Industries for the economic upliftment of the poor, as well as provide channels of marketing outlets to the productions. Central Social Welfare Board (CSWB), and its counterparts in different states of the country, is another unique institutions set up in late 50’s to provide assistance to those organizations engaged in social welfare, particularly the welfare of the poor, the destitute, the weak, with a focus on women. Subsequently, a large number of departments and Ministries of the national and the state governments began to evolve schemes for funding voluntary organizations. The most common ones have been adult education, literacy, health care and in recent years in environment and social forestry. The National Wasteland Development Board is a unique mechanism set up to support, among others, voluntary organizations in their effort to green the wastelands of India. More than three decades ago, an institution called PADI (Peoples Action Development India) was set up with a view to channelize resources from outside the country to rural development organizations; but in its original form it was not so active and effective. In 1986, Council for Advanced of People’s Action and Rural Technology (CAPART) was set up as an autonomous institution (incidentally registered under the society act) to finance voluntary organizations under various schemes and programmes.

It is also interesting to note that CAPART has been able to evolve schemes like organizations to organize the poor and to nonscientist them over them years, many voluntary organizations have utilized government funds and many continue to do so. A large number of them have totally depended on grants from the state. In many ways, the effect of all these on the work of voluntary organizations and the state as a funder (one of a recipient to the donor). Clearly in such a relationship, the recipient has less power, control and.-autonomy with respect to the donor. Many consequences flow from this relationship. By 2009, the CAPART had blacklisted 830 NGOs but FIRs were lodged against only 129. Surprisingly, five blacklisted NGOs namely Nirmala Weaker Section (Andhra Pradesh), Sarvodaya Ashram (Bihar), Magadh Social Development Society (Bihar), Pazhakulam Social Service Society (Kerala) and Vijay Warangal Trust (Maharashtra) received Rs 46 lakh in grants despite being barred. Blacklisting is the sole action reported against the erring NGOs. But even the blacklisted NGOs are not proceeded against meaningfully. Between 1986 and 2007, the CAPART blacklisted 511 NGOs.32

Firstly, most funding from the State is available for specific schemes and programmes, largely conceptualized and designed by the State itself. Voluntary agencies have to fit their proposals into those schemes and programmes if they want those resources. Thus, voluntary agencies, over a period of time, become mere implementors of the ideas, concepts, and programmes created by the State. This has a subsidiary effect because it defines a narrow space for voluntary organizations by providing funds for pre-designed schemes and programmes, mostly in the areas of welfare and development. Thus, the work of voluntary organizations as a legitimate part of society is narrowly confined and defined. Another consequence of this has been increasing dependence of certain organizations on funds from the State. As such state mechanisms and institutions become increasingly bureaucratized and corrupt, and those voluntary organizations dependent on the state funding have to face this increasing bureaucratization and corruption within such state institutions and mechanisms. As a dependent recipient from the state donor, such voluntary organizations also experience the tension of attempting to work with bureaucratic and corrupt institutions in order to continue to receive the grants from the State. Various attempts have been made to modify these schemes, euphemistically called Grant-in-aid. The overall experience seems to indicate that availability of resources from the state for the work of voluntary organizations is unique and useful, on the one hand, but has been limiting, controlling, and dependence creating, on the other. No significant change has been made in this approach of funding, in fact, it has been used to support charity, welfare, and narrow-developmental work of voluntary organizations and discourage empowerment and struggle-oriented work. It has been used to support those who have not raised significant voices against the state or its agents and representatives. In situations where such voices have been raised and local or state level vested interests have been challenged, government funding has stopped in the middle—what can be called the crisis of the ’second installment’. The second installment or grant-in-aid to voluntary organizations is stalled because of its work. The overall impact of this has been a carrot-and-stick approach, where funds have been given to those who do not ’rock-the-boat’ or are willing to fit their work and activities within the programmers and schemes of the state. Funds have been stopped for those who tried to challenge the State, its strategies or programmed agents and representatives through their own work. It seems that increasing bureaucratization and control over mechanisms of funding has considerably undermined their autonomous functioning and, therefore, those voluntary organizations in a recipient donor relationship with the State find themselves in an uneasy situation.
A study of the voluntary sector in India has revealed that the Central government ministries and state governments together extended grants worth over Rs 6,654 crore to NGOs between 2002 and 2009. Among states, Gujarat was the highest funder of NGOs giving Rs 489 crore out of Rs 1,897 crore by 26 states put together.  

2.10.3 State as the Development Actor

The third dimension of this relationship has to be understood in the context of the State as a significant and dominant actor in the development arena. As a socialist welfare State defined through the Constitution of India right from independence, various government schemes, departments and agencies have been started with a view to promote development in the country. In virtually every aspect of development from health, education, drinking water, sanitation, agriculture, rural development, forestry environment, family planning, etc., the Government’s own departments, programmes and schemes are most dominant and active. Thereby the space for voluntary organizations in the development arena has been increasingly shrinking. A consequence of this has been the use of development models and frameworks promoted by the State which are implemented through its own programmes, departments and schemes. Over the years, the state has established hegemony over such models of development and such frameworks.

Therefore, the state prefers that all other actors in the arena of development accept its hegemony. The voluntary organizations engaged in help, charity, welfare and narrow developmental activities find no difficulty to continue to operate within the ambit of the State's hegemonic role. However, others who question the policies and programmes of the State, who create new solutions and innovations which challenge the models of the State, which examine the consequences of the State models of development on continuing poverty and marginalization and use it to form public opinion, find that the State as the dominant development actor comes in conflict with them. In those situations of conflicts and confrontation, a variety of mechanisms are used by the State to sustain and perpetuate its hegemony over development models and frameworks. Use of regulatory mechanism is one such example but perhaps more crucial and powerful is the use of the funding mechanism. By

limiting funds to its own programmes and schemes, by providing funds to certain types of voluntary organizations, by creating fund related dependence on itself among large sections. of voluntary organizations, the State maintains its hegemony in the arena of development. Repression, intimidation, harassment, rejection and delegitimisation of those who question this hegemony of the State as development actor is a natural consequence very commonly practiced in the contemporary context.

Another important consequence of this has been that the State has been trying to monopolies all resources to itself with a view to provide development services, programmes and interventions. All internal and external resources are monopolized and controlled by the state and its agencies to promote development. Thus all bilateral funds from countries of the North, all funds from multilateral institutions of the UN system must be approved, controlled and regulated and primarily used by the State and its agents in the promotion of development activities. In fact, there is a continuous effort within this framework to establish the supreme role of the State as a development actor and appropriate to itself all resources, internal as well as external. Several moves in recent years have been made by the State and its agents to even capture all external funds coming from nongovernment sources from the North. Under the guise of regulating their disbursal to 'well-meaning" voluntary organizations in the country, the combination of the State as a funder and the State as a development actor has proved to be so powerful in the Indian context that many voluntary organizations find themselves delimited, dependent and incapacitated to challenge the frameworks and models of development promoted by the State and thereby the hegemony of the State continues.

2.10.4 State as the Moderator of Power

In a way, state is a confluence of political forces operating in a society and it is in this role of the State that voluntary organizations are most confused and not so clear about the nature of the relationship between voluntary organizations and the state. It is clear that this relationship depends a great deal on the nature of voluntary organizations themselves. Those engaged in developmentalist, non confrontation, charity, welfare programmes and activities do not get into major confrontation with the State as they operate within the space defined by the State. They are able to receive grants and funds from the State and continue to maintain a sub servient relationship to the dominant and hegemonic position of the State. Those operating with alternative perspectives and visions, those engaged in empowerment and struggle of the
poor at different levels, those with larger size and greater visibility and continue to find themselves in difficult situations with the State. They are either co-opted or harassed; they are occasionally rejected and delegitimized but mostly repressed and intimidated. The State uses its funding arm as well as its regulatory arm to carry out and sustain its adversarial relationship with such voluntary organizations.

The second aspect of this relationship is that, by and large, the adversarial character of such relationship has remained stable over a period of history and types of voluntary organizations; though there are variations and these variations depend on persons involved and the leadership of the institutions. In certain configuration of persons sitting in certain positions of bureaucracy and ministry, the adversarial character of relationship gets underplayed and a collaborationist perspective emerges. But on the whole, beneath the veneer of collaborate on lies the fundamental difference in perspectives and approach as well as origin.

Another implication for the nature of this relationship is that most voluntary organizations have remained entangled and concerned about the first three roles of the State in their relationship. They have been busy fighting regulations or utilizing funds or questioning developmental models and frameworks. But by and large, voluntary organizations have ignored the fourth and perhaps the most crucial dimension of the state as a moderator of political power. It is here that voluntary organizations understand the least and it is here that their role has been most unclear and confusing. It is in this sense also that their relations with political parties have been either ignored or white-washed; and it is in this sense that the entire question of the relationship with political parties remains an ambiguous area in the study of voluntary organizations in India today.

2.11 Difficulties Faced by Non-Governmental Organisations in the Day to Day Functioning

The growing visibility of NGOs provoked a series associated responses. Major international and national development agencies, planners, ideologists and dynamics – a phenomenon large missing decade ago most bilateral agencies engaged in providing development and started including NGOs in their framework. The same can be said for multi lateral institutions and recent years, by such bodies as the World Bank. National governments throughout the
length and breadth of the world have had to deal with the growing visibility of NGOs, in varying degrees.

Of course, this has also resulted in counter-claims largely emanating official machinery, on the one and political power centers, on the other. These counter-claims decry the work of NGOs as a temporary aberration in societies, as a part of a “global conspiracy” to weaken the state and the political system. In different ways NGOs, and those who have been working with them and setting them up, have been denigrated as opportunistic, self-serving and hallow. The most profound counter-claim question the very contribution of NGOs during the last decade by pointing out that they have very little to show as an alternative, and that they are mere “professional dissenters” of all that national and international agencies propose to implement. While the underlying motivation for such counter-claims may be worth pursing, the now evident that NGOs occupy a historic and visible presence on the development arena, nationality and internationality.

Voluntary organizations are facing several problems such as lack of co-ordination, cooperation and institutional support at the grass roots level. Besides, there is lack of recognition of voluntary efforts and inadequate resources in terms of both men and material. While recognizing the critical role played by voluntary agencies in mobilizing people’s support for development, the Ashok Mehta Committee suggested that the areas of activity of voluntary agencies and other development agencies, including Panchyati Raj bodies, should be clearly demarcated to avoid overlapping and duplication of efforts. Voluntary agencies should be strengthened and encouraged to supplement the efforts of the Panchayati Raj institutions.34

Another trend which has become increasing visible in recent years is the growing harassment of those working with the NGOs, and the NGOs themselves, by the state, its agencies, law and order machinery as well as vested interests. Physical attacks, malicious campaigns, manipulative undermining and devise interference are various forms in which this harassment of NGOs and their staff is going on in different parts of the world and more intensively in the countries of the south. Partially in response to the growing international presence and

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partially in response to the increasing national voice created by NGOs and their networks, national governments have begun to feel the need for measures intended silence the voice of the NGOs. In country like India, this has been much more widespread and intense in recent years. It certainly raises questions about the effect of the work of the NGOs which is threading the status ou in some way of the other. If local and regional vested interests and ruling elites react, if Government officials, agents of the local and national government react, if the law — and-order machinery is used to suppress the freedom of speech and association and the work of NGOs, then it certainly indicates that NGOs are having some effect somewhere\textsuperscript{35}.

2.11.1 The Organisations Issues

It is not very common to have a discussion on aspects related to the organization of Voluntary development organizations in India. Historically, the concept of organization, its issues and dynamics have been neglected in this sector in India. Very little attention has been paid to different dimensions or aspects of organization. In fact, it has been treated as a necessary evil by the founder(s) of such voluntary organizations. The focus of this study includes looking at issues related to the organizational aspects of voluntary development organizations in India, based on the recognition that this sector of organizations has been experiencing certain critical issues in this regard. The findings in this section indicate the urgency with which these critical issues need to be dealt with, jointly and separately by such organizations.

Any debate or discussion among members of the voluntary organizations in India on this question of why you create organizations or what is the rationale behind doing so, leads to confused and partial answers. Largely because very few of them, have ever thought about this deliberately. By and large, organizations get created because that seems like the most natural or common place way of functioning, in the same way, as a people's group gets organized and is provided a legal identity in the form of registration without much thought in many places. it seems that two main reasons for creating voluntary organizations, as opposed to taking individualized voluntary initiatives, are rooted in two different priorities. One main reason relates to providing a collective mechanism to pursue the commitment to work with the various dimensions of social change in the society. it is when individual pursuit of such a

\textsuperscript{35} http://en.wikipedia.org/wiki/Non-governmental_organization visited on 30/11/12.
commitment becomes difficult that a collective mechanism needs to be created. This mechanism becomes the organization. The other route for creating an organization is based on the requirements of projects. Increasingly project funds are available only to organized initiatives, and not to individuals. Many voluntary development organizations have come about because of this requirement as well. Whatever may be the rationale, it has an impact on the manner in which this organization gets formulated and then the manner in which it operates. Several issues emerge in this regard which is elaborated below:

### 2.11.2 Forms of Registration

Once a Voluntary Development Organization is created then the question of providing a legal identity to it acquires significance. Pressures to provide legal identity emanate from diverse sources - the most common in many cases is the requirement of the outside environment to relate with a legal entity. This requirement is imposed by donors, by regulatory mechanisms of various types. The second pressure to provide a legal identity comes from the question of establishing an ongoing identity to the organization, beyond the person of the founder(s). This pressure also helps to reduce the liability of the founders) as persons, but provides the framework for a legal entity which acquires a life of its own.

The contemporary choice for the form of registration for voluntary development organization in India is rather limited. The most common place registration form is (various versions of) Society Registration Act. The mother act was created at the Central level in 1860 and after independence, several state governments have brought up their own legislations for Registration of Societies. Trust has also been another very common form of registration for such initiatives. Other forms include a Trade Union, a Co-operative and in rare occasions a Partnership or a Company (under section 25). The details about the forms of registration are not necessary here. What is important is to understand the implications of these various forms and their overall impact on the functioning of voluntary organizations. Providing a legal identity and ensuring registration of a voluntary organization thus, makes it accountable to various organs of the State, restricting the autonomy of the voluntary organizations. This accountability entails periodic reporting requirements in the forms and manner prescribed by those organs and gives the rights to those organs to intervene in that voluntary organization as they deem fit. Thus, acquiring a legal identity through a form of registration restricts the overall autonomy of a voluntary organization.
Secondly, contemporary forms of registration have been created for purposes other than the ones they have been used for. Historically, *Society Registration Act* was created in 1860 to provide for registration of membership organizations like national association of doctors, nurses, and teachers. It is today being used for operating voluntary organizations as a common form of registration. After independence, many state governments formulated their own legislations for registration of societies. Each of these further restricts the autonomy of voluntary organizations. But *Society Registration Act* continues to be the most popular form of registration of voluntary organizations in India. The next one which is equally common is the *Trust Act*. In the states of Maharashtra and Gujarat, a separate *Public Trust Act* requires registration of all voluntary organizations in that form. Yet, the Trust Act was created to manage trust properties and not to operate voluntary development organizations. Another form of registration is a Trade union which is most effective in pursuit of the rights of people through struggle. Cooperative was conceptualized as a form of legislation for economic activity by the poor but successive governments for the last 40 years throughout the country have made Cooperatives a part of the department of the government itself. As a result, the procedure for getting cooperatives registered and the manner in which they are monitored, regulated and controlled by agents of the government makes it the most undesirable form of registration at the moment. Thus voluntary organizations promoting income-generation program me find it difficult to create an appropriate form of registration. The *Companies Act* under Section 25 does provide for registration to non-profit institutions but the reporting requirements under that Act are enormous (the Act was created for large industrial and commercial enterprises). Likewise partnership as a form of registration is most appropriately created for small shops and establishments to generate profit and is not so applicable with respect to the work of voluntary organizations.

Thus we find that none of the existing forms of registration are appropriate to the vast range of work that voluntary organizations do. As a result, voluntary organizations stretch the interpretation of existing forms to suit their specific requirements. A consequence of that is ongoing confrontation and misunderstanding between voluntary organizations, on one hand, and officials of the government responsible for the implementation of these forms of registration, on the other. There is a unique and urgent requirement of setting up a simple, easy to operate, alternative form of registration that incorporates the wide range of roles voluntary organizations play in India today.
Some other organizations have attempted to combine more than one form in order to truly represent the wide range of roles they play. Combining and form of trade union with trust society has been practiced in several cases. Yet, having more than one form of registration entails its own complications by requiring maintenance of records and reporting formats in more than one form. Therefore, the question of providing a legal identity to a voluntary organization acquires significance both in the form it chooses as well as the implication of that form on the structure and functioning of such voluntary organizations.

2.11.3 Social Change Organisation

As has been mentioned earlier, voluntary development organizations have been set up to pursue social commitment, to work in society to bring about certain changes. As a consequence, Voluntary Development Organizations in India can be called Social Change Organizations. Certain requirements of the social change organization have not yet been elaborated in theory. Much of the theory of organizations is based on the experience of large industrial and commercial organizations, on one hand, and government organizations, on the other. It is only in recent years that some conceptualization on social change organizations has started taking place.

It has become clear that the dominant framework to understand social change organizations is to examine the vision with which such organizations get created and then to understand its specific mission. Clarification of the vision and mission of social change organizations is key to clarifying its structure and processes. The second dimension in understanding such an organization is to examine the appropriateness of its strategy with respect to the constituency with whom it works, and the nature of its relationship with those constituencies. The choice of its strategy, or a set of strategies, determines the nature of the programmes and activities that such a voluntary organization would undertake and the structure of voluntary organizations emerges on the basis of such programmes and activities in this broad framework, several issues of concern are emerging with respect to Voluntary Development Organization in India. The first set of issues relate to the choice of the strategy itself. It has become increasingly clear that forces other than the requirements of the vision and mission sometimes tend to determine the strategy of a voluntary organization. Some of these forces emanate from the donors and funders. In some other situations, choice of programmed and
activities is made first, and the strategy and the mission is elaborated subsequently. This again is because of the influence from the outside, largely from donors. in such situations, the nature of Voluntary Development Organizations becomes a programme implementing Organization as opposed to a mission-pursuing institution.

The second implication of this has been in terms of issues related to core values of an Organization, All Social Change Organizations has certain core values which determine the manner in which it functions and the way it structures itself. However, the most difficult aspect in this regard in Voluntary Development Organizations in India has been continued debate and confusion regarding the necessity, or otherwise, of its structure. Since many people found voluntary organizations as a reaction against government institutions which are highly structured and bureaucratized, there is an inherent and distinct dislike for anything which has a structure. Yet, growing size and requirements of the task demand a minimum appropriate structure and in the absence of evolution of such an appropriate structure, the overall effectiveness of voluntary organizations gets compromised.

2.11.4 The Leadership Issues

The issue of leadership is central to the functioning of Voluntary Development Organizations in India today. This is so because of several reasons. As social change organizations, they are set up by a person, or a group of persons, with a definite vision, elaborating a specific mission. In some ways creating a social change organization requires a social entrepreneur - a person imbibed by a certain vision and having the capacity of an entrepreneur to translate that in the form of an organization. Thus, from the very beginning, Voluntary Development Organizations become leader-centric. By and large, all such leaders are charismatic, visionary persons who bring energy and commitment into the organization. They provide the motive force in early years of the organization. They become a source of inspiration for the newer set of people joining the organization. They are able to work with the people at the base and in other constituencies because of their sense of commitment and zeal.

However, such leader centric Voluntary Development Organizations in India also face certain issues. The first issue relates to the tendency of such leadership to look at issues outside the organization. As founder(s) of social change organizations, these leaders want to do what the organization has been set up to do. They much rather work with the tribal, with women, with
the poor themselves, in organizing workshops and training programmed, carrying out economic activities, providing services, etc. That is what they want to do, that is what they are capable of doing that is what they set up this organization for. However, over a period of time, like all other organizations, social change organizations also require the leadership role inside the Organizations. They require the attention and the energies of the leaders on issues affecting the organization per se. This is something most founder leaders find ex trimly difficult to do. They would much rather look outside than look inside the organization. And any attempt on their part to work with issues of concern inside the organisation is seen as diverting their energies from the task at hand. Such leaders are paying very little attention to building the organization from inside.

The second issue facing these leaders is the absence of the capacity of new generation of people to provide leadership in the organization. Such organizations become Leader-dependent and find it difficult to create spaces and opportunities for new sets of people to exercise leadership inside and outside the organization.

As a consequence of these, many Voluntary Development Organizations face serious problems of an organizational type. They face enormous conflicts inside the organization among diverse sets of people; they variously experience tensions on questions of structure, roles and responsibilities and invariably find decentralization of decision-making and attempts of delegation not being institutionalized. They find people leaving, organizations splitting, some having problems of maintaining a culture of the organization. These trends inside the voluntary organization indicate that the organization’s strengthening and building measures have not been paid attention.

2.11.5 The Professionalism Issues

Significant trend of the 80s in many voluntary development organizations in India has been increasing demands of professionalism of their work. This demand has come from several quarters. First of all, a stress on providing high quality and efficient work came from funders and donors. it was not possible any longer to just keep on working at the same pace, level and capacity as was possible earlier. The second pressure came from emerging new issues. Issues of environment, forestry, economic activity, appropriate technology, on one hand, documentations, training and research, on the other, began to demand use of people with
certain professional capacities in these areas. A third pressure came as a new set of voluntary organizations began to emerge with professional leadership. Founders of such organizations were engineers, doctors, scientists, managers, accountants, foresters, veterinarians, agriculturists, etc.

This trend towards professionalism has led to some positive and some negative consequences for voluntary organization. One of the positive consequences has been bringing in large number of young people trained in professional disciplines to work in pursuit of social commitment, in social change organizations. in the previous period, it was difficult for such persons to consider social change organizations as a possible area of their work.

But with the setting up of institutions like PRADAN whose members visited large number of campuses of professional education to educate the students about such social change organizations, a larger number of professionally trained persons began to make this choice. The second positive consequence was the use of appropriate knowledge, technology and capacities to address certain complicated problems of development faced by such voluntary organizations in the country. Classic examples are in respect of irrigation, health, education and income generation.

The coming in of such highly trained young persons in Voluntary Development Organization is also the cause for some tensions. The first one was the tension between the young professionals and the old activists. Unnecessary and confusing debate started emerging which put professionalism in opposition to activism and voluntarism. It began to be said that those who are professionally trained in certain disciplines cannot become activists and those who are activists cannot acquire professional competence. The definition of professionalism became narrow and techno managerial degrees and formal education got equated with professionalism. Commitment to work and a style of functioning with appropriate competencies did not get equated with professionalism. Thus, a vast number of voluntary organizations which have inducted technically and professionally qualified young people continue to experience such tensions and conflicts. The second consequence has been bringing models, frameworks, technologies and techniques without rooting them in a local context. The knowledge base and experience of the poor communities with respect to dealing with various aspects of development got ignored and sidelined, as "imported" techniques, technologies, approaches and frameworks began to be implemented.
Yet, the overall impact of this trend has been favorable for the Voluntary Development Organizations. Primarily because it has been able to attract a new generation of formally educated people to work in social change organizations. It has also led to building up a wide range of capacities in such organizations to take on more challenging and diverse roles in the future.

2.11.6 The Funding Issues

The nature of funding of Voluntary Development Organizations also significantly affects its overall organization and functioning. Historically, Voluntary Development Organizations have acquired funding from diverse sources. For small, local, community-based voluntary organizations, local resources have been adequate. For larger initiatives, funds have come either from richer members of society or from religious institutions or from Trusts. There were the philanthropists with their liberal endowments some of which were made with an eye to the tax benefits so accrued. However, the overall percentage of such contributions towards the funding of Voluntary Development Organizations in post-independence India has been rather limited. The two dominant sources of funding the work of Voluntary Development Organizations since independence have been either government funds or foreign funds. Both of these have their peculiar and separate logic and they need to be understood in that way.

By and large, funds from the government to the work of voluntary organizations have been coming right from independence. Central Social Welfare Board and Khadi and Village industries Corporation are two early examples of funding the work of certain types of activities of Voluntary Development Organizations. Later, Ministries of Education and Health began to support the work of Voluntary Development Organizations. Subsequently, Ministries of Child & Women Welfare, Ministry of Environment, and Ministry of Science 8: Technology, Ministry of Rural Development, etc., also began to finance the work of voluntary organizations for specific schemes and programmes.

Unlike in many other countries, foreign funding continues to be a source of great turmoil in the community of Voluntary Development Organizations in India. Historically, as explained earlier, Voluntary initiatives have been a part of the struggle for independence in India the struggle to do away with a foreign regime, foreign per sportive, foreign philosophy and
foreign culture. And perhaps as a continuation of the same, acceptance of foreign funds for the work of voluntary organizations continues to be a cultural and political blasphemy in many sections of Indian society. This is so even when foreign funding brings foreign exchange to an economy like India. It is so even when in the last two decades the Government of India has been incessantly and untiringly promoting exported industrial development. It is so even when the government continues to rely on large grants, loans and credits from foreign governments, bilateral funding agencies, multilateral institutions, the World Bank, the IMF as well as commercial banks and lending agencies. It is so even when the states ruled by Communist Party (Marxist), (like West Bengal) have sent their Chief Minister to ask for foreign investment to promote industrial development in that state. It is so even when India continues to finance political and social initiatives in many other parts of the world; and it is so even when many people associated with educational, academic, industrial, business, commercial, government, political, social spheres of work have ongoing links and relations, including that of funds in one form or the other, with their counterparts in other countries of the world. Therefore, it is important to understand that foreign funding of voluntary development organizations in India is a much more complicated and sensitive issue than perhaps in many other countries of the world. It is, therefore, not merely a question of access to funds, but the implications of using it within the community of voluntary organizations, on one hand, and in the larger sociopolitical context, on the other.

What is, therefore, the nature of such funding? Foreign funding in India can be classified in several ways. The level of funding as reported by Ministry of Home Affairs, Government of India by the end of 1989 was of the order of Rs. 185 cores. If we exclude funding to religious institutions and others not included in the scope of the study here, it is possible to estimate that foreign funding coming from all sources, in cash or kind, may today tantamount to something of the range of several hundred cores of rupees. With Rs 10,334 crore annually flowing into the coffers of non-governmental organisation in the country in the form of foreign donations, the Ministry of Home Affairs is now looking minutely into all transactions. In 2010-2011, donations were received from 161 countries, including Ghana, Ethiopia, Myanmar, Gabon, Niger, Sudan, Congo, Senegal and Burkina Faso where international aid helps these countries to meet the needs of their own residents. Among the leading beneficiaries were Delhi (244 NGOs received Rs 1,724 cr), Tamil Nadu (274 NGOs received Rs 1,215 cr), Andhra Pradesh (207 NGOs received Rs 926 cr), Karnataka (211 NGOs received Rs 779 cr). Annual foreign donations to NGOs are more than the budgets of
several smaller Indian states such as Mizoram, Manipur, Sikkim. There are reports that certain NGOs were engaged in anti-national and political activities.\footnote{http://www.tribuneindia.com/2012/20121202/main1.htm visited on 2/12/12.} In another case of is of those opposing the Kudankulam nuclear project, the government has registered cases against four non-governmental organisations (NGOs) for allegedly diverting funds to fuel protests. These NGOs were receiving funds from foreign countries for social service causes like helping the physically handicapped and eradication of leprosy but these were used for anti-nuclear protests.\footnote{http://www.tribuneindia.com visited on 29/2/12.}

There are several issues related to foreign funding. Some of these are very similar to the ones related to government funding or for that matter related to any funding. Some are of course unique to foreign funding. The first issue relates to the influencing of the agenda of voluntary organizations by representatives of foreign funding agencies. In different periods of history, over the last few years, different issues have taken primacy in the eyes of voluntary organizations, partly because they were accorded priority by the funders. This can be clearly seen with respect to issues of education, health, women and environment. In specific sense, many at times the representatives of foreign funding agencies tend to influence visibly, openly and directly the promoted even in the absence of any purposeful, systematic analysis, but because foreign funds have been promised or are likely to be available. The second aspect of this is, in a few cases, availability of funds more than the amount needed at a given point in time in the life of an organization. Sudden growth, sudden expansion without systematic planning and attention can lead to major turmoil’s in a voluntary organization; and these turning points become sudden because of quick availability of funds.

Yet, the presence of foreign sources of funding has led to availability of funds for innovation and experimentation as well, since much of the government funding is tied to schemes and programmed. New ideas, new initiatives, new approaches, new models, new technologies, new designs in a wide range of areas have emerged largely because of the availability of supportive foreign funding. Yet, much of this funding so far has been based on short duration projects. A voluntary organization prepares a 3-4 year plan and proposal which can get funded. The organization moves from project to project, proposal to proposal. Quite a bit of
it, therefore, makes the organization’s experience one of a transient and temporary nature. On
the whole, the issue of funding of voluntary organization has become increasingly critical at
this juncture. On the one hand, there is concern related to dependence on external sources of
funding dependence on government funding, on the one hand, and dependence on foreign
funding, on the other. Several ideas and attempts are being generated to secure alternative
ways of financing the work of voluntary organizations. Yet, no easy solutions or models are
likely to emerge. On the other hand, the question of autonomy of voluntary organizations and
the issue of funding has been raised in several ways and at several occasions, voluntary
development

Organizations in India currently face the challenge of ensuring their autonomy, on one hand,
and securing a viable and sustainable funding base, on the other.

2.11.7 The Other Overall Issues

What then are some of the overall issues with respect to the organizational aspects of
voluntary development organizations in India? It appears that the fundamental question is
what is the purpose of setting up voluntary organizations in India? The practice on the ground
tends to indicate that voluntary organizations as organizational mechanisms are seen as
temporary project implementing mechanisms. People, who are part of these organizations, are
seen as temporarily involved in those organizations. Structures, procedures, system of
compensation, internal culture, developmental pressures and responses do not indicate clarity
of thinking in retaining, retooling, retraining people who will serve voluntary organizations
lifelong. Similarly, lack of attention to various organizational aspects, to internal conflicts
and tensions, to issues of structure and process, to the nature and quality of leadership, to
building of mechanisms of accountability, systems, procedures and rules, leadership and
capacities - all indicate that, by and large, founder(s) as well as others (donors in particular)
tend to view voluntary development organizations as temporary phenomenon of short
duration implementing a particular programmer or a project. Therefore, the question is what
is the rationale for the existence of such organizations in a civil society like India? This raises
issues related to the long-term investment and perspective of institution building of voluntary
development organizations in India. in the framework of a parliamentary democracy, in the
framework of the State playing a dominant role as a development actor, in a situation where
alternative institutions outside the purview of the State or the commercial-industrial sector do
not exist (particularly in the rural areas and in a diverse set of fields), is it not appropriate to consider institution-building as the fundamental contribution of voluntary development organizations in the coming period? If the purpose is institution-building, then what are the capacities, perspectives and resources needed to carry that forward? The current practice of voluntary development organizations, of their supporters and their funders and others seem to indicate that institution-building of voluntary organization is not considered an important purpose. As a result, we may experience the situation where a new generation of people may not either come forward to work in such social change organizations or come forward to create, build and sustain such alternative social change organizations in the Indian society. Therefore, looking at the issues of organizational dynamics, structure and process of voluntary organizations in India needs to be done in a larger framework of the place and overall rationale for the existence of such organizations in the Indian society today.

2.13 Critique of Non-Governmental Organisations

Stuart Becker provides the following summary of the primary critiques of NGOs: There is a debate that, NGOs take the place of what should belong to popular movements of the poor. Others argue that NGOs are often imperialist in nature, that they sometimes operate in a racist manner in Third World countries and that they fulfill a similar function to that of the clergy during the colonial era. Philosopher Peter Hallward argues that they are an aristocratic form of politics." Issa G. Shivji is one of Africa's leading experts on law and development issues as an author and academic. His critique on NGOs is found in two essays: "Silences in NGO discourse: The role and future of NGOs in Africa" and "Reflections on NGOs in Tanzania: What we are, what we are not and what we ought to be". Shivji argues that despite the good intentions of NGO leaders and activists, he is critical of the "objective effects of actions, regardless of their intentions". Shivji argues also that the sudden rise of NGOs is part of a neoliberal paradigm rather than pure altruistic motivations. He is critical of the current manifestations of NGOs wanting to change the world without understanding it, and that the imperial relationship continues today with the rise of NGOs.

James Pfeiffer, in his case study of NGO involvement in Mozambique, speaks to the negative effects that NGOs have had on areas of health within the country. He argues that over the last decade, NGOs in Mozambique have "fragmented the local health system, undermined local control of health programs, and contributed to growing local social inequality". He notes further that NGOs can be uncoordinated, creating parallel projects among different
organizations, that pull health service workers away from their routine duties in order to serve the interests of the NGOs. This ultimately undermines local primary health care efforts, and takes away the government’s ability to maintain agency over their own health sector. J. Pfeiffer suggested a new model of collaboration between the NGO and the DPS (the Mozambique Provincial Health Directorate). He mentioned the NGO should be 'formally held to standard and adherence within the host country', for example reduce 'showcase' projects and parallel programs that prove to be unsustainable.

Jessica Mathews once wrote in Foreign Affairs in 1997: "For all their strengths, NGOs are special interests. The best of them ... often suffer from tunnel vision, judging every public act by how it affects their particular interest". Since NGOs do have to worry about policy trade-offs, the overall impact of their cause might bring more harm to society. Vijay Prashad argues that from the 1970s "The World Bank, under Robert McNamara, championed the NGO as an alternative to the state, leaving intact global and regional relations of power and production."

Others argue that NGOs are often imperialist in nature, that they sometimes operate in a racialized manner in third world countries, and that they fulfill a similar function to that of the clergy during the high colonial era. The philosopher Peter Hallward argues that they are an aristocratic form of politics. Popular movements in the global South such as, for instance, the Western Cape Anti-Eviction Campaign in South Africa have sometimes refused to work with NGOs arguing that this will compromise their autonomy.

Another criticism of NGOs is that they are being designed and used as extensions of the normal foreign-policy instruments of certain Western countries and groups of countries. Russian President Vladimir Putin made this accusation at the 43rd Munich Conference on Security Policy in 2007, concluding that these NGOs "are formally independent but they are purposefully financed and therefore under control." Also, Michael Bond wrote "Most large NGOs, such as Oxfam, the Red Cross, Cafod and Action Aid, are striving to make their aid provision more sustainable. But some, mostly in the US, are still exporting the ideologies of their backers."\[56\] Indeed, whether the NGOs are aiding for evangelical purposes or their ideological intentions, various NGOs are examined and accused of their nature.

There has also been the overwhelming disaster of NGOs using white lies or misinformed advice to enact their campaigns. In other words, NGOs have been quite ignorant about critical issues because, as chief scientist at Greenpeace Doug Parr claims, these organizations have
lost their efforts in being truly scientific and are now more self-interested. Rather than operating through science so as to be rationally and effectively practical, NGOs are now abusing the utilization of science in order to gain their own advantages. In the beginning, as Parr indicated, there was “a tendency among our critics to say that science is the only decision-making tool . . . but political and commercial interests are using science as a cover for getting their way”. At the same time, NGOs have shown themselves not to be very cooperative with other groups, as the previous policy-maker for the German branch of Friends of the Earth Jens Katjek acknowledged. "If NGOs want the best for the environment, he says, they have to learn to compromise."

In recent years, debates on voluntary development organizations and their relevance have focused on the authenticity and credibility of voluntary action in the contemporary context. The recent controversy caused by newspaper reports that CAPART (Council for Advancement of People’s Action and Rural Technology, Ministry of Rural Development, Government of India) has “blacklisted” nearly 500 voluntary agencies for misuse of its funds has further fuelled this speculation. As a result, much of the debate has got centred around questions of authenticity and accountability. The challenges facing voluntary action today need to be situated in a deeper analysis of contemporary global, regional and national context. 38

### 2.12.1 Challenges to Legitimacy

The issue of the legitimacy of NGOs raises a series of important questions. This is one of the most important assets possessed by an NGO; it is gained through a perception that they are an “independent voice”. Their representation also emerges as an important question. Who bestows responsibilities to NGOs or INGOs and how do they gain the representation of citizens and civil society is still not scrutinized thoroughly. For instance, in the article, it is stated, "To put the point starkly: are the citizens of countries of the South and their needs represented in global civil society, or are citizens as well as their needs constructed by practices of representation? And when we realize that INGOs hardly ever come face to face

with the people whose interests and problems they represent, or that they are not accountable to the people they represent, matters become even more troublesome."

Moreover, the legitimacy and the accountability of NGOs on the point of their true nature are also emerging as important issues. Various perceptions and images on NGOs are provided, and usually implemented in an image as 'non-state actors' or 'influential representatives of civil society that advocate the citizen.' Accountability may be able to provide this and also be able to assist activities by providing focus and direction. As non-state actors with considerable influence over the governance in many areas, concerns have been expressed over the extent to which they represent the views of the public and the extent to which they allow the public to hold them to account.

The origin of funding can have serious implications for the legitimacy of NGOs. In recent decades NGOs have increased their numbers and range of activities to a level where they have become increasingly dependent on a limited number of donors. Consequently competition has increased for funding, as have the expectations of the donors themselves. This runs the risk of donors adding conditions which can threaten the independence of NGOs; an over-dependence on official aid has the potential to dilute “the willingness of NGOs to speak out on issues which are unpopular with governments”. In these situations NGOs are being held accountable by their donors, which can erode rather than enhance their legitimacy, a difficult challenge to overcome. Some commentators have also argued that the changes in where NGOs receive their funding have ultimately altered their functions.

NGOs have also been challenged on the grounds that they do not necessarily represent the needs of the developing world, through diminishing the so-called “Southern Voice”. Some postulate that the North-South division exists in the arena of NGOs. They question the equality of the relationships between Northern and Southern parts of the same NGOs as well as the relationships between Southern and Northern NGOs working in partnerships. This suggests a division of labour may develop, with the North taking the lead in advocacy and resource mobilisation whilst the South engages in service delivery in the developing world. The potential implications of this may mean that the needs of the developing world are not addressed appropriately as Northern NGOs do not properly consult or participate in partnerships. The real danger in this situation is that western views may take the front seat and assign unrepresentative priorities.
The flood of NGOs has also been accused of damaging the public sector in multiple developing countries. The mismanagement of NGOs has resulted in the breakdown of public health care systems. Instead of promoting equity and alleviating poverty, NGOs have been under scrutiny for contributing to socioeconomic inequality and disempowering the services in the public sector of third world countries.

The scale and variety of activities in which NGOs participate has grown rapidly since the 1980s, witnessing particular expansion in the 1990s. This has presented NGOs with need to balance the pressures of centralisation and decentralisation. By centralising NGOs, particularly those that operate at an international level, they can assign a common theme or set of goals. Conversely it is also advantageous to decentralise as this increases the chances of an NGO behaving flexibly and effectively to localised issues.

### 2.13 Non-Governmental Organisations: A New Deal for India’s Voluntary Sector

The Planning Commission has unveiled the new National Policy on the Voluntary Sector 2007, which seeks to establish a “new working relationship between the government and the voluntary sector” and to do this “without affecting the autonomy and identity of voluntary organisations”.

The new policy clarifies some grey areas with regard to the definition and working of voluntary organisations, and their relationship with the government. The new policy categorises voluntary organisations as “organisations engaged in public service, based on ethical, cultural, social, economic, political, religious, spiritual, philanthropic or scientific and technological considerations”. Voluntary Organisations include formal as well as informal groups, such as: community-based organisations (CBOs); non-governmental development organisations (NGDOs); charitable organisations; support organisations; networks or federations of such organisations; as well as professional membership associations.

The new policy specifies that voluntary organisations should broadly have the following characteristics:

- They are private, i.e., separate from government
- They do not return profits generated to their owners or directors
- They are self-governing, i.e., not controlled by government
They are registered organisations or informal groups, with defined aims and objectives.

2.14 Non-Governmental Organisations: Legal and Regulatory Framework

An NGO must be registered under the Societies Registration Act, 1860, the Indian Trusts Act, 1882, the Charitable and Religious Trusts Act, 1920, or as a charitable company under Section 25 of the Indian Companies Act, 1956.

These legislations are not uniform, vary across states and contain laws, which, the new national policy acknowledges, have “over time become complex and restrictive”. The Planning Commission will therefore encourage state governments to review prevailing laws and rules and “simplify, liberalise and rationalise them as far as possible”. Further, in order to facilitate registration of non-profit companies, the government will examine measures to simplify procedures under section 25 of the Indian Companies Act, 1956 including those for licence, registration, and remuneration to member-employees. The government will also examine the feasibility of enacting a “simple and liberal central law” that will serve as an alternative all-India statute for registering voluntary organisations, particularly those that wish to operate in different parts of the country and even abroad.

Accepting that public donations are an important source of funding for voluntary organisations and should be encouraged, the new policy says government will:

- Encourage transfer of stocks and share options to voluntary organisations and consider suitable tax rebates for the same
- Simplify and streamline the system for granting IT exemption status to charitable projects
- Tighten administrative and penal processes to ensure incentives are not misused.

Inflow of funds from foreign agencies for the voluntary sector is regulated by The Foreign Contributions (Regulation) Act (FCRA) of 1976. Under a 1985 amendment, all NPOs receiving foreign funds had to register themselves with the home ministry, get a foreign contributions account number, notify the ministry about that number, and receive all donations into that account. The Act empowers the State to ban any organisation from receiving foreign contributions if it is perceived to be a political rather than a neutral NPO.
Citing security concerns and the increasing flow of money to the voluntary sector (Rs 6,250 crore was received by NGOs in 2004-05, according to home ministry figures), the central government framed amendments to the FCRA. The Foreign Contributions (Regulation) Bill, 2006 was introduced in the Rajya Sabha during the 2006 winter session of Parliament. Following criticism of its provisions, the bill was sent to the Standing Committee on Home Affairs for further deliberations. Voluntary organisations and civil society groups have objected to several provisions in the new bill:

- A proposed blanket prohibition against foreign contributions to “organisations of political nature, not being political parties” gives the central government sole responsibility of determining what constitutes “political nature”.
- The government will issue a registration certificate approving foreign funding only after it is satisfied that the applicant has undertaken “meaningful activity in its chosen field for the benefit of the people or has prepared a meaningful project for the benefit of the people”.
- Registration has to be renewed every five years, and there is a fee for registration, renewal and prior approval. Renewal provisions are unnecessary, argue NGOs, because all NGOs are subject to audits and financial scrutiny.
- Only 50% of foreign funding can be spent on administrative expenses.

The new policy on the voluntary sector admits that there are some “stringent screening norms that often restrict the ability of VOs to avail foreign funds”, and has said that the government will review FCRA and simplify its provisions.

The Financial Act of 1983 limits the funds that non-profit organisations may receive from industries. This Act removed income tax exemptions that were previously given to industries for donations to rural development projects undertaken by NPOs. Around the same time, all tax exemptions from income-generating activities of NPOs were also removed.

### 2.15 Government Support for NGOs

The government has accepted non-political non-profit organisations and recognised their role in the development process. By the late-1980s, NGOs could acquire more financial resources directly from the Indian government and para-governmental bodies such as the Council for Advancement of People’s Action and Rural Technology (CAPART).
CAPART is an autonomous body within the ministry of rural development registered under the Societies Registration Act. It is the single largest government agency supporting voluntary sector work for rural development. It visits NGO sites, appraises projects before releasing funding and carries out mid-term appraisals.

Several central and state government ministries and departments allocate funds for projects undertaken by NGOs. For instance, the Department of Family Welfare, under the Reproductive and Child Health (RCH) Programme, has identified Mother NGOs (MNGOs) and a committee selects smaller or field NGOs to work in districts.

The new Planning Commission policy lays out three instruments of partnership between government and voluntary organisations:

- **Consultation Through a Formal Process of Interaction at the Centre**: State and central governments will set up joint consultative groups of government and voluntary organisations’ representatives whose mandate is to “share ideas, views and information and the identify opportunities and mechanisms of working together”.

- **Strategic Collaboration to Tackle Complex Interventions Where Sustained Social Mobilisation is Critical Over the Long term**: The expertise of voluntary organisations will be utilised in collaborative national level programmes in the areas of poverty alleviation, population stabilisation, empowerment of women, combating HIV/AIDS, etc.

- **Project Funding Through Standard Schemes**: Government agencies should continue to provide financial assistance to VOs for schemes such as surveys, research, workshops, awareness raising, training, etc after ensuring proper accountability.

**Work / impact of the Sector**

Vibrant civil society institutions play a big role in keeping Indian democracy alive. Developmental NGOs work in the field of welfare of the disabled, SCs/STs, children, and women; in education, health, the environment, human rights, and on issues like resettlement and rehabilitation of people displaced by big projects, on the right to information and to work, and so on.
NGOs may work in a specific area or in several at the same time. Developmental NGOs can have varying numbers of staff and can receive funding from a variety of sources - individual, international, or national donors, or government agencies. According to VANI’s website, local (people and corporate) funding is 80%, government funding is 13%, and international, 7%.

In India, NGOs play a vital role in the shaping and implementation of participatory democracy among marginalised groups. They work at the grassroots level often in remote areas and are more in touch with the ground realities than government administrators. They are less bureaucratic and are effective in ensuring people’s participation. Most importantly perhaps, the staff at NGOs is highly motivated and committed to improving the lives of the people.

Community action by NGOs to assert the rights of people often attracts hostility from the government, local politicians and other vested groups. The recent economic reforms have encouraged greater competitiveness, foreign investment and high technology, and led to weaker labour laws and benefits, less public sector investment and contraction of the labour force. NGOs have been involved in protecting the rights and livelihoods of poor people affected by these reforms.

In 2002, the Government of India declared that the Planning Commission is the nodal agency for GO-VOs interface, and the Steering Committee of the Tenth Five-Year Plan (2002-07) acknowledged the role of NGOs when it said: “The process of social mobilisation and development of people’s initiatives cannot be achieved without the active support and involvement of voluntary organisations.”

The Steering Committee called for greater efforts in building the capacity of NGOs: “It was recognised that there is a need to build up the capacity of the voluntary sector to act as a balancing force between the State and market institutions.” The Steering Committee also called for greater partnership between the voluntary sector and private sector and panchayati raj institutions/municipalities. It recommended that procedures/guidelines for the involvement of NGOs should be simplified and that ministries should put in more effort to identify ‘good NGOs rather than rely only on those that apply.
Despite this acknowledgment of the positive role NGOs play, the government is reluctant to fully accept and work with them. This point was highlighted at a May 2003 regional consultation of Commonwealth CSOs to discuss how civil society can contribute to democracy and development. Some points that emerged during discussions were:

- The Indian government does not see CSOs as natural partners in development and only turns to them in a crisis.
- NGOs are taking on new roles as new issues have emerged on the national scene such as communalism, economic reforms, and electoral reform, which present CSOs with new challenges.

The contribution of Indian CSOs was seen in four broad areas:

- Innovations carried out leading to more sustainable and participatory development.
- Empowerment of weaker and marginalised sections, including panchayati raj institutions (PRIs).
- Relief and rehabilitation during natural and man-made calamities.
- Research and advocacy in issues of popular concern that help formulate policy.

NGOs have some disadvantages and shortcomings. One is their inability to cooperate with each other in a way that allows for coherent policymaking. Apart from registration, further accountability in terms of governance and programmes is not uniform. Not all NGOs have set up internal monitoring systems. Their operations are on a smaller scale due to financial and other constraints.

Though there are several NGOs doing excellent work, the sheer size of the sector and weak checking systems means that many NGOs have been able to get away with poor performance and bad governance.

In 2003, CAPART placed 100 NGOs in the Further Assistance Stopped (FAS) category for manipulating accounts and other misdemeanours. Of these, 70 are in Haryana, around 10 in Punjab, seven in Himachal Pradesh, six in Jammu and Kashmir, and seven in Delhi. In 2002, the Central Social Welfare Board (CSWB), funded by the Department of Women and Child Development, blacklisted 3,000 NGOs for unsatisfactory progress.
There is a growing realisation, however, that the NGO sector is essential to the development process, and that any regulations and monitoring of the sector needs to be undertaken taking into consideration the new environment in which NGOs operate. The new national policy on the voluntary sector has addressed some of these concerns.

**Self-Regulation**

By definition, the voluntary sector should adopt self-regulation rather than accept government regulation. The new government policy on the voluntary sector says: “There has been much public debate on the voluntary sector, particularly its governance, accountability and transparency. It is widely believed that the voluntary sector must address these issues through suitable self-regulation.” To this end, the policy says, “government will encourage the evolution of, and subsequently accord recognition to, an independent, national-level self-regulatory agency for the voluntary sector.” There are several modes of self-regulation. One is the model followed by VANI that requires members to put out annual reports, conduct audits, maintain a system of accounts, file regular income tax returns, and comply with FCRA.

Credibility Alliance (CA), a consortium of voluntary organisations set up in May 2004, is committed to enhancing accountability and transparency in the sector through good governance. It hopes to do this by getting a large membership base and holding consultations with members to evolve suitable guidelines based on voluntary disclosure of information. CA is also developing an accreditation system to strengthen the legitimacy and credibility of individual organisations. The new voluntary sector policy too has suggested that accreditation would enhance the credibility of VOs and says it will “allow time for such methodologies to be debated and gain acceptability in the voluntary sector before considering their application to government funding of VO’s”.

The Steering Committee report of the Tenth Planning Commission suggested some systematic monitoring and evaluation practices:

- Mid-term monitoring and evaluation so that the NGO has enough time to improve in the next stage of the project.
- The committee that sanctions a project should, if possible, also be associated with its monitoring and evaluation.
• Streamlining and computerisation of formats for reporting periodical progress; there is a need to adopt Computerised Monitoring Information Systems (CMIS).

• A panel of PRIs, district offices, beneficiary groups, senior citizens, academics, etc, of the area should monitor every project.

• Innovative or experimental projects should not be judged in a statistics-based evaluation, but should be judged more sensitively.

• Monitoring and evaluation should be outcome-focused and should try to elicit how much has actually reached the people.

Efforts are on to introduce much-needed reforms within CAPART itself. An important nodal agency for NGO-government interface, CAPART has been plagued by several controversies regarding political meddling, inefficient functioning and corruption. The mid-term appraisal of the Tenth Five-Year Plan recommended that reforms were essential, and, in 2005, a committee was set up for the purpose under Sayeeda Hameed, member of the Planning Commission in charge of the voluntary sector.

The committee, which included members from the voluntary sector, has submitted a report that suggests ways to make CAPART less bureaucratic and more professional and accountable. Some key recommendations are:

• The process of selecting a head for CAPART should be competitive and persons with a proven track record in rural development should be chosen whose performance will be periodically assessed.

• Excessive staff, bureaucratic delays in sanctions and the release of funds should be avoided and greater transparency and accountability fostered.

• The archaic information technology division should be overhauled so that information is readily available.

• No director should be allowed to unilaterally change guidelines and procedures.

• CAPART’s governance structure should be overhauled to make it more autonomous.

• CAPART should have a clear focus on certain programmes.

• CAPART must develop links with universities and research organisations that could help its NGO partners in the field, thereby linking land and lab.
• A new programme called Nature-Based livelihoods has been suggested to nurture rural livelihoods through sustainable development.

The 2007 voluntary sector policy has made several other suggestions to strengthen the voluntary sector:

• The government should recognise excellence in governance among VOs by publicising best practices.
• The government should support and encourage organisations that train aspirants to enter the voluntary sector, as well as those already working in the sector.
• The government should encourage and recognise innovative and pioneering work.
• The websites of various government agencies should be re-designed to provide links to key documents and databases, including those related to project funding schemes.

The role of the voluntary sector in development can only expand as the ability and will of the government to intervene shrinks. A well-thought-out policy that supports and encourages NGOs, and reciprocal efforts by NGOs themselves to assess and monitor their own performance, would be a win-win situation for all.39

2.16 Conclusion

NGOs play forefront role against poverty underdevelopment and other social, national and international problems in all countries- whether they are developed, developing or under developed countries. They have taken it to be as third sector to supplement and complement the government & business sector. The NGO’s come into existence to do those works, which govt. & business sector could not do, or could not do enough.

Voluntary organizations can play crucial role in rural development by supplementing government efforts s they are close to the minds and hearts of the rural people. They have their roots in the people and can respond to the needs and aspirations of the community very effectively. They can experiment new approaches to rural development. They, however, face problems in terms of funding, recruitment and retention of trained and qualified staff, leadership crisis, and poor maintenance of records and accounts, lack of professional

competence, apathy of the bureaucracy and the tendency of politicians and others to use them for personal or political gains. There is a strong need to take steps such as simplifying and streamlining grants-in-aid procedures, training of personnel, improving the organizational structure and administrative competence of the personnel to strengthen voluntary organizations.

Voluntary action and the state action are the two sides of the same coin of rural development and administration and they must recognize their essential inter-dependence. Most of the problems faced by the voluntary organizations can be attributed to mistrust between them and the Govt departments. The Voluntary organizations hesitate to come closer to the Govt or political parties lest they lose their autonomy and credibility. Also, govt help does not react the voluntary organizations in time. Although the efforts of voluntary organizations are laudable, it must be admitted that they can do very little in the area of development which require massive human and financial components. They are equipped to operate on a limited, demonstrative and pilot basis. In a country, like India, the voluntary organizations can, at best, provide only a starting point and impetus.

The voluntary organizations and the govt should come to the negotiating table and with mutual respect and maturity discuss on development issues as long as the focus is on the rural poor and their all-round development. The voluntary organizations and govt functionaries are to be viewed as partners in rural development. Voluntary organizations have taken up a variety of activities, but a study of voluntary organizations should that they work under severe restraints of finance and personal. If these handicaps are voluntary organizations which will, in turn, enable than to work better. While NGOs have come to the fore following an increasing citizen’s awareness of their rights, the a state has tended to treat them with distrust and even hostility, seeking through legislative mean’s to curb their activities and strike down their rights. Voluntary organizations often suffer from the absence or inadequacy of basic managerial functions such as the planning, organizing, control and monitoring of material and human resources.

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NGOs have certain strengths’ like the grass roots in “close the roots”. The large chunk of the Voluntary sector is in the rural areas and is closer to circumstances, needs, aspirations and feelings of ‘the people’ as compared to govt. structure. They are therefore less likely to make mistakes in dealing with people. In particular they are more accessible than govt. structure in huge districts, which are shielded from the people with a veil of authority. Following from this, they are the voice of marginalized, the weak, the victims of the state and society. It is important for voluntary organizations to work in a transparent and accountable manner in order to win the confidence of the people among when they work.

India is one of the major countries involved in the debate around issues of development and is also witness to these trends. India NGOs have a visible and audible voice. They have been able to establish a significant presence from the local to the national and now also at the international level. Simultaneously, they have been victims of attacks and harassment. Many of these Indian NGOs have pioneered work in areas which were ignored by the process of national development planning. Many of them have become spokespersons and champions of hitherto neglected causes and sectors of populations. The entire range of issues related to environment and sustainable development protection of forests, pollution, occupational health, and alternatives to centralized water and power management System, revitalizing traditional forms of water harvesting this entire range of issues today can be articulated, debated and proposed by NGOs and their spokespersons. Issues related to women, their work, their work, their rights, and their voice against violence and gender discrimination, the rights of the girl child, education of women, leadership and empowerment of the poor are once again being articulated, debated and presented to the society by NGOs. Popularizing science and technology,

Reciprocating indigenous and appropriate technology, on the one hand, and promotion of people’s culture and folk forms for education and empowerment of the poor on the other are


also the areas where NGOs have contributed some pioneering work. Thus in a country like India, no aspect of the development discourse can be carried forward today without paying attention to the work and the voice of the NGOs.

Let us conclude that NGOs represent such an institution and their concern with poverty alleviation highlights their welfare role in the development process in such economies. Let us also conclude that NGOs role cannot be fully understood without a proper understanding of the nature of underdevelopment and its important features. The areas in which NGOs operate are precisely the areas which are ignored or bypassed by both state and market institutions. It is not simply the failure of state or that of the market. NGO’s are often very suitably placed to deal with such issues very effectively.

The selective and decentralised approach of NGOs in this respect is ideal and that NGOs are filling an important gap and occupies a very special position in the development process of poor economies. NGOs have made favourable indents to needy sections of Indian society at par with a constantly changing socio-economic climate. NGOs have reached out to all sections of society including women, children, pavement dwellers, unorganized, workers, youth, slum-dwellers and landless labourers. NGOs are viewed as vehicles of legitimization of civil society. By giving legal implementation to our rights of freedom of expression and freedom of association, laws permitting the establishment and regulating the operation of NGOs create strong support for democracy in India.\[44\]

To conclude, NGOs have done spectacular works in the field of rural development such as community health, agriculture social forestry, water shed development, animal husbandry, small scale industries, adult education, community organization, sangam-formation, promotion of self help group, networking etc. But still the work to be done is vast and wide as in the words of Robert frost” miles to go before I sleep”. NGOs need to become more and more professional. Their work must be unique like an Oasis in the desert that must be sensible visible, useful, beneficial, superb, sustainable and replicable and not like a mirage.

To paraphrase John Donne, “No voluntary organization is an island, entire in itself. Voluntary organizations are born, live and sometimes die in a complex environment made up of other voluntary organizations, local authorities, govt. deptts, the business community, charitable

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trusts and the general public. This environment is not static but is rapidly changing and voluntary organizations home to take into account the prevailing social and economic conditions.\textsuperscript{45}