CHAPTER VII
CONCLUSION

In this research work an attempt has been made to make a study of the role of NGOs in the socio-economic development of rural areas. NGOs - a recent form of organisation, are working widely in different social and economic fields in both developed and developing countries. This study has dealt with various aspects of voluntary-organisations covering the areas such as the purpose, objectives, staffing-pattern, organisational structure, financial position, effectiveness in increasing people’s participation, alleviating poverty, tackling gender issues, empowering poor people and the problems faced by the NGOs in their working area. This empirical study is based on the secondary and primary data collected by different means from various sources about the performance of six NGOs working in the rural areas of the study area-district of Rohtak in the state of Haryana. The study is mainly based on the primary data collected for the purpose and some other observations. However, the help of the secondary data available in the form of organisational documents such as annual reports of the NGOs etc., was also taken into account. After analysing and interpreting the collected primary data with the help of simple statistical tools like percentages, averages, ratio etc., we have derived certain interesting conclusions. Here first is given a brief summary of the study.
7.1.0 SUMMARY

In a large country like ours where three-fourth of its population is living in villages, the all round development of rural areas acquires a significant importance. Rural development has been on the important agenda of the government of India right from the independence. The main objective of rural development has been to provide an opportunity to the rural sectors and its people for their development.

Rural development in India is a very comprehensive and multidimensional process. The term rural development has been defined by scholars in various forms. Some have defined it in the form of a concept and some others have considered it as a strategy or as a process. In simple terms rural development implies social transformation of rural society and economic betterment of its people. In broader terms rural development includes the development of all social and economic activities related to each other through the optimum utilisation of available local physical, biological and human resources by bringing about the desired institutional, structural and attitudinal changes with the ultimate objective of improving the quality of life of the rural poor.

Various political thinkers and social reformers initiated several individual pilot programmes of socio-economic development and rural reconstruction during pre-independence days. However, after
independence, the state took the major responsibility of planned socio-economic development and welfare of the masses. Right from the first five-year plan government of India was committed to formulate various policies and programmes on rural development. In every plan document and in every budget speech it is stated that the fruits of economic development should largely reach the poor -- especially the rural poor. Under different five-year plans a large number of rural development programmes were launched with some success or failures. This state sponsored command model of development with strong doses of centralization and ‘top-down’ planning approach ignored the involvement of people in the development process and left little room for people’s participation in the decision making process, formulation and administration of the development programmes. Moreover, the bureaucratic control coupled with red-tapism, inefficiency, corruption and political interference restricted the access of the benefits of state sponsored programmes to the common men. Although to reduce the bureaucratic control and enhance the economic growth the state has allowed the private sector to expand. This expanding private sector and a contracting state, however, leaves many rural development issues unattended. The private sector by its very nature may not be a substitute for the state. This ‘profit motive’ and ‘market-friendly’ private sector do not have a human face and it added further to the already
skewed distribution in income and wealth. In this ‘profit motive’ and ‘market-oriented’ private sector, which upholds the principle of the survival of the fittest, a vast section of the population with little productive assets at their command or the minimum skills and technology support can not find a place due to the competitive environment. Thus the diminishing state and the expanding market scenario in India demands for the promotion of the ‘third sector’ through state policy in order that its capabilities are fully utilised. In such a situation when the state (the first sector) itself is diminishing and the profit motive private sector (the second sector) is little concerned with rural development particularly in solving the problem of rural poverty, the role of the ‘voluntary-sector’ (third sector) popularly known as non-government organisational sector or ‘NGO-sector’ assumes special significance. Non-government organisations (NGOs) – a recent form of organisations, can play a very crucial role in people’s participation through creating awareness, educating, motivating and enlightening the people for social transformation. They are instrumental in initiating, stimulating and accelerating the process of change in the tradition bound rural society. With their ‘human-face’ and ‘public support’, NGOs seem to be an ‘attractive alternative’ and ‘effective instrument’ in the socio-economic transformation of the rural people. Studies have shown that NGOs are eminently suited to the developmental role and as a
catalyst of social change. NGOs are considered as good educators, as informers, as experimenter, as motivators, as awareness builders and conscientizers as ‘friend, philosopher, and guide’ of the people in general and of the weak, poor, needy, downtrodden and underprivileged sections of the society in particular.

Though the term NGO was coined by the United Nation Organisartion (UNO) mainly to indicate the differences between the sovereign nation’s states which are its direct members and the organisations that collaborates with or receive grants from its agencies to implement the development programmes. However, the term is so well spread now that all the registered societies other than the direct government departments are loosely referred to as NGOs. The concept of NGOs is one, which is easy to comprehend but difficult to expose in precise terms. They have been understood, defined and used in a variety of ways. In simple terms they may be defined as registered voluntary associations of people working at the grass-roots level to help the poor and needy through charitable or developmental work on a non profit basis. Without going into discussion on the definition one thing, however, becomes clear from various studies that NGOs have a significant role to play in shaping the socio-economic conditions of the masses. The growth of the NGOs over the past two decades has given them an increasingly important role and led to them forming a
distinctive sector within the civil society. By reaching those who are ‘hard to reach’ or ‘difficult to access’ likes women, children, neglected, tribal, illiterates and depressed, the NGOs can bring rural development programmes an important dimension.

Voluntary-organisations (VOs) – the present day non-government organisations (NGOs) as they are known, have been a long tradition in India and occupies a pride place. In the earlier decades of development process in the country they played the role of welfare agencies. They worked on charity basis. In the beginning the voluntary-sector was motivated primarily by religious beliefs and was centered around philanthropic and social reform activities. Voluntary-action took place in three directions namely religious reforms, social reforms and voluntary work till independence. Since independence it has, however, moved in different directions due to the changing milieu. There came a shift in the activities of the NGOs. A large number of NGOs started as charity and relief-work in the wake of droughts and floods turned to developmental work for long-term solutions to the problem of poverty and other related problems. To encourage ‘voluntary-sector’ to undertake social welfare programmes government of India set up autonomous bodies like central Social Welfare Board (CSWB) in 1953. The role of NGOs and their importance in rural development was, however, recognised and given due importance only after the sixth five-year plan. Seventh and Eighth
plan documents laid a greater emphasis on the involvement of NGOs in planning and implementation of rural development programmes. The Ninth plan draft has also proposed the Panchayati Raj Institutions (PRIs), the NGOs and the community to work in tandem to bring about greater development at the local level and conservative reduction in poverty levels.

Although there are a number of studies concerning with the nature, composition, organisational and financial structure of NGOs. Very little is known, however, about their effectiveness in achieving their targets and socio-economic development in the rural society. An attempt has been made in the present study to understand the nature, characteristics, organisational structure and financial position with a view to formulate more precise research questions for investigation and to give some practical guidelines to the practitioners in their approach. The basic thrust of the present study, however, was to examine the role of NGOs in social and economic development in rural society in India and to make an evaluation of functioning of NGOs and their effectiveness in achieving their targets. The present is a study of a sample of six NGOs working in the five blocks of the district of Rohtak, of the state Haryana.

In an effort to provide reasonable explanation and answer to the questions being raised, we reviewed the existing literature on the subject, collected and analysed secondary and primary data on the
working of NGOs, their programmes, performance and impact on the rural people. To examine the effectiveness of NGO's programmes the approach used in the present study was 'goal-fulfillment' approach.

At the first stage the total number of NGOs working in different socio-economic fields in the study area was obtained from the office of the Registrar Societies, Chandigarh. As per the record of this office, on June 4, 1999, a total number of around 541 registered organisations were working in the study area and of these 541 organisations 32.3% (175) were educational, 36.04% (195) were youth clubs, 17% (92) were others. Only 15% (79) were development and welfare organisations which can be termed as NGOs working in the field of social and economic development of the rural areas. As the focus of the present study was on the role of NGOs in the social and economic development of the rural masses. Therefore the concern of the present study became only to know about the 79 (15%) NGOs working in this field. On the basis of information collected from different official and non-official sources and making personal visits at the official addresses of these NGOs it was found that out of a total of 79 organisations supposed to be working in the area of rural upliftment, 34 (43.3%) organisations were untraceable, 33 (41.77%) were inactive (existing but not active). Only 12 (15.27%) organisations were found working actively. On the basis of certain criteria such as the work experience of a minimum of
five years in rural areas after registration, only ten organisations were found eligible for the present study. Giving equal representation to all the five blocks in the district an equal number of organisations was selected from each block following the controlling factor that is one organisation from each block. Taking the number of organisations into consideration, three NGOs were taken from the Rohtak block. No NGO was found eligible in Sampla block. In total a sample of six NGOs was finally selected for the present study with the help of the *purposive sampling*. Information about the organisational structure of the selected NGOs was obtained from their respective office records and from the governing bodies of the studied NGOs. One project implemented by each sample NGO was selected on *systematic random sampling* basis to examine the impact of NGOs on their beneficiaries. The total number of the beneficiaries covered under the selected projects was only 265. All these beneficiaries were taken as sample respondent with a view to evaluate the performance and impact of NGOs on them. The selection of the sample respondent was thus hundred percent. For analysing the data certain statistical tools like percentages, averages, ratio etc. have been used.

The NGOs have now emerged as a prominent actor in different fields particularly in rural development. They are working almost in all the district of the country as well as in the state of Haryana, with a little
higher concentration in backward districts. With the expansion in their number and activities and programmes the nature and characteristics of NGOs has undergone noticeable changes. An attempt has been made in the present study to classify the sample NGOs on the basis of different characteristics such as area of operation, year of establishment, organisational structure, financial position, sector of work etc. The aims and objectives of the NGOs, their activities and programmes have been shown in the present study. Most of the sample NGOs were established during 1980s with the main objective of improving the socio-economic conditions of the poor people-especially the rural poor. Their organisational structure—consist of a general body and a governing council. The general body is the supreme policy making body. The governing council, which is constituted out of the members of the general body, is the executive body engaged in day to day management of the affairs of the NGO. Since its establishment the NGOs have performed a number of welfare activities for children, women, SC/BC, aged etc. and implemented several training programmes for income generation for poor people. Besides obtaining grants-in-aids from the central government and other funding agencies, NGOs also collect funds from other sources like voluntary donation, membership fees etc.
To examine the performance of NGO’s programmes, a sample of six programmes—one programme from each sample NGO, has been selected on random sample basis. The purpose was to assess the extent to which the programme’s objectives had been met. More specifically the assessment set-out to find-out the extent to which the programmes had been able to assist in poverty alleviation, how benefits were distributed, what were the costs and whether the funds available used properly or not, the prospects for sustainability and the potential for their replication. The sample projects were: Chaubisi Vikash Sangh’s—‘cutting tailoring and knitting’, Haryana Mahila Samiti Lakhanmajra’s—‘Handloom project’, Prerna Deep Mandal’s—‘Canning and Bag making project’, Nav-Yuvak Kala Sangam’s—‘Low cost Sanitary latrine making’, Haryana Vigyan Manch’s—‘Low cost horticulture processing and SEARCH’s—‘Bhalli Samata Sahkari Store’.

After analysing the sample projects it was found that although NGOs have been working in the right direction to reach the poor vulnerable sections of the society and helping them in tackling their poverty. But taking into account the vast size of the problem the area and the persons covered by these NGOs is quite negligible. Their programmes brought relatively a small economic return to its beneficiaries. The analysis of their programmes shows that NGOs also take women as mere recipient of benefits and not as active participatory
members. However NGOs have remained successful in creating awareness and organising people especially the women. Their programmes relatively showed strong performance in welfare and relief activities than the success in income and employment generation.

7.2.0. Findings

Based on the secondary and primary data following are the main observations of the study: -

(1) There are a large number of NGOs working in cities and towns and even those working in the rural areas have their operating offices at district/block headquarters. Moreover, it is also found that three to four organisations are registered in the name of a single person. It is also interesting to mention that there exists in the sample NGOs an active minority and an inactive majority among the members.

(2) As NGO's projects tended to be small scale the total number of people assisted is also small.

(3) All the sample NGOs are working at the grass-roots level with the main objective of economic betterment of the rural people and overall transformation of the village life by implementing various rural development schemes and income-generating programmes for the poor. They work to raise the consciousness among the underprivileged and marginalised to promote self-reliance and
organise them to empower against exploitation and social evils by creating a scientific attitude towards various socio-economic problems existing in the society.

(4) Organisational structure of the NGOs consist of a general body and a governing council. The governing council, which is elected out of the members of the general body, is the executive body consisting of 7-15 members to assist/co-ordinate in the day to day functioning of the NGO. But it is interesting to mention here that in case of the present study the NGOs are dominated by a single person who is generally the president of the NGOs.

(5) The major source of obtaining funds for the sample NGOs is the centre government. Other sources of collecting funds included voluntary donation from people, membership fee, service charges for training etc.

(6) There is a wide gap in the financial position of these NGOs. Four NGOs had an annual income upto five lakhs while two NGOs had annual income ranging 10-15 lakhs.

(7) NGOs have to undergo malpractices while getting sanctioned their projects. They have to bribe the government officials or the funding agencies. Failure to do so results in cancellation of the project or delaying in the grants.
(8) Targeting is relatively good in NGO's programmes. In the present study 234 (88.31%) beneficiaries are from the poor categories and are living in the income group ranging between Rs. 5000-15000 per annum. It indicates that NGOs are quite successful in reaching the poor, however the number or proportion of the poor accessed by NGOs in their operational area is very insignificant.

(9) Most of the studied NGOs claim to be participatory. However, this is not evident in practice. They presented to the beneficiaries their own pre-planned programmes and people's choices were frequently over-ruled. In almost all the sample NGOs programmes the participatory approach was 'top-down' in nature like government sponsored programmes run by officials/agencies wherein people are not involved at any level of designing, formulation and implementation process of the programmes.

(10) Out of a sample of 265 beneficiaries, who received training from the NGOs only 31 beneficiaries (11.7%) either started self-employment or found job in the government sector. It shows that NGOs have failed to give adequate consideration to the problem of unemployment of the poor people. Moreover it was found that some of the NGOs were employing some beneficiaries at lower wages in the schemes run by themselves and deriving profits by
selling their products themselves. This is quite contrary trend in the NGO's working against the approach of 'no self profit' working for the poor.

(11) NGOs have taken an active role in promoting self-help initiatives but the projects have little potential for sustainability. NGOs are executing only traditional projects like cutting, tailoring, darning, canning, pickle making etc. Majority of them shared the following features: rather low level of commitment on the part of the beneficiaries, high administrative costs and little chance of the project becoming economically viable in terms of generating an adequate level of income and employment opportunities.

(12) Out of the total 265 sampled beneficiaries assisted by the NGOs only 31 (11.70%) beneficiaries were found able to experience a little increase in their average income that is Rs. 250 per month. It shows that their intervention do not generally help people to escape from the structural poverty. But they do reduce some of the worst forms of the income poverty.

(13) NGO's programme has been successful in case of those poor with some initial endowment base. Benefits of these programmes tended to be initial assets holdings like agricultural land and animals. This is because NGOs work within the existing structure of rural society. Their economic programmes not hope
to bring about a more equal distribution of wealth assets and ultimately alleviation of poverty, though they can improve the situation of the poor in relation to wealthier groups or prevent the gap growing poverty.

(14) NGO's projects tended to be smaller scale and in terms of cost per beneficiary are more expensive. The reason for this is that NGO's projects tended to be more staff intensive and employment costs of expatriate NGO personnel are higher.

(15) The sampled beneficiaries showed no hesitation while answering the question asked by me. They are now aware of the benefits of education and are sending their children to the school. They are also aware of the benefits of a small family and are adopting small family norms. The women beneficiaries are keenly interested about their socio-economic status in the family as well as in the society. They are coming-out of their houses to organise themselves and raise their voices against all kinds of exploitation and excesses. This show that NGOs have remained effective in creating awareness among the people particularly among the women.

(16) The NGOs have remained successful in bringing women out of the household and into field activities at a higher level than before. They have taken positive steps to integrate and organise
women in-groups to take self-dependence initiatives. This coming together as a group has given women a greater confidence to approach local government and bank officials and in being able to talk with their men counterparts. Such changes are indicative of enhanced social status for the women in the wider community.

There is still, however, more dependence in the female on male members in terms of economic requirements and decision-making.

(17) There is found contradiction in the adoption of programmes and in the management and implementation of the programmes. Most of the NGOs, on the one hand, have taken programmes for women and their betterment while on the other hand the decision-making power, governance and implementation is generally in the hands of the male members. The managing/governing committees, except one (HMSL), are headed by male members and in executive boards very little representation is given to women members. It shows that, generally, NGOs also take women as mere recipient of benefits and not as active participating members.

(18) The case studies have shown that the impact of projects refers to broader criteria than the purely economic such as improved health and nutrition standards, increased awareness, increased
mobility etc. Monetary benefits derived from NGO's interventions though appeared marginal but for the poor the fact that they no longer have to endure period without food or now consumed better food, represent a critical improvement. A further set of criteria less amenable to quantification but an important social dimension of NGO's effectiveness is in the form of increased self-respect, improved quality of life, higher social status and reduced dependence. For the poor many of whom experienced discrimination on the basis of caste, gender etc. such qualitative improvements were found to be as important as the material benefits.

(19) All the sample NGOs are engaged in relief and welfare activities for the poor, aged and disadvantaged sections of the society and have comparatively strong performance in welfare and relief activities than the success in income and employment generating.

7.3.0 Suggestions

The present study highlights numerous problems/weaknesses faced by the ‘NGO sector’. The observations made during the study and discussion with the voluntary social workers have provided the base to make some practical suggestions which may definitely help the NGOs to overcome these shortcomings and strengthening themselves.
(1) The NGOs face a serious paucity of finance. The NGOs sometimes have to abandon even the successful projects due to the shortage of finance. It is therefore suggested that the NGOs should be adequate.

(2) There should be a decrease in 'red-tapism' in the timely sanctioning of projects and release of funds to the NGOs. Timely assistance by the funding agencies is of utmost importance. Any discontinuity in funds not only affects the development work but as a consequence causes embarrassment to and loss of credibility of the NGOs in question.

(3) Administrative grants should be given separately to NGOs to meet their recurring core expenses on yearly basis. They should also be provided for technical assistance and training staff for voluntary agencies.

(4) To make the NGOs more efficient and eligible for grants-in-aid facilities, documentation or annual reports of the projects should not be made necessary. Instead, the work actually done by the NGOs should be evaluated as much time of the NGO is wasted in documentation process.

(5) Certificates of vocational training provided by the NGOs should be given recognition in government jobs and in providing loans to the beneficiaries for self-employment.
(6) The study revealed that a large number of NGOs are operating in urban areas than working in the rural areas. It is therefore suggested that NGOs should focus their attention on development of agriculture-sector and service sector in the rural areas as in the coming years, there has to be more thrust on the development of the rural India. This will result in a faster development of the rural economy and generate more employment opportunities locally. Government should also encourage those NGOs working in rural areas than those working in urban areas.

(7) Rural-development projects implemented through NGOs should be sanctioned on long-term basis rather than on short-term basis to ensure proper implementation and monitoring of programmes as well as to provide continuity to a project because development is a slow process.

(8) The study summed-up that all the sample NGOs are fully dependent on the government or any other funding agency for grants. The NGOs should reduce their dependency on these sources and should generate their own financial resources. It may be in the form of a production center, donations, membership fees etc. Self-reliance is strongly advocated in this regard for the survival of 'volunteerism'. 
(9) NGOs should make clearly known who they are and what they are: They should have a transparency in the organisation's mission, objectives and policies, its organisational structure and in particular how it is controlled and managed and about its sources and uses of funds. They should be transparent about their work and secure and maintain open relationships with other NGOs as well as with the general public.

(10) The NGOs did not care for the beneficiaries after the completion of their projects. NGOs should take 'follow-up' actions and should have a constant touch with the beneficiaries and motivate them to further sustain the project of their own.

(11) All the sample NGOs are working with multiple objectives. It was found that they had enlisted more than 15 objectives in the memorandum of their associations. They can not work on all the objectives. It is therefore suggested that there should be only one area of specialisation for an NGO so that the quality of work and understanding of the problem required improves considerably. Some NGOs may be engaged in social work in rural development. They should confine their activities in this area only. In this manner there should be 'area specific' and 'area requisite' activities. If one NGO takes up work in many areas at a time there will be a lot of confusion and proper utilisation of funds will not
takes place and intended benefits will not reach the identified beneficiaries.

(12) There is a complete lacking of co-ordination and networking among the studied NGOs resulting in duplication of some activities. There should be an exchange of information among the NGOs and if needed to take 'joint-action'. They should keep liaison with each other with a view to avoid duplication of efforts and wastage. Proper co-ordination and networking among NGOs will result in a greater benefits.

(13) Need based 'vocational training programmes' to be imparted to the rural people. This can be done effectively by setting up training centres by the NGOs at Tehsil/block level with government support. Self-employment schemes should be popularised among the rural people to generate employment opportunities and increase family income. Existing self-employment schemes/programmes of the government for the rural poor should be linked with the proposed training centres to enable the trained rural people to avail opportunities of financial support easily through the centres for their self-employment.

(14) The study has revealed that the NGOs have started training programmes in traditional trades like cutting, tailoring, canning, bag making, pickle, Jam and Jelly making etc., for rural people
which are less productive in creating job opportunities and raising the income of the poor people. It is therefore suggested that the NGOs should start skill development programmes in new areas viz maintenance and repair of bio-gas plants, radio and television, motor-winding, agricultural implement repairing and other activities related with agriculture and allied activities like fisheries, poultry, sericulture etc., in the rural areas. Rural people should be encouraged to take these activities to increase their income and become self-reliant. This may also discourage migration of trained people from rural areas.

(15) Sometimes misuse and misappropriation of the available funds and other resources are also reported. Due to easy availability of funds and liberal rules and regulations, the funds are managed to corner by various unscrupulous NGOs. To avoid such circumstances all such funds both from the government and foreign agencies be placed with the village community, which should execute the rural development projects. NGOs can assist them through technical and other inputs. The donor agencies can appoint persons from NGOs to supervise the work and to see that all the conditions are observed by the village panchayat. If funds are received directly by the village community, only NGOs with a commitment and dedication will remain in the field. The bogus one
will not survive at all or retreat themselves and die a natural death.

Although the NGOs has been working in the right direction to reach the poor vulnerable sections of the society and helping them in tackling their poverty. But taking into account the vast size of the problem the area and the persons covered by these organisations is quite negligible. It seems impossible to solve such a vast problem mearly through NGOs. Because of so many of their limitations it is not feasible to cover all the villages and to reach to all the poor living in the villages. The strategy of the NGOs is clearly pro-poor and they aimed at first to establish some economic security as a sound basis for social and political change. But a serious problem with the NGOs programmes is that they generally provide supplementary rather than the major source of income. There are very restricted employment opportunities in villages and as yet the NGO's programmes brought relatively a small economic return to its beneficiaries. The potentiality of the NGOs in terms of raising the income of the poor people, however, can be enhanced if their programmes are supplemented with other forms of income generating activities such as co-operative, handloom, handicrafts, dairying etc. and by providing adequate marketing facilities to the poor people for the selling of their products. NGOs have been talking of empowering,
awakening and organising the rural poor. However, if the NGOs have to become a means of rural socio-economic advancement of the poor people, they must try to create awareness about domestic and social living problems to encourage vulnerable sections to organise, come-forward, participate, to be bold enough to share the fruits of development and empower themselves. Now when the constitution has been amended and the village community through its elected panchyats is enjoined to undertake all developmental activities at the grass roots level, NGOs should come-forward to organise the rural community for effective implementation of the constitutional amendments. They should particularly organise the rural poor and disadvantaged so that their weight in the political process increases and they effectively control the development programmes and the benefits of development actually reach to the needy. The NGOs primary role might be to organise the poor and fight for their emancipation by leading their struggles. NGOs if they take up the cause of rural poor, have an immense role to play in rural development. Their relevance lies in strengthening the process of empowerment of the rural poor and not in running after government or foreign funds. Moreover, overall relations between NGOs and the state would have to be at least neutral or if possible favourable.