



# ROLE OF NGOs IN RURAL DEVELOPMENT

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The rise of NGOs is one of the central processes in the sphere of development since the 1980s. This period also coincides with the demise of developmentalism as a project of the nation-state and the rise of post-developmental neo-liberal political economy (or what has also been described as market triumphalism). In what is often characterized as a move from inefficient states to efficient markets, NGOs hold a distinctive mediating position. It is now recognized that development requires not only the 'hardware' of investment in physical infrastructure, but also the 'software' of developing human capabilities. Without capacity building for managing institution, learning legal-rational procedures for decision making and accounting, raising questions and suggesting alternatives, development will not be socially sustainable. NGOs have been entrusted with the task of developing this 'software'.

Key words: Sustainable, non-governmental organizations Globalization, and World Trade Organization

The Indian state was initially indifferent, if not hostile, to encouraging NGOs in the sphere of development, although charity and relief organizations were tolerated to a certain extent. This climate changed after the mid 1980s. First, in the Seventh Five-Year Plan (1985-90) and later in the Eighth Five-Year Plan (1992-97), the government openly welcomed and encouraged participation of NGOs in the development sphere. Recently, the state has sanctioned about Rs. 1.5-2 billion annually for NGO funding, which is a substantial amount.

Many international agencies, such as the World Bank, which were earlier working exclusively through national governments, now prefer to work through NGOs in implementing some of their projects. In one of its review of such programmes the Bank has noted several positive aspects of working through NGOs without giving up some of its reservations. It is noted that the NGOs are far less constrained by bureaucratic procedures and administrative inefficiencies. What is more important for the Bank is the relative absence of blatant corruption and leakages in the channeling of funds. This absence results in a much greater share of benefits reaching the targeted groups than is likely to happen while working through the state machinery.

### **Origin of NGOs**

Since the 16<sup>th</sup> century, many charitable organizations in Europe and North America have played an important role as trans-national actors. The earliest international agencies in western societies were church-related organizations and these organizations had been engaged in development of socio-economic activities such as religious evangelization, education and disaster relief.

While these early trans-national activities were all voluntary in nature, governments in their home countries evaluated the role of the voluntary organizations in functioning as complements to their own foreign policies. Some of these organizations received significant financial support from their home governments because of their missionary objectives, for example, the promotion of western cultural values in colonial societies.

International non-governmental organizations have a history dating back to at least 1839. It has been estimated that by 1914, there were 1083 NGOs. 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 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-see Consultative Status. The definition of "international NGO" (INGO) is first given in resolution 288 (X) of ECOSOC on February 27, 1950: it is defined as "any international organization that is not founded by an international treaty". The vital role of NGOs and other "major groups" in sustainable development was recognized in Chapter 27 of Agenda 21, leading to intense arrangements for a consultative relationship between the United Nations and non-governmental organizations.

Rapid development of the non-governmental sector occurred in western countries as a result of the processes of restructuring of the welfare state. Further globalization of that process occurred after the fall of the communist system and was an important part of the Washington consensus.

Globalization during the 20th century gave rise to the importance of NGOs. Many problems could not be solved within a nation. International treaties and international organizations such as the World Trade Organization were centred mainly on the interests of capitalist enterprises. In an attempt to counterbalance this trend, NGOs have developed to emphasize humanitarian issues, developmental aid and sustainable development. A prominent example of this is the World Social Forum, which is a rival convention to the World Economic Forum held annually in January in Davos, Switzerland. Some have argued that in forums like these, 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 racialized manner in third world countries, and that they fulfill a similar function to that of the clergy during the high colonial era.

### **History of NGO Activity in India**

India has a long history of civil society based on the concepts of *daana* (giving) and *seva* (service). Voluntary organizations-organizations that are voluntary in spirit and without profit-making objectives-were active in cultural promotion, education, health, and natural disaster relief as early as the medieval era. They proliferated during British rule, working to improve social welfare and literacy and pursuing relief projects. During the second

half of the 19th century, nationalist consciousness spread across India and self-help emerged as the primary focus of sociopolitical movements. Numerous organizations were established during this period, including the Friend-in-Need Society (1858), Prathana Samaj (1864), Satya Shodhan Samaj (1873), Arya Samaj (1875), the National Council for Women in India (1875), and the Indian National Conference (1887).

The Societies Registration Act (SR A) was approved in 1860 to confirm the legal status of the growing body of non-governmental organizations (NGOs). The SR A continues to be relevant legislation for NGOs in India, although most state governments have enacted amendments to the original version. Christian missionaries active in India at this time directed their efforts toward reducing poverty and constructing hospitals, schools, roads, and other infrastructure. Meanwhile, NGOs focused their efforts on education, health, relief, and social welfare. A firm foundation for secular voluntary action in India was not laid until the Servants of India, a secular NGO, was established in 1905.

Mahatma Gandhi's return to India in 1916 shifted the focus of development activities to economic self-sufficiency. His Swadeshi movement, which advocated economic self-sufficiency through small-scale local production, swept through the country. Gandhi identified the root of India's problem as the poverty of the rural masses and held that the only way to bring the nation to prosperity was to develop the villages' self-reliance based on locally available resources. Gandhi also believed that voluntary action, decentralized to *gram panchayats* (village councils), was the ideal way to stimulate India's development. Gandhi reinvigorated civil society in India by stressing that political freedom must be accompanied by social responsibility.

After independence, the Government of India increased its presence in social welfare and development but recognized the potential for civil society to supplement and complement its efforts. The first Five-Year Plan stated, "Any plan for social and economic regeneration should take into account the services rendered by these agencies and the state should give them maximum cooperation in strengthening their efforts.

During the Third Five Year Plan and subsequent Plans, the importance of voluntary effort, co-operative self-help and community effort was stressed and promotion and support of voluntary organisations became the policy of

the State. However, the detailing of the role of the voluntary sector in the 1960s and 1970s was" left to be defined by ministries/departments. Since most ministries were implementing programmes in rural areas, they brought out their own guidelines and patterns of assistance to VOs.

India witnessed a rapid increase in and diversification of the NGO sector as a response to the national political scenario and increasing concern about poverty and marginalization. Both welfare and empowerment oriented organizations emerged during this period, and development, civil liberties, education, environment, health, and livelihood all became the focus of attention. With community participation as a defined component in a number of social sector projects during the 1970s and 1980s, NGOs began to be formally recognized as development partners of the state.

Their work was increasingly characterized by grassroots interventions, advocacy at various levels, and mobilization of the marginalized to protect their rights. The process of structural adjustment begun in the early 1990s-and the more recent approach of bilateral and international donors channeling funds directly through the government, NGO networks, and large corporate NGOs-have somewhat pushed peoples' organizations into the background. Small, spontaneous initiatives at the community level, as a response to social and economic exploitations at the community level, are no longer the hallmark of the NGO sector.

According to the study, the largest number of NGOs is registered in Maharashtra followed by Andhra Pradesh and Uttar Pradesh.

### **National Policy on the Voluntary Sector**

In May 2007, the cabinet of ministers of the Government of India approved the National Policy on the Voluntary Sector 12 as the first step in a process to evolve a new working relationship between the government and volunteer organizations.

Through the policy, the government commits to encouraging, enabling, and empowering an independent, creative, and effective voluntary sector with diverse form and function, so that it can contribute to the social, cultural, and economic advancement of the people of India. It recognizes that the voluntary sector has contributed

significantly to finding innovative solutions to poverty, deprivation, discrimination, and exclusion, through awareness raising, social mobilization, service delivery, training, research, and advocacy.

The policy identifies four objectives:

1. Create an enabling environment for volunteer organizations that stimulates their enterprise and effectiveness, and safeguards their autonomy.
2. Enable volunteer organizations to legitimately mobilize necessary local and foreign financial resources.
3. Identify systems by which the government may work together with volunteer organizations, based on the principles of mutual trust and respect, and with shared responsibility.
4. Encourage volunteer organizations to adopt transparent, accountable systems of governance and management.

## 1. State Policies

One of the intentions of the national policy was to motivate state governments to have similar policies. The Deputy Chairman of the Planning Commission wrote to almost all the Chief Ministers in this regard. VANI, along with its member organizations, also conducted a series of workshops in various states with the objective of informing state level Voluntary Organizations, and to build a link between state governments. Various state level groups were formed to coordinate and motivate state governments.

## 2. Enabling Environment

The National Policy promised government's efforts towards creating enabling environment for voluntary organizations by simplifying rules, regulations, capacity building and facilitating funding environment. However, more stringent Foreign Contribution (Regulation) Act 2010, was made, which not only requires registration after every five years but also relieves government from accountability towards VOs. On the one hand, the provision of deemed approval is being taken back while on the other hand there is no answerability by Ministry in case of a delay or arbitrary rejection.

### 3. Consultative Mechanism with National Ministries

One of the outstanding recommendations of the policy was to work towards building a permanent mechanism of regular consultation between various national ministries and VOs. This generated mixed results. The Finance Ministry has started organizing pre-budget meetings with the selected VOs. VANI was also invited by the Finance Ministry along with CII, FICCI and other industrial associations for consultations on Direct Taxes Code. Although, some ministries invite VO for various consultations, there is no attempt to institutionalize such practice.

### 4. The Planning Commission

Having pioneered the National Policy on the Voluntary Sector, the Voluntary Action Cell of the Planning Commission, undertook many significant steps. The national online registration and data bank was initiated along with three task forces viz., Accreditation system, National Registration Regulation, and Decentralized Funding Mechanisms. Recently, all the three draft reports have come, and they require sharing and consultations with stakeholders.

#### Aims and Objectives of NGOs

The objectives of NGOs reveal the range of their goals, ideals, programmes and activities. Regarding the aims and objectives, the NGOs are broad-based and each NGO combines more than one objective. These objectives cover a wide spectrum of subjects like socio-economic development, empowerment of women, development of rural folks, tribals, environmental protection, literacy, rehabilitations of the needy, awareness programmes, poverty alleviation, and leadership training consumer protection, conscientisation and so on. Here an attempt is made explain the major objectives of NGOs and they are indicated as follows:

1. Development of women and rural folks socially, economically, politically through income generating activities, education programmes, awareness camps, etc.
2. General socio-economic development of the people living in rural areas especially in down-trodden areas.,
3. Development of the under-privileged sections of the society such as fishermen tribals, rural women etc.
4. Running educational programmes like formal education, non-formal education and adult education programmes to decrease illiteracy rate and to improve human resources for the development of a nation.

5. Protecting the environment, rehabilitating the deprived sections like the handicapped, mentally retarded and orphans.
6. Eradicating poverty through generation of employment opportunities, income generating activities, providing skill based training, imparting new technology in agriculture etc.
7. Providing physical education, organizing competitions and giving training to the youth to participate actively in rural development activities.
8. Initiating self-employment ventures (for men and women) and organizing leadership/personality development programmes.



### Goals of NGOs

In essence, the goals of NGOs in Rural Development are: (a) to help the people help themselves in their endeavours to progress; (b) to promote the growth of inherent potentials among people; (c) to initiate a process of participatory development; (d) to bring about social justice for the poor and create awareness about their rights and duties; (e) to promote growth in social, political and economic aspects of life in rural areas (Reddy, 1987); and (f) to devise policies through networking with national and international agencies for sustainable development and facilitate the practice of the same.

### Characteristics of NGOs

The main characteristic of an NGO is "Touch". Human Touch is a quality which is innate in a human being and cannot be developed by training, incentive or legislation. Human touch, the hallmark of NGOs, got eroded with the introduction of professionalism in social work, because volunteerism and professionalism are the poles apart. The volunteers render a healing human touch either in their personal capacity or through a non-official agency.

However, most of the NGOs possess four basic characteristics which distinguish them from other sectors in our society. They are indicated below:

- 1) NGOs are voluntarily formed: NGOs are formed voluntarily to render service to the people voluntarily who are in need with aims and objectives and self achieving goals.



2) NGOs work towards development: NGOs involve in the developmental activities and implement the rural development programmes launched by the government to develop the rural people to lead better life.

3) NGOs are relatively independent: NGOs do not depend on any Government or other organizations and they are relatively independent. They cooperate with other NGOs and government to serve the poor for the development of the rural areas. Hence, NGOs are, by and large, local organizations. Their areas of operations as well as impact are, therefore limited to small rural areas.

### **Functions of NGOs**

NGOs in India perform a variety of activities that would benefit the public basically because they do not have any commercial interests or profit motive. The important objective of NGOs is to serve the people who are suffering out of poverty or some natural calamity. Though NGOs are often criticized that they are wasting public money, they counter those criticisms by identifying the social problems systematically involving in finding a solution for them. As NGO in India runs mainly with the support of the funds that are raised, they plan everything carefully so that each programme that they execute is executed in a very cost effective way.

