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NGOs and Civil Society in India

The Arkleton Lecture 2001
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December 2001
Publication Details

Title: NGOs and Civil Society in India
      The Arkleton Trust Lecture 2001

Author: Professor B S Baviskar
Publisher: The Arkleton Trust, Enstone, Oxon OX7 4HH
Date: December 2001
ISBN: 0906724 46 5
Price: £3.00

The 2001 Arkleton Lecture was given during The Arkleton Trust International Seminar held during October 2001, the topic for which was Working with rural communities, and with bureaucracies.

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About the Author:

Professor Baburao Baviskar was born the son of a small farmer in the State of Maharashtra. He was Professor of Sociology at the Delhi School of Economics until retirement after 32 years. He has held visiting positions at the University of Sussex (IDS), McGill University, and the American University in Cairo. He has taken a special interest in Rural Development Cooperatives and Farmers Organisations. Currently he is President of the Indian Sociological Association. In 1980 and 1982 he was a member of a group of ‘third world’ experts who came, at the invitation of the Trust, to visit rural areas in the UK, and advise on their development problems. As a result of this Study Tour the Trust published a report by him entitled Development institutions and approaches in three rural areas of the United Kingdom. This report, published in 1983, is still available from The Trust’s Enstone Office. He has been a member of the Trust’s International Advisory Committee since the early 1980’s.
NGOs AND CIVIL SOCIETY IN INDIA

by

Professor B.S. Baviskar
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“It is not the water in the fields that brings true development, rather, it is water in the eyes, or compassion for fellow beings, that brings about real development”.

—Anna Hazare

“Democracy and development require active and informed participation at the grassroots.”

—Ela R. Bhatt

Ladies and Gentlemen,

It is indeed a matter of pleasure and privilege for me to deliver this year’s Arkleton Lecture. Let me confess that I am somewhat overwhelmed by this honour and feel a little nervous while speaking before this distinguished gathering. When I first attended the Arkleton Lecture, way back in 1980, I never imagined that one day I would have the honour of delivering this Lecture.

The Arkleton Trust is unique in some ways among organizations of its kind. Although over the years it has concentrated its resources and energies mainly on the problems of relatively poor and backward areas of Europe, it has done this in the wider context. The Trust also occasionally undertook bold and innovative projects. I recall my early association during 1980 and 1982 when the Trust organized study teams of Third World specialists to look at the problems of rural decline in England, Wales and Scotland. The reports of these study teams attracted a good deal of attention and generated lively discussions. Although active in several fields, the Trust has managed to retain the original spirit of informality and friendly ethos. The major credit goes to that visionary and founder of the Trust, the late Sir John Higgs and his colleagues who continued his tradition with dedication. We will continue to miss Sir John’s dynamic presence in these meetings. I would like to dedicate this Lecture to his memory.

On 09 October 2001 I attended a meeting in Delhi sponsored by one of the UN organizations to discuss proposed action research on trafficking in women and children in India. Most noticeable aspect of this meeting was the large scale presence of representatives of non-governmental organizations (NGOs) along with much smaller scale participation of government functionaries and academics. This is a marked change from the past. Among the
social groups and associations of various kinds that are considered to make up civil society, NGOs have become especially prominent in the last two decades. In the years after Independence, people exhorted the state to take the initiative with respect to social transformation; now the expectation is that NGOs will perform the same role. Be it the field of education or health, providing drinking water, organizing forest management groups, or thrift societies for working women, NGOs are supposed to take the lead. I am told that the situation is not very different in the United Kingdom (UK). How has such a dramatic shift occurred? How have NGOs become such an important part of civil society?

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-developmentalist neo-liberal political economy (or what has also been described as market triumphalism). In what is often described as a move from inefficient states to efficient markets, NGOs hold a distinctive mediating position. Given the profound implications of NGO involvement in development, there is a great need to critically examine the changing relations between NGOs, state agencies, multilateral and bilateral funding institutions, and other social groups. This has great bearing on the way in which we conceive of the process of social change and the roles of different social actors within it.

By and large, scholars have not given the phenomenal growth of NGOs the critical attention that it requires. There are hardly any systematic studies of their membership. What is the socio-economic background of the activists associated with them? Similarly, there are no attempts to analyse the NGOs as organisations. What is the dynamic and the process of decision making within them? We know almost nothing about the power relationships within these groups and associations nor do we know about the forms and channels of participation that affect the power relationships (Fisher 1997: 456). The literature on NGOs mainly consists of broad descriptive histories and sometimes generalised accounts of their achievements in the form of evaluation studies.

One of the reasons for the absence of rigorous studies is perhaps the close collaboration between academics and the NGOs' practical work. Often, social scientists have close links with NGOs, and since many NGOs operate in the cross-disciplinary space between academic research and activist intervention (policy study and advocacy, training and capacity building, social work and service delivery, etc.), they offer to academics many opportunities to pursue their work into the domain of non-academic practice. This collaboration has prevented many scholars from subjecting NGOs to the same scrutiny as other social institutions.

Although NGOs claim to believe in openness and transparency, many of them are not open to scrutiny by outsiders. Those who have achieved a degree of success and fame are often hostile to any objective studies by outsiders not approved by them.

The NGO sector in India is characterized by tremendous diversity and heterogeneity. Ignoring this diversity, unfounded generalizations are often put forward and unfair comments and criticisms are offered. NGOs differ from one another in size, in funding, in functions; in the levels at which they operate; and in organizational structures, goals and membership (Fisher 1997: 447). There are over 14,000 NGOs registered under the Foreign Contributions Regulation Act. In all there may be over 30,000 NGOs in India.
There are many definitions of NGOs. The voluntary sector includes non-governmental, non-profit organizations. They may be engaged in a variety of activities: implementing grassroots/sustainable development, promoting human rights and social justice, protesting against environmental degradation, and many other similar tasks. Some activists resent and reject the term non-governmental organization and instead designate themselves as social action groups, political action groups or social movements. Anna Hazare’s village development group at Ralegan Siddhi in Maharashtra and Ela R. Bhatt’s Self-Employed Women’s Association (SEWA) in Gujarat are both identified as NGOs but are very different from each other in terms of size, membership, funding, approaches, strategies and outcomes. This only shows that one should be very careful while making generalized statements about NGOs.

Just as there are many definitions of NGOs, there are several classifications too. Shah and Chaturvedi (1983) divide NGOs in three main categories: techno-managerial, reformist, and radical. Hirway (1995) classified NGOs into welfare-oriented (including health and education), development organisations, and empowering NGOs. Iyengar (1998) classified NGOs into four categories: Gandhian, service delivery organizations, professional organizations, and mobilizational organizations. Korten distinguishes three generations of NGOs: the first committed to relief and welfare; a second attending to small-scale, local development projects; and a third consisting of community organisations interested in building coalitions (1990: 115-27). Elliot (1987) has outlined a similar typology of NGOs based on distinctions among charity, development, and empowerment work.

In Korten’s view, first generation relief and welfare NGOs, which predominate in the developing world, often have close ties to state and international development aid organizations and do not overtly engage in political activities. Second generation development NGOs organize individuals locally to address issues like public health and agricultural development. These groups frequently help their constituents to overcome structural constraints, to challenge local and regional elites, and to assist in reducing dependency relationships. Third generation NGOs explicitly target political constraints, engaging in mobilization and “conscientization”. Their focus is on co-ordinating communications and linkages among people’s organizations. These networks help to spread awareness of the practical local successes of some second generation development strategies and to serve as catalysts for wider social movements. However, these types are more ideal than real and not mutually exclusive (Fisher 1997: 448).

In the literature on NGOs, there are several positive cases of very poor people successfully organizing themselves. The Self-Employed Women’s Association (SEWA) at Ahmedabad is one such example. Ela R. Bhatt has described the activities of the SEWA Bank, one of several organizations working under the SEWA umbrella. SEWA Bank has organized thousands of poor working women and mobilized them to run a co-operative bank which encourages savings and fulfills their credit requirements for consumption, trading and production purposes. Its annual turnover runs into millions of rupees (Bhatt 1998: 146-61). George Mathew, in a persuasive paper, has pointed out several instances in which Panchayats and NGOs have worked together using their complementary skills and resources to achieve common goals (Mathew 1999:529-34).

As reported elsewhere (Attwood and Baviskar, n.d.) NGOs sometimes try to fill the gap between informal savings groups and dysfunctional, state-run “co-operative” credit systems.
In 1976, the Grameen Bank, a new type of NGO, was established in Bangladesh. The Bank makes only small loans to poor people, primarily women organized into small groups. As with informal savings groups, group discipline ensures loan repayment. Other NGOs in Bangladesh have established similar ‘micro-credit’ programmes. The Grameen Bank system of small group discipline seems particularly effective in reducing poverty and promoting women’s empowerment (Hashemi, *et al.* 1996). Yet, cultivation of group discipline entails high administrative costs, paid by external donors.

In Andhra Pradesh, an experiment in Women’s Thrift Co-operatives (WTC) was launched in 1990 under the auspices of the Co-operative Development Foundation (CDF), a local NGO, based in Hyderabad. WTCs raise funds solely through small, regular contributions from their members, who earn interest on savings at 1 per cent per month. For loans they pay 2 per cent. A village WTC may consist of 200 to 500 women, divided into groups of 10 to 50. Group discipline ensures excellent rates of loan recovery. Loans are used for household expenses, including house repair, education and health care, as well as investments in agriculture, livestock, and small business.

In less than a decade, over 33,000 women formed 101 WTCs. On 31 December 1998, their combined savings totalled Rs. 26 million, with no external grants or loans. The CDF provides advice and support in establishing WTCs, but the latter soon become self-sufficient and self-managing, a source of empowerment for their members. About half the members and leaders come from landless households; another one-third have less than three acres of land (Biswas and Mahajan 1997; Rajagopalan 1999).

If strong, vibrant and lively civil society is the foundation of modern open democratic policy, NGOs are the very life force for the civil society. Civil society and NGOs seem to go together. One cannot exist without the other. Civil society, when it is not used as a synonym for society in general, is used to refer to ‘that segment of society that interacts with the state, influences the state and yet is distinct from the state’ (Chazan 1992: 281).

The growing prominence of NGOs in the field of development is strongly related to the declining legitimacy of the state. Increasingly, the state is looked upon with suspicion if not contempt. It is considered to be corrupt, oppressive and anti-poor. Least governance is seen as the sign of good governance. Post-developmentalist ideologies of neo-liberalism choose to espouse the virtues of market enterprise. ‘Good governance’ is believed now to consist of two functions: facilitating the free play of market forces, and enabling decentralized institutions of ‘participatory management’ to be formed. Participatory management is the new *mantra* for the provision of services through local municipalities and panchayats, as well as in the sphere of natural resource management. State structures are criticized as being rigidly bureaucratic and corrupt, and thus unsuited for performing either welfare or resource management functions, whereas NGOs are seen as ‘civil society’ actors that are more accountable, responsive and committed to bringing about social change. The state is seen as consisting of entrenched interests and styles of functioning that make it unwilling and unable to accommodate working with people, a role that NGOs are supposed to be good at. Thus, NGOs have emerged to perform a bridging function, taking on functions that the state is unsuited for, and performing them with lower overheads, greater efficiency and motivation. Increasingly, it is not only funding institutions but the state itself that accepts the presence of...
NGOs and, in fact, expects them to take over certain tasks. This new set of institutional linkages between state agencies and NGOs, between state and ‘civil society’, needs to be explored more thoroughly.

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. The climate changed after the mid 1980s. First in the Seventh Five Year Plan 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 to 2.0 billion annually for NGO funding, which is a substantial amount (Patel 1998: 47). Such a significant presence of NGOs in our civil society is not so common elsewhere. In October 1992, while speaking on the role of NGOs in India’s rural development at the American University in Cairo, I was told by senior faculty members during discussion time that there were hardly any NGOs in the development field in Egypt. In India they are so ubiquitous that we take them for granted, just as we take our democratic political set-up for granted. Amartya Sen brought out the significance of India being an open democratic society in his comparison with China where nearly 23 million people died during a famine in 1958-61 and the world at large did not even hear about it for decades. In the Indian political system, with a free press, opposition parties, and a large number of NGOs, this could never happen (Sen 1986: 39-40).

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 reviews of such programmes the Bank (Gibbs et al.1999) 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 channelling of funds. This results in a much greater share of benefits reaching the targeted groups than is likely to happen while working through the state machinery.

However, one should be cautious in generalising from some of these developments. One should not jump to the conclusion that the State is retreating. Those who benefit from state structures are well entrenched. One should not rule out the possibility of the state trying to co-opt NGOs to retain its supremacy rather than retreating from the scene.

NGOs are now an organizational form to which considerable social prestige adheres; they are in an advantageous position to secure contracts and consultancies. They provide opportunities for social enterprise for many individuals and social groups. The range of NGO activities spans a vast spectrum. Here are a few examples.

On the one hand, there is the case of Joint Forest Management (JFM), where a caucus of NGOs mobilized by the Society for the Promotion of Wastelands Development (a government-initiated NGO) helped to reform government rules regarding JFM in several states to make them more equitable and democratic, especially with respect to women's rights (see Jeffery and Sundar 1999).
On the other hand, there is the case of an NGO in Andhra Pradesh in the animal husbandry sector that systematically misappropriated funds for several years, while the Delhi office of their foreign donors turned a blind eye to this for fear of attracting adverse publicity.

State corruption and NGO complicity had a field day in the Council for Advancement of People’s Action and Rural Technology (CAPART), the government body set up to fund grassroots NGOs, where funds were disbursed and later evaluations favourably conducted if bribes were paid to the CAPART staff. There are several instances of NGOs being started by bureaucrats (retired or in service), academics, and politicians -- sometimes for sincere contributions to social development, and sometimes as a conduit for receiving funds with scant work to show for them. Given the cross-over of personnel between the state and NGOs, the contrast between their institutional structures and ideologies may well be overdrawn.

As with other agencies, the cases of outstanding success in the NGO sector are few and far between. Whenever there is any case perceived as successful there is an attempt to replicate it elsewhere. SEWA in Gujarat was persuaded to start branches in other states. One has to find out if these efforts succeeded as much as the original. The cooperative dairy complex represented by Amul at Anand in Gujarat is another famous example. From 1970 to 1995 there was a huge programme called Operation Flood, funded by the European Union, and World Bank to replicate the Anand pattern all over the country. It did not work (see Baviskar 1999). Impressed by the success and vitality of sugar cooperatives in Maharashtra the central government encouraged similar projects in other states. Most of them failed. Inspired by the outstanding success of Anna Hazare bringing about all round development at Ralegan Siddhi in Maharashtra, the state government persuaded him to accept the chairmanship of a committee to replicate the experiment all over the state. The committee was to select one village from each taluka and thus create about 300 Ralegan Siddhis across the state. He was given the necessary financial and other support. But the political parties had their own agendas. Their representatives, such as the MLAs and others, pulled in different directions. The state bureaucracy was lukewarm in its support since it resented Hazare’s critical stance towards it. Hazare had to give up the mission when he encountered the problems of replication under state patronage. He is much more chastened after this experience. The issue of replicability is linked to the question of scale. How adequate are NGOs when they attempt to substitute for the state and take on tasks that, in order to make any kind of dent in terms of social problems, must be conceived on a nation-wide or state-wide scale?

Whereas many NGOs espouse democratic decentralization, the working of their own organizations is often idiosyncratic, with authority being vested in one charismatic figure who started the NGO. Structures for the redressal of employee grievances, mandatory in most formal organizations, are often absent in NGOs where personalized management practices tend to prevail over more impersonal rule-based procedures. This contradiction has been the source of conflict in at least two well-known cases, where workers were forced to leave the organization at the behest of the founders. Whereas state structures are at least formally rule-governed, the same is not true of NGOs where the spirit of voluntarism is sometimes used to obscure exploitation and manipulation.

NGOs often seem to indulge in double standards. When criticizing state structures, they plead for openness, transparency and democratic participation. However, many of them do not seem to observe these norms in their own functioning. Crucial decisions are often taken at the top
by the senior leaders without any scope for ordinary workers to participate in decision-making deliberations. The leaders are most reluctant to openly discuss the matters relating to funding. They talk enthusiastically about the current and future programmes but not about the sources and quantum of funding. That is why, when Bunker Roy of the Social Work and Research Centre (SWRC), Tilonia, announced open scrutiny of the finances of his organization, it made headlines. He offered to open the accounts in a public meeting and answer any questions relating to them. No other NGO has come forward with a similar offer. Similarly, Roy sparked off controversy by suggesting a code of conduct for NGOs. His move was strongly opposed in several quarters. It was considered to be an attack on the freedom of NGOs and an attempt to control them through regimentation.

Many NGOs find it hard to resolve the problem of succession and routinization. Having been set up with the initiative of some dynamic and charismatic leader who inspires a following and support, the organization finds it difficult to continue once the leader is removed from the scene. It may lose its old elan and spirit. Routinization with impersonal rules and regulations has the same effect.

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 institutions, 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'. This raises problems of its own. By and large, NGOs that receive external funds are expected to fulfill physical and financial targets, show tangible results (how much money spent, how many trees planted, how many people trained), but without considering the quality of the output. Often, the expected output is hard to measure since it is difficult to come up with quantifiable indicators of empowerment. After thousands of training workshops and orientation tours have been held, it is still not clear at the end of the day exactly how the cause of development has been served. Yet the pressing need to meet physical targets (the requirement of bureaucratic accounting practices) often forces NGOs to take shortcuts so that the more gradual and open-ended process of empowerment is compromised.

While NGOs are often critical of politicians and bureaucracy for misusing and misappropriating public money earmarked for development, the NGO record is not so exemplary. Recently it was reported that NGOs have not submitted grants utilization certificates amounting to millions of rupees. They have been warned that no further grants will be released till they submit utilization certificates.

The economy and efficiency claimed on behalf of NGOs is only relatively superior. When the late Prime Minister Rajiv Gandhi revealed that less than 15 per cent of the total money spent by the government on development programmes reached the targeted beneficiaries, there was a wave of shock and surprise. According to some calculations, this proportion may be 20 per cent in the case of NGOs, which also spend substantial amounts on their own salaries and infrastructure. The difference in terms of benefits to the poor may not be so great after all (Ramachandran 1998:170).
The issue of accountability is also raised by the dependence of NGOs on external sources of funding. Ever since the issue of foreign funding was raised by the Communist Party-Marxist (CPM) leader Prakash Karat (1984), characterising it as an imperialist strategy of penetration into neo-colonial settings, the debate crops up again and again. Opinion is sharply divided among NGOs themselves on this issue. While Bunker Roy is willing to accept a ban on foreign funding, many others are vehemently opposed to it.

Before the last general elections, several highly respected NGOs, such as Indian Social Institute and Ankur, were asked by the government to show cause why their FCRAs (permits under Foreign Contributions Regulation Act) should not be cancelled because they had supported an anti-communal advertising campaign. Any overtly political NGO activity that seems to threaten the status quo may thus be attacked by the state or by a political party. And the issue of funding gives the state a convenient leverage over NGOs.

Conflicts among NGO, donor, state, and grassroots agendas and understandings are also exemplified in the recent controversy over ‘Sahayog’, an NGO in the Uttar Pradesh hills that produced a booklet about AIDS and reproductive health using ‘explicit’ language. This NGO, led by urban-educated upper-class activists and funded by the Macarthur Foundation, ran afoul of local sentiments as mobilized by Bharatiya Janata Party (BJP) activists. This controversy shows also that the issue of representation (whose concerns do NGOs voice?) needs to be examined more carefully. The belief that NGOs represent the view of vulnerable social groups, or are sympathetic and empathetic towards them, a belief that has been used to justify the greater reliance on NGOs for development, needs closer scrutiny.

NGOs have been around for quite some time and they are likely to remain with us in the foreseeable future. Systematic studies are required to say anything with confidence about them. In the absence of such studies, our understanding of NGOs will remain vague, superficial and hazy. Students of organizations and those of development all need to pay serious attention to them. Such a cumulative effort will enable us not only to understand NGOs but also their contribution to development and social change.

To begin with we need a regional mapping of NGOs. Is there a pattern in the regional spread of NGOs? If so, what is the explanation for it? Baviskar and Attwood (1995) attempted such an exercise in the case of rural cooperatives and arrived at tentative conclusions following a political economy approach. Why is there widespread voluntary effort in the field of education or health in some regions but not in others? We also need to know about the internal structure and functioning of NGOs. What is the composition of membership, and who are the leaders? What motivates them to undertake such work? Dhanagare (1988) noted the middle class background of activists in most NGOs. We need to know, why is it so? We also need to examine the NGO links with the outside world. What are their achievements and failures? What contributes to the rise and decline of NGOs? Even tentative answers to these questions will be of help to policy makers, NGOs themselves and to the society at large.

NOTES

4. For an insightful discussion of internal contradictions of NGOs see Amita Baviskar (1995).
5. According to the Public Interest Litigation (PIL) before the Delhi High Court, over 30,000 NGOs had not accounted for Rs.75 billion given to them by the government during the past several years. See The Hindustan Times, Delhi, 19 December 2000, P.5.
6. Fortunately, we do not have many urban middle class based powerful environmental NGOs concerned primarily with recreation and natural beauty as in the United Kingdom (UK) and other developed countries. I am grateful to John Bryden for drawing my attention to this difference between India and the UK.

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