

## **Civil Society's Participation in Development: Need for an Inclusive Approach**

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### **Introduction**

Development experience is that when market fails state intervention is the solution, and when both market and state fail civil society will emerge in different forms and intervene. Globalization and privatization policies strengthened market. As a result of recognizing the limits of state action and the market functions there is an increased awareness of the role of civil society organizations in the provision of public goods and social services. Accordingly, all over the world in addition to state intervention and market operation, third sector initiatives deploying the concept of 'civil society' are increasingly involved in the process of development. There is consensus that public, private and civic roles are crucial to growth and development. In the rapidly changing global environment, such institutions are looking for a new way of working with the principles of civil society. On the other hand, inclusive growth approach encompasses involving all sections and sectors, essential for social development.

With this background, this research article attempts to analyze the role of civil society organisations in achieving inclusive rural development. Besides, it tries to bring to the fore the benefits of civil society-government partnership.

### **Inclusive growth**

Inclusive growth broadly means an effort to involve all the sections of the society and sectors appropriately so that resources are properly utilised and results are fairly distributed to all. It expects a scientific view in involving everyone in a unbiased way in the whole process of development. Therefore, social inclusion, financial inclusion and program for distributing land to the landless become significant.

On the production side, institution building, participation, collaboration, partnerships represents inclusive approach. On the distribution side inclusive growth encompasses ideas related to basic needs and

equity thereby taking all sections of the society with growth. Reduction in poverty and disparities of income and ensuring everyone a basic minimum standard of living are the objectives of inclusive growth. Improvement of the standard of living results from access to productive assets and finance to utilize assets for income generating activities. In fact, providing access to finance is a form of empowerment of the vulnerable groups.

Role of people participation has been discussed much in the development literature. It was believed that democratic decentralization tends strongly to stimulate more participation at the local level, because local people recognize that decisions about important development projects are now being made very close at hand. They therefore, become more active in local development affairs in order to influence those decisions. They involve not just as individuals but also in groups, since that may enhance their influence. As a result, civil society grows and becomes more vibrant.

Recently, a new wave of decentralization occurred in many less developed countries, which necessitates the devolution of power to committees of 'users' or 'stakeholders' that have influence over individual sectors. These include health committees, education (often parent-teacher association, School development committee) committees, water users' committees, forest management committees, consumer's forum and the like.

The Third Sector initiatives with the deployment of 'civil society' concept are increasingly involved in the process of development. Civil society has been widely seen as an agent for limiting authoritarian government, strengthening popular empowerment, reducing the effects of market forces, enforcing political accountability and improving the quality of governance.

However, Civil Society Organizations (CSO) involved in third sector initiatives has to function as supporting/ assisting partners with government. The crucial

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question here is division of role between these two agencies in the partnership. CSO and governments inter-relate, each side influences and affects the other. James Manor made reference to a widespread sense of disappointment in many evaluations about the contribution of civil society to promote more open and responsive governments.

Increased use of community based non-profit organizations in the era of welfare reform provides opportunity to assess the lessons learned from the past experiences of service delivery, variously in different situations. This shift may be seen as from contracting to partnership, centralized to decentralize, political and administrative non-willingness to political and administrative commitment leading to more efficient mechanism. Various literatures on this identify the increasing reliance of public service agencies (government) on community-based non-profit service agencies. This shift in the trend may be assessed in terms of the concepts of devolution, privatization and community building. In this context, the concept of partnership assumes importance.

“Partnership is a dynamic relationship among diverse actors, based on mutually agreed objectives, pursued through a shared understanding of the most rational division of labor based on the respective comparative advantages of each partner. Partnership encompasses mutual influence, with a careful balance between synergy and respective autonomy, which incorporates mutual respect, equal participation in decision-making, mutual accountability, and transparency.” (Brinkerhoff 2002). According to this definition partnership has two dimensions. Mutuality encompassing the spirit of partnership principles; and organization identity captures the rationale for selecting particular partners, and its maintenance is the basis of partnership’s value-added. Mutuality refers to mutual dependence, and entails the respective rights and responsibilities of each actor to the others. Partnership, therefore, encompasses a range of principles including mutual trust, respect, accountability, and influence, with mutual determination of ends and means.

Public-private partnership model has been recognised as an important strategy all over in several sectors. We have several examples of civil society-government

or civil societies among themselves in partnership achieved good results.

### **Government-NGO Partnership**

Voluntary sector contains an enormous variety of organizations. It brings about considerable resources and energies to welfare policy and practice. Historically, Indian Voluntary Sector provides immense experience in providing social services. The enactment of the Societies Registration Act was a landmark in the history of voluntary organization in India. Later, during the freedom struggle many leaders emphasized the need for voluntary agencies to channelise the people’s participation at the grass roots level. Many organizations were set up by them to promote social welfare. Post independence period gave a new look to the voluntary action, since India was declared to be a ‘Welfare State’. The government undertook welfare schemes under various plans and policies. It also encouraged the voluntary organizations to undertake social welfare programmes under grant-in-aid programme and set up autonomous bodies like Central Social Welfare Board, Indian Council of Social Welfare, People’s Action for Development India (PADI), Council for Advancement of Rural Technology (CART) Council for Advancement of People’s Action and Rural Technology (CAPART) etc.

Provision of welfare services, since the beginning of the First Plan has been a cooperative venture between the state and voluntary organizations. The planners have all along emphasized their role and have recognized the services rendered by them in various fields. This recognition infused the government to take concrete steps to assist voluntary agencies.

Government has been thinking in terms of assigning an important role to the voluntary agencies in the field of rural development. It is presumed that these agencies are capable of undertaking a wide variety of functions. During the period of First Plan, the Central Government established the Central Social Welfare Board in 1953 with the main object of assisting voluntary agencies in organizing welfare programmes for women and children and for the physically handicapped. The Central Social Welfare Board in collaboration with the state government organized

State Social Welfare Advisory Boards in each state and union territories. During the Fifth Five Year Plan (1974-79), the government introduced a central scheme to assist voluntary agencies with a view to encourage people's participation in small projects for rural development work. The Sixth Five Year Plan did assign a significant role to voluntary agencies in rural development. It declared a supplementary action by voluntary agencies in promoting activities for self-employment as well as development for rural poor. The Seventh Five Year Plan envisaged an important role for the voluntary agencies in supplementing government efforts, in disseminating information, utilization of local resources, evolving appropriate technology and in activating the delivery system.

The support given by the state motivated the voluntary agencies to increase their services and extend their areas of work. Voluntary agencies are involved with government social welfare activities in general rural development (women empowerment, training youth for self-employment, credit etc.) in specific.

CAPART makes available financial assistance to voluntary agencies/NGOs under the following schemes:

- a) Promotion of voluntary action in rural development;
- b) Development of Women and Children in Rural areas (SDWCRA);
- c) Accelerated Rural Water Supply Programme (ARWSP);
- d) Central Rural Sanitation Programme (CRSP);
- e) Integrated Rural Development Programme;
- f) Jawhar Rozgar Yojan (JRY);
- g) Advancement of Rural Technology Scheme (ARTS);
- h) Panchayat Raj and
- i) Disability Rehabilitation.

The Eighth Plan, further added credits to NGOs and encouraged them to participate in the innovative projects like "Agro climatic Regional Planning" (ACRP), the watershed development Project under DPAP etc. The Ninth Plan and current tenth plan envisaged to involve NGOs right from the planning process. In 1999, the SGSY scheme was launched by merging various rural development schemes like IRDP, JRY etc., and group-lending remains the major thrust.

During the Ninth and Tenth Five Year Plans, the

government has assigned a crucial role to NGOs by adopting participatory strategy to promote rural development. Provision has been made to expand economic and social opportunity for individuals and groups by encouraging greater participation in decision-making.

Recently, Self-Help Groups (SHGs) are playing crucial role in mobilizing microfinance and entrepreneurial development activities creating employment opportunities in the rural area in collaboration with banks and other agencies.

### **Banks Self-Help Groups' Partnerships**

Self-Help Groups (SHGs) are becoming very popular and are playing crucial role in the micro level development. SHGs are small voluntary associations of people formed to achieve collective social and economic developmental goals. People come together and function as a group around some common need, which furthers their individual and collective interests. The members democratically control the group and the profit or surplus shall be equally distributed among them.

SHGs linkage programme is establishing a rural micro financial system owned by people, and eventually relating with other socio-economic indicators like impact on the standard of living of the poor, reducing illiteracy, improving health, family welfare, social upliftment, etc. The groups are arranging to take up business in collaboration with government and other non-governmental organization in the grass-root level.

In Indian context, it is quite interesting to see the kind relationship between NABARD, public sector banks and SHGs. NABARD, the implementing agency in India started the national level Pilot Project, linking banks and 500 SHGs in 1992, with an objective of linking and financing SHGs as grassroots intermediaries to banks for both savings mobilization and credit delivery. In 1996, Reserve Bank of India decided to include Linkage Banking as a mainstream activity of the banks under their priority sector lending. The GOI awarded national priority to the programme through its recognition in the Union Budget 1999.

In promoting linkage between SHGs and Banks, NGOs are playing a crucial role; three different models of

promoting credit linkages have been found feasible and are since applied in India with special emphasis on forming new SHGs: They are:-

**Model I:** SHGs formed and financed by banks (16 percent of SHGs)

**Model II:** SHGs formed by NGOs and formal agencies, but directly financed by banks (75 percent of all SHGs financed)

**Model III:** SHGs financed by banks using NGOs and other agencies as financial intermediaries (9.0 percent)

### **Civil Society Movement in India**

In India, we have a strong history of civil society participation emphasising inclusive growth. Number of grass-root level, participatory, problem solving, non-profit organizations like Panchayath Raj institutions, co-operatives, voluntary organizations and self-help groups have been providing valuable services to the society with the help of grants and donations received from various sources.

Third Sector organizations are in transition, restructuring into diversified organizational forms and strategies. Transitions are seen in their functions, management and resources. This can be seen as shift from 'gift economy' to a 'grant economy'. Now volunteering or giving culture is mixed with tax or public revenue. Third sector organizations are one among the multiple actors involved in the partnership and their added value in this is well recognized. These organizations show a tendency towards organizational integration along with the territorial differences existing. In this, centralizing and decentralizing forces are playing their role. Such a change can be seen in the Indian voluntary sector.

### **History of NGOS in India:**

Historically, Indian Voluntary Sector has under gone changes and it can be viewed in three phases; firstly during British rule, secondly during planned development period after independence and recently with globalization. Major changes may be noted in terms of divergence in their structure, functions and resource base. They have now become major agents of promoting civil participation in development

programmes. Their resources and sphere of activities differ greatly between not only urban and rural associations but also between associations in different regions.

Panchayath system was the strongest civil society organization in the Indian villages providing services like justice whenever there was dispute, protection against exploitation, maintenance and managing villages' public works. The people through discussion and consensus constituted the panchayath. Usually, people who can contribute to the public service both resource and times were made as judges and representatives. Just as village panchayath there were caste panchayaths to decide the problems associated with members of the caste, deciding about attitude of the members towards new cult and reformist movement.

The entire traditional panchayath organization was articulated on the principles of adhoc bodies of leaders in the village community. However, their importance has considerably diminished as state organized institutions of local self government and public action have tended to replace them. The types of institutions, which seem to be gradually replacing the adhoc panchayaths, were the state organized elected panchayaths, caste associations, political parties, occupational associations and unions, and the non-governmental philanthropic organizations.

As a result, most significant change seen was transformation from a consensus based 'civil society' to a state organized 'competitive society'. During the British period the penetration of the power of the state into the peripheral village community reached its maximum. The exercise of the British power was through various institutional mechanisms like, (i) the process of incorporating socially accepted leaders as village chiefs deriving their power now from the office that they held; (ii) there was the setting up of a system of cadastral survey of lands and issuing of ownership rights to the settled families rather than the village community as a whole, thus, breaking the economic base of the collective identity of the village communities; and (iii) the state made it for the individuals to appeal to the state-judicial system directly

there by reducing the social control exercised by the traditional village panchayaths.

Another very important factor that reduced the significance of the village community and the civil society was the immensely increased possibility of migration of individuals and families. Weakening of the traditional system of social control and social action was accompanied by the increased penetration of the colonial regime to the lower levels of civil society. The emergence of the organized interest groups recognizing the supremacy of the established colonial state, and appealing to the state for "justice" is a major change in the mode of the functioning of the civil society during the British period. Three types of interest articulations through the creation of organized associations could be identified during this phase. They were the narrow caste and community based organizations with or without political ambitions and the groups, which had wider, ideological and universalistic concerns. The caste associations typically represented the first category and Brahma-Samaj, Arya Samaj etc., the second category. A third category of organizations arose to represent an individual's own personally felt social concern. These were the charitable trusts established by rich individuals, families or companies with specific or a set of charitable objectives. The establishment of schools and colleges, choultries, hospitals, dharmashalas and student hostels were part of a broad movement within the civil society. These organizations may have been motivated by the impulse of "charity" and empathy for the struggling young people belonging to one's specific community, but were, in fact engaged in a competitive struggle with each other to help one's own community to occupy positions of power within the newly emerging urban centres.

Later, Gandhiji began his Sevagram experiment not only to remove poverty but also to restore human dignity and self respect in the individual. The Firka Development Scheme of Madras aimed at attainment of Gandhian ideals. In the late forties, Sarvodaya Scheme of Bombay and Nilokheri experiments (Refugee Rehabilitation Project) were also involved in some aspects of rural development. These projects were all

devoted to animate rural India.

After independence, a change in the perception on development and also the role of NGOs in rural development took place. In 1950's and 1960's it was assumed that the economic growth through state investment was the answer to poverty. This was to be accompanied by welfare programmes for the poor, the poorest and women, whom were thought to be incapable of participating in programmes aimed at economic growth. The responsibility of the welfare programmes was vested with Social Welfare Ministries of the State governments. National governments and aid agencies to assist in the implementation of this community development and welfare programmes especially in rural areas approached NGOs. Many of the NGOs active in the independence movement were involved in the implementation of Community Development Programmes. Christian aid agencies supported the work of Missionaries involved in welfare activities with a focus on health and education, especially in South India and the tribal areas of Central and Eastern India.

During the 1960s, it was found that economic growth, combined with welfare activities at the micro-level, was not adequate to alleviate poverty. Hence, the Indian government initiated Small and Marginal Farmer Development Programmes with a view to alleviate poverty. The government to enlist programmes for rural poor and help out in their implementation called upon Indian NGOs.

The tax concession policy of the government (1980) stimulated a number of industrial houses to channelise their contributions through voluntary action for the public welfare in general or rural reconstruction in specific. Many of the religious centres also channelise their contribution for the public welfare in an organized way. In the Sixth Five Year Plan (1980-1985), the government identified new areas in which NGOs as new actors could participate in development. These areas included:

1. Optimal utilization and development of renewable source of energy, including forestry through the formation of renewable energy association at the block level
2. Family welfare, health, nutrition, education and

relevant community programs in the field

3. Health for all programs
4. Water management and soil conservation
5. Social welfare programs for weaker sections
6. Implementation of minimum needs program
7. Disaster preparedness and management (i.e. for floods, cyclones, etc)
8. Promotion of ecology and tribal development, and
9. Environmental protection and education.

Under the Seventh Five Year Plan (1985-1990), the Indian government envisioned a more active role for voluntary organizations to aid in making communities as self-reliant as possible. These groups were expected to show how village and indigenous resources could be used and how human resources, rural skills and local knowledge, grossly underutilized at present could be used for their own development. NGOs because of their situation and interaction with local people can be very effective in bringing change since they are able to address issues that governments are often not able to comprehend. That is, because these organizations work at the grass-root level, they are able to sense the urgency of issues and prioritize into the problem-solving mode at a quicker pace.

The Indian government has also noticed this advantage. In the Eighth Five Year Plan, the importance of NGOs was further enhanced, paying particular attention to the role of these agencies as participants in rural appraisal for drawing up development plans at a very low cost and involving the rural community. The plan document states: 'A nation-wide network of NGOs will be created. In order to facilitate the working of this network, three schemes relating to the creation, replication, multiplication and consultancy development have been worked out by the Planning Commission'. The Association of Voluntary Agencies for Rural Development (AVARD) an apex body of voluntary agencies was established in 1958. By amalgamating People's Action for Development India (PADI) and Council for Advancement of Rural Technology (CART), Council for Advancement of People's Action and Rural Technology (CAPART) was formed in 1986 to promote voluntary action in rural development.

Although there has been no complete census of NGOs,

it is estimated that about 25,000 to 30,000 are active in India. In fact, as of December 31st, 1989, there were 12,313 NGOs registered with the Ministry of Home Affairs, Government of India under the Foreign Contribution (Regulation) Act (FCRA) 1976; furthermore, 726 NGOs are unregistered but under the prior permission category.

### **Types of NGOs and their Functions:**

NGOs can be classified under four broad categories: operational or grassroots NGOs, support NGOs, network NGOs and funding NGOs.

#### **1. Operational or Grassroots NGOs:**

- Work with the oppressed sections of society.
- Some NGOs are big, while some are small.
- Charity NGOs are involved in charity (giving food, clothing, medicine, alms in cash and kind, etc.)
- Welfare NGOs are involved in welfare (providing facilities for education, health, drinking water, etc.)
- Development NGOs may be involved in providing development services such as credit, seeds, fertilizers, technical know-how, etc.
- Social action groups are involved in raising the consciousness of the people, awakening, organizing, recording priorities to suit social justice, redeeming the past and opening doors for opportunities to the oppressed and the exploited.
- Empowerment NGOs combine development activities with issue-based struggles.

#### **2. Support NGOs:**

- They provide services that would strengthen the capacities of grassroots NGOs, Panchayath Raj Institutions, Cooperatives and others to function more effectively through training programmes and by bringing out periodicals.
- Some do not engage in grassroots action while others do have field projects.

#### **3. Umbrella or Network NGOs:**

- They are formal associations or informal groups of grassroots and /or support NGOs that meet periodically on particular concerns.
- They act as a forum to share experiences, carry

out joint development endeavours as well as engage in lobbying and advocacy.

- The participation of network NGOs in lobbying and advocacy is, however, a recent phenomenon.

#### **4. Funding NGOs:**

- The primary activity of these NGOs is funding grassroots of NGOs, support NGOs or people's organizations.
- Most funding NGOs in India generate a major part of their resources from foreign sources.

#### **Funding NGOs:**

A majority of non-profit organizations, which are small in size and working in the grass-root level, receive support from general public. This type of support generally takes the form of small, individual contribution derived from vast number of donors. These type of donors are typically motivated by factors like social pressure, guilt, sympathy or a desire for a 'warm glow' (Andreoni, 1990). Many other non-profit organizations receive grant and other funding from other non-profits (Foreign Aid or governmental agencies). Organizations that receive federal funding require special audit in accordance with prescribed government standards.

In recent years, there is rapid growth of funding NGOs by government and external donors. As far as the government funding is concerned, there are over 200 government schemes initiated by the central and state governments through which NGOs can have direct access to resources for rural development (Reddy and Rajasekhar, 1996). At the district level (or even below), there are over 300 schemes and programmes in which NGOs could involve them and facilitate the flow of resources in favour of the poor (Rajasekhar and Reddy, 1997).

#### **Foreign Funding to Indian Voluntary Organizations**

Indian voluntary organizations receive foreign funding from international voluntary organizations, From 1980s, the number of international donors and the amount that flowed to Indian NGOs through them also increased. According to information provided by the Ministry of Home Affairs, the foreign funding received

[excluding the contributions of bilateral (government to government) and multi-lateral aid agencies] increased from Rs.1, 892.43 crores in 1994-95 to Rs.2, 168.85 crores in 1995-96, and Rs.2, 571.69 crores in 1996-97. Of the total foreign funding in 1996-97, it has been noted that over 80 per cent of voluntary organizations receiving foreign aid are Christian organizations, which go away with bulk of the foreign assistance.

Even top most donor agencies are Christian funding organizations. For the year 1977-78 the Christian Children Fund (CCF) from the US top the list with Rs. 64.78 crore is followed by Evangelische Zentralstelle (EZE) from Germany with Rs 59 crore; Foster Parents Plan International, US with 55.45 crore; Mission (International Catholic Missionary Work) Germany with Rs. 48.9 crore and Kinder Not Hilfe (KNH), Germany with Rs. 46 crore. The other donor agencies of list are World Vision International (Rs 37.54 crore), Age of Enlightenment Life Trust, Britain (Rs 27 Crore), Inter Church Coordination Committee, Netherlands (Rs. 23 crore), International Planned Parenthood Federation, Britain (Rs. 21.45 crores), Rs 20 crore from Christoffel Blinden Mission (CBM), Germany; Rs 19.9 crore from the Opere Don Bosco, Italy; Rs 19.4 crore from the Christian Aid Britain.

Only one Hindu and Buddhist organization appear in list, namely, The Maharshi Ayurvedic Trust, Britain and Sokagakkai Bhinjukku, Japan. It is to be noted that in 1995-96, the first four positions were held by organizations from Germany while in other years at least three were from Germany. This decade alone between 1991 and 1998, Germany has donated Rs 3,091 crore to Indian organizations. The top five donor countries in this decade have been the US (22.6 per cent of the total contribution), Germany (21.3 per cent), followed by Britain, Italy and the Netherlands. According to available figures, voluntary donations from these countries in this decade have been more than Rs 10,000 crore.

The foreign contributions increased at an annual rate of 14.61 percent in 1995-96, while the growth rate

increase to 18.57 percent in 1996-97. The contributing factors to this growth differ on the basis of perception that scholars and activists have on foreign funding and other is no systematic study on this aspect.

Just like the donor agencies, the list of top 25 recipient agencies is dominated by the Christian organizations in India, including three from the top five. For instance, the Foster Parents Plan International has received Rs 210.79 crore between 1991 and 1998, while the world Vision International received Rs 195.24 crore and the CSI Council for Child Care Rs 158.46 crore. Some of the prominent Christian organizations featuring in these annual lists, include Christian Children Fund, Karnataka;

Family Planning Association of India, Churches Auxiliary For Social Action, Delhi; Missionaries of Charity, West Bengal; Watch Tower Bible Tract Society of India in Maharashtra; Gospel for Asia in Kerala; Indian Society of Churches of Jesus of Jesus Christ in Delhi and the India Campus Crusade for Christ in arnataa. All of them have received at least Rs 12 crore per annum.

A large chunk of this money has been going to the Southern States, namely Tamil Nadu, Kerala, Karnataka and Andhra Pradesh (nearly 50 per cent). Besides, Delhi and Maharashtra also have been among the top recipient of these donations. The top five recipient of voluntary fund in this decade have been Tamil Nadu

**Table 1: NGOs/CSOs Disbursements as A Percentage of Total Sector Disbursements (2011)**

Sectors	Percentage
All Social Infrastructure & Services	21.6
All Education	11.8
Basic Education	22.3
Basic Health	35.3
Population & Reproductive Health	30.3
Water & Sanitation	7.0
Government & Civil Society	26.2
All Economic Infrastructure & Services	3.5
All Production Sectors	16.2
Agriculture	21.0
All Multi-Sector Programmes	21.5
Development Food Aid	47.7
Humanitarian Assistance	30.0
All Allocated Sectors	19.4

*Source: DAC Creditor Reporting System, accessed May 2013*

(Rs 2,365 crore) followed by Delhi (Rs 2086 crore), Andhra Pradesh (Rs 1,691 crore), Maharashtra (1,516 crore) and Karnataka (Rs 1,486 crore). While the proportion of funding received by the most backward states like Bihar, Madhya Pradesh, Rajasthan and Uttar

Pradesh was only 8.95 percent. Tamil Nadu and Andhra Pradesh ranked as the top two states in terms of share of foreign funding received (Kumar, 1999).

2000-2010 decade has witnessed the growth of non-governmental organizations (NGOs) or CSOs as major



aid and development actors. These civil society aid actors now transfer an estimated US\$50.8 billion to US\$76 billion annually. In 2011, Development Assistance Committee (DAC) donors channelled more than 21 percent of their bilateral Official Development Assistance (ODA) through CSOs. ODA channelled by Development Assistance Committee (DAC) members through CSOs has been growing steadily in value since 2008 (from US\$15.4 billion to US\$20.0 billion), although it declined slightly between 2010 and 2011 (in 2011 dollars and exchanges rates).

CSO aid gives priority to 'social infrastructure and services. More than half (54 percent) of CSO aid from DAC countries in 2011 is allocated to 'social infrastructure and services' (areas such as education, health, maternal health), which is clear from Table 1

### Conclusion

Inclusive growth requires people's participation in micro level and appropriate institutions to mobilise people participation in the macro level. Such institutional arrangement is required to operate with an inclusive approach. Presently, Imperative need for collaborative efforts by government, non-government community based non-profit organizations and the corporate sector has been well recognized. In this complex multi-agency partnership each agent has different role to perform. Effective partnership requires clear allocation of responsibility, resources, time and incentive structures for partnership working. Their policies and programmes need to be sector specific and region specific but must go along with the national (broad) objectives. Government being the primary public service agency has to control, regulate and motivate the activities of non-profit and profit organizations for maximizing the public welfare. All agencies involved in delivering the public services need to specialize in specific activities of social welfare and there is a need to identify the area of specialization of different CSO and accordingly they need to be encouraged. But all these CSO should not be made to be more ambitious and to depend much on government for their existence. Any collaborative framework will need to be based on good governance, equity and sustainability principles.

Given the multidisciplinary nature of development in developing countries, and the multitude of the governmental and the non-governmental agencies engaged in the implementation of rural development programmes, with different, and often conflicting, objectives, it is essential that the different development programmes in operation in an area be integrated and coordinated for optimum results.

It is also observed that, coordination with other agencies and the society is an important factor for the successful delivery of public services, especially in a situation where the NGOs play supplementary or complementary role along with the government and various other institutions. This expects NGOs to know their place in the wider field, know what others have to offer and have a close understanding of the needs of the clients. A detailed analysis of the coordination efficiency of an NGO gives us an insight into the ways in which liaison was achieved with other agencies and beneficiaries groups.

Though voluntary agencies are seems to be diverging in terms of their structure, resource base and sphere of activity voluntarism in its real sense is converging. They are changing from 'gift economy' to 'grant economy' situation. Voluntary contributions have to be encouraged for community development, and their transactions have to be properly audited.

One problem with NGOs in India, as with NGOs anywhere else in the world, has been the increasing dependency on governmental funds or donations from external (foreign) donors like the World Bank. This dependent relationship has resulted in a lack of flexibility on the part of NGOs to pick their missions and objectives since many are expected to perform certain tasks in return for funding. But, further still, it has also created structures that have become more bureaucratic in nature and, hence, less effective in development which is required to become really inclusive.

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### Disinflationary Path

*There is a path (disinflation) we are trying to achieve and we want to achieve that path. We are not against growth but we do think that growth will be most benefited if we disinflate the economy and we don't have to fight this fight again. Let's fight the anti-inflation fight once and let's win; that will create the best conditions for sustainable growth. It is difficult in the sense that growth is lower than one would like it to be ... while inflation is higher than one would like it to be. – Raghuram Rajan (2014)*