

cover story



BUILDING A DEMOCRACY:
Gandhi's legendary Dandi march holds lessons for every citizen — "Be the change you want to see in the world"

ABP

The business of NGOs

Many Indian NGOs have become little more than fund-chasers. They will have to re-examine their founding ideals if they want to drive real change

by JERONINIO ALMEIDA

GANDHI was not just the father of the nation but the father of India's NGO movement as well. He showed us how ordinary citizens do not have to accept the world as it is but can change it with sheer grit, powerful thoughts and action. It is only when we consistently do this that India can truly become the world's largest democracy.

There are now 1.2 million registered NGOs in India, but this number is cause for both happiness and alarm. Many NGOs do exemplary work. Take the Water Organisation Trust (WOTR — pronounced 'Water'). It successfully converted the drought-affected barren land near a village called Darewadi near Pune in Maharashtra, into fertile land using only natural resource management techniques, on a budget of just Rs 80 lakh. For the first time in my life I actually saw inward migration, where families

that had once fled the village returned to restart their farms.

But despite the good work such NGOs are doing to fill the gaps in social services that stem from poor governance, it is also true that many Indian NGOs are hoaxes. They focus only on chasing down funds from anyone and everyone who might be handing them out. In fact, 'NGOs' has become a four-letter word because some NGOs are nothing more than giant money laundering operations.

This has happened because provisions like 35 (AC) and 35 (1 and 2) of the Income Tax Act give 100 per cent tax exemption to rogue money donors from large corporations. These organisations dole out crores of rupees, more to earn tax breaks than to actually benefit a cause. This is also why the donors never hold their beneficiaries accountable for the funds they give them. There is also a huge government-NGO nexus



where official funds are transferred to NGOs registered by relatives of ministers

and bureaucrats.

More significantly, even many genuine NGOs are failing to accomplish much. While India's NGO movement can be a great force for change, it cannot agree on what that change should be. NGOs raise issues, talk about problems, attack corporations and governments, but somehow fail to provide solutions. So, I do not blame people for thinking that we in the NGO sector fail to walk the talk.

The Problem Lies Within

Part of the problem is that the sector does not focus on efficiency. It sees itself as an angel doing good work and doesn't focus enough on practical management issues. Big brand NGOs in India often have no answer when asked about their administration costs. Often these are as high as 85-90 per cent, meaning just 10 per cent of the money donors give these NGOs actually reaches the cause for which the money was given.

We, in the NGOs, project a 'holier than thou' persona. But have we ever introspected and tried to find out the real reason for our existence? It is easy pointing fingers at the corporates, but have we tried to learn from their best practices and efficient business models? Most NGOs love to use the sweet innocent child's face to raise funds through child sponsorship — it's one of our most time-tested fund-raising tools. But have we every really tried to get people involved, sensitise them to truly build a movement of citizens, and work with us to lead the change?

Our awareness campaigns are focused on evoking emotion purely to raise funds. How often do we try to build up society's values by asking people to understand the social issues and speak out for them? That's the reason why people have become cynical of the NGO sector — because we are inefficiently managed, we incur huge administration costs, and are accused of scamming funds and money laundering.

I, too, am a fundraiser, but fundraising is not just about the money for me. It is about telling people about the cause I work for. I talk about how they, as citizens, can get involved with transparent, accountable NGOs that can lead change. People need to understand the real issues that are plaguing the country and not just passively donate money to cool-sounding NGOs.

But many of the most efficient and effective NGOs in India do not sound cool and their work is never discussed at cocktail parties. Consider the Sampada trust, a micro finance lender whose interest rates are lower than those offered by

multinational and national banks. Or Akshaya Patra, which delivers mid-day meals to under-served children at less than Rs 5 a meal! Akshaya Patra is now partnering with state governments to provide mid-day meals in various places, with the government paying 30 per cent of the cost, and the rest coming from companies and people like you and me. This is what I call the classic public-private-people partnership model. Ordinary citizens — the *people* — will and should remain at the heart of the NGO movement.

I have called this piece "The business of NGOs" because it is now up to us in the NGO movement to fight the urge to become mere fund chasers. We have to find a good business model, and work with full transparency and accountability, which will inspire confidence in donors. Good governance is not the just the domain of government. Nor does social responsibility apply only to businesses. We as citizens of our country work in various sectors, and if we, the people, are not responsible for developing the country, then no sector can be held solely responsible.

The Answer Lies In Our History

As India faces a new future, it is up to all of us as citizens to resolve our own problems. Working with credible NGOs is a great way to do that. They stand up, speak out and practice our core values — which are all encompassed in the pledge we, the people, adopted on 26 January 1950, when our Constitution was formally adopted.

The NGO community should be proud of its vocation. We are a force that the 'powers that be' have come to reckon with. If we do things the right way, with the right spirit and for the rights of citizens, I promise you that we can make a difference, even if we start from scratch. My mantra is that God and passion for the cause is our budget.

It is very easy pointing fingers at others, but very difficult to look inwards to reinstate the faith in the NGO sector, which can do a lot to influence policy and ensure equal rights for all in the Great Indian democracy. To conclude, we as citizens need to love and respect the legacy given to us by Mahatma Gandhi and think of how the inquiry he initiated can be furthered. Not to the letter or the word, but in its spirit. We don't have to try to bring back lost glory. But we must try in our own way, to be the change we want to see in the world, as Gandhi himself said. Let us not be the ones who carry the burden of guilt, of not knowing, not following our Mahatma's values — the values that ask us to take a stand as concerned citizens. The values that make us speak out — "to RIGHT every WRONG." ■

The author is founder of iCONGO and the 'RIGHT every WRONG' citizen movement

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VOICES OF
THE NATION



C.P. SHANNIUGHAM

R. SUBRAMANIAM, 29
Powerloom worker

“

We are able to produce better fabrics thanks to high-end machines. Finding work was difficult earlier, but, now we get gainful employment all through the year. Opportunities are opening up in domestic and foreign markets.

”

INDIA METER

According to a 2006 report on governance by the National Social Watch coalition, 25% of Members of Parliament had criminal cases pending against them