

## Civil society at a crossroads in a changing India

A number of important recent trends within India are likely to have an increasing impact on the future role and work of civil society organisations (CSOs) in the country.

These key trends include:

- The Indian government (along with state governments) is now in a position to spend more public resources on social sectors including health and education. Increasingly, CSOs are invited to deliver such government-funded programmes as service providers.
- There is also a growing number of new rights-based government programmes like the Mahatma Gandhi National Rural Employment Guarantee Programme, recognising the needs of the rural poor. There are also programmes like the National Rural Health Mission which recognises the need for rural citizens and creates spaces for citizen engagement. In many of these programmes CSOs are increasingly playing vital roles.
- A number of participatory democratic governance reforms have been initiated, such as enactment of Right to Information Acts, Public Service Guarantee Act, social accountability mechanisms like social audits, decentralised planning and so on. Many CSOs have not only played important roles in shaping such acts, policies and programmes but also are increasingly called upon to help implement these reforms.
- There has been a growth in urban middle-class social activism, particularly among young people. The recent anti-corruption movement in India and a number of movements to put pressure on the judiciary involved middle-class people taking to the streets to register their protest.



Telecentre training in Kerala, India.

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- There has been a revolutionary emergence of print and electronic media, many backed by corporate finances and neo-liberal public policies. Whilst many of them mostly cater to middle-class interests, CSOs have also been able to utilise the spaces provided by the media. The use of technology and social media, particularly by urban young people, has also contributed to both virtual and physical social mobilisation.
- There has been a growth in corporate social responsibility promoted by private corporations. Many private corporations are spending considerable resources either through creating their own foundations or through funding CSOs doing service delivery programmes.
- As India has graduated from a low income country to lower-middle income country, the ODA is drying up very quickly. An exodus of bilateral agencies and international NGOs has led to diminishing sources of flexible resources to CSOs. This has tremendous implications on CSOs, particularly in maintaining their

autonomous position vis-a-vis their governments. As CSOs are asked to participate in tender-based contractual services, they are also exposed to uneven competition with private sector consultancy agencies.

- The regulatory mechanisms for CSOs, including laws, rules and procedures, are reducing the political space available for CSOs. The reduction is such that a large number of CSOs are likely to close within a couple of years' time.

This situation has a number of implications on the functioning of CSOs: in order to reduce human and institutional costs many CSOs are terminating staff and reducing investment in capacity development; the autonomy of the CSOs in terms of setting agendas or choosing issues are severely compromised, as they are mostly driven by the donors and governments; many CSOs are changing their business model, from a grant-model to a revenue-model where they can raise their own resources; some CSOs are trying to tap the new resources in the huge middle-class

through national fundraising; a number of bogus organisations in connivance with government officials are accessing governmental resources.

### Changing relationships

With the changing contexts, civil society has witnessed significant change in its relationships with political society, government and corporations, and even in the relationship among themselves.

'Political society' refers to the political leadership, political parties or any other organisations following the ideology of a political establishment. The general image of the political society among the citizens is that of power monger, corrupt, oblivious about the developmental and governance crises and lacking statesmanship. As the media and civil society are continuously trying to hold the political society accountable to the citizens, civil society suffers from a backlash which affects the relationship between the two.

With regard to the relationship with government, two kinds of views are in vogue. Where there is commonality in interest and agenda the relationship is cordial at the national, state and local levels. There has been increasing cooperation between these two sectors. Many CSOs are currently working closely with local governance institutions.

However, the relationship is antagonistic where CSOs demand accountability, expose corrupt officials, and raise questions about anti-poor policies. The government is increasingly regulating civil society through various rules and regulations, such as the recently amended Foreign Contribution Regulation Act and the Direct Tax Code.

Private corporations taking advantage of governmental deregulation, economic liberalisation and globalisation have accumulated enormous fortunes. Many such corporations have started promoting corporate social responsibility

(CSR) and private philanthropic activities, and several are involving CSOs in the implementation of their CSR programmes. Looking at this relationship, many corporations are interested in social causes and join with CSOs for joint developmental activities.

Many corporate leaders have come out openly to support the recent anti-corruption movement. The recently drafted Companies Bill, 2009 (Govt. of India) suggests that companies are expected to earmark two per cent of their net profits towards CSR activities every year. However, reports suggest that there might be some exemptions in the rules which will follow the new Act.

Mandatory CSR, even if mentioned in the Bill, may not be binding for all companies. Also, the government may not suggest penalties for failing to spend the required percentage of profits on CSR. There are also reservations on the part of some CSOs about this relationship – with these CSOs viewing so-called CSR as an external cloak that hides the corporations' agenda to always promote their market interest. Such sceptical views have hindered the development of a healthy relationship.

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There has been change in the relationship among CSOs themselves. Although there are disconnects between the traditional CSOs and the new movements, there are still channels for sharing resources, expertise, information and action. Many CSOs are supporting such new movements. While online collaborations are increasing, on the whole field-level collaborations are declining.

### What now?

In light of India's new role as a donor, the government could tap the expertise available within CSOs in order to support developmental interventions in other developing countries. CSOs must come together and set up a collective agenda for working together and engaging with the state to promote South-South collaboration.

CSOs also require new capacities to renew their organisations in order to reinforce transparent and accountable governance within their organisations. This assumes additional importance as CSOs are engaged in exacting accountability and transparency from public and private institutions.

CSOs must look for new leadership and encourage the development of human resources. Since the voluntary mindset is declining, there should be serious attempts to motivate people to develop this mindset.

The state should provide resources to CSOs for contributing in various developmental programmes from the vantage point of CSO capacities. Similarly, the private sector can also support CSO innovation. Consortium funding where the government, community, private sector and CSOs can come together to support governance reforms and socio-economic development could also be promoted.

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