



## Aiding in governance

### Development machinery:

1. It is well known that the collaborative effort of markets and the Government leads to the development of a country.
2. We also know that engaging with communities and non-state informal institutions is as important as working with the Government machinery.
3. Section 135 of the Companies Act mandates corporates who are beyond a certain level of profits and turnover to pay at least 2% of their net profits before tax to the development space.
4. This law gives corporates the necessary impetus to collaborate with non-state actors like Non-Governmental Organisations (NGOs) and Civil Society Organisations (CSOs). This strengthening of citizenry-private partnerships is a major component of development activities.
5. Non-state actors, because of their depth of engagement with communities, bring patient capital to corporate board rooms and help the state, too, by engaging in welfare activities.
6. This is a classic case of a state-driven governance mechanism promoting collaboration among non-state actors.



Citizens  
and  
Community



National  
and local  
Governments

### Holding the government accountable:

1. A key pillar of democratic governance is citizens' power to question the state. NGOs and voluntary groups/organisations have played a significant role in building the capacities of citizens to hold governments accountable.
2. With the Government taking the stand that any action by an NGO which is critical of the government is 'anti-national', more so when funded from abroad, the space for foreign grants has shrunk.
3. Hence, Corporate Social Responsibility (CSR) grants, which wouldn't necessarily have flowed had it not been for the CSR law, have assumed



importance to provide the much-needed sustenance to NGOs and CSOs as key players in non-state governance.



## Different NGO Roles



## NGO Roles

- Humanitarian work
- Economic Development
- Education
- Public Health
- Environmental
- Social Development
- Agriculture
- Literacy
- Anti-Corruption
- Disaster Relief
- War Relief/Conflict Resolution
- Rehabilitation
- Human Rights
- Peace
- Community Empowerment
- Conservation
- Land Rights
- Information Freedom
- Microfinance
- Lobbying
- Consultation



## Essential cogs in the wheel

1. State governance should be evolving in nature. However, the Indian bureaucratic elite has little appetite for risk-taking and innovation because of the constant changing goalposts of their politician-bosses or because the quantum of work is more than what they can efficiently handle.
2. Bureaucrats, therefore, often take recourse to the status quo even if it is to at least get some work done and not stall everything by campaigning for change, especially in the realm of governance. There is also the fear of failure, with its deep-rooted consequence of non-risk-takers smoothly sailing to the top posts.
3. In such contexts, it is the non-state actor who innovates and creates breakthrough models of community engagement. They also become the vehicle to carry the demands of people to formal institutions.
4. We saw this in the case of the Right to Information (RTI) campaign, which became law after decades-long efforts by NGOs. The law has brought a dramatic change in the degree of transparency in India, with most Government ministries falling under its ambit.
5. Corporate houses, when implementing their CSR activities, and governments, when executing their flagship projects, need NGOs. It is the non-state actors, who know the lay of the land, who bridge the gap between people and firms/state.
6. It is common knowledge that the District Collector calls on vetted NGOs/CSOs to implement various schemes during the normal course of the day or to step in at short notice when calamities strike.
7. NGOs and CSOs sometimes do the heavy lift and ensure that schemes reach the last person even in the face of disaster. When non-state actors take a large load off the state's shoulder, the state can focus more on governance.

## The holy grail of development

1. Research shows that it is the synergy of NGOs, Government and corporates which is the holy grail of development.
2. NGOs and CSOs with their penetration are best suited for last-mile delivery of government schemes or implementation of a corporate house's CSR work, thus nudging one another in the path to a developmental state.
3. The tension between the tenets of liberty and equality is balanced by fraternity provided by the empathetic NGOs and CSOs in the journey towards a development state.



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4. The CSR law has made the corporate world not only clean its own mess but has also created a legal framework for corporates to work with NGOs and CSOs.
5. NGOs and CSOs in India, irrespective of the open hostility of the current dispensation, will play a major role in mobilising citizen action to right various wrongs.
6. They can help contribute to the better polity as well as better governance. Most importantly, they have the legitimacy to operate not just like actors who must ride into the sunset after their job is done but to be as integral cogs in the wheel of good governance.

