
Role of NGOs for the Socio-Economic Development and Poverty Alleviation in Nepal

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Introduction

Nepal is a landlocked hilly country scarcely populated from the mountainous region of the Himalaya to the Gangatic plain adjoining the Indian border to the south. People are used living in isolation within the framework of their family or their ethnic groups. Their economy is self-supporting agro-based with limited demands. With the rapid growth of population, the traditional ethnic frame-work is breaking up, bringing changes in the composition of ethnic groups. This is further accelerated by the search for prospective agricultural land required to support the increasing population. This has meant some distortion in the composition of ethnic settlements. The social system is further distorted by migration of people in search of employment opportunities within the country, but outside their local environment.

With the increasing population in the country, the social system has gradually become ineffective, and is replaced with government institutions that work as a media for receiving development aid but they fail to "trickle down" development benefits to the grass roots level for whom the assistance was targeted. In the process of disseminating development aid to the downtrodden, the government involvement increased with time but no substantive results were noted. Many sociologists and development planners claimed that the ineffectiveness of development assistance was due to the inefficiency of the Government institutions, lack of adequate logistic support, corrupt practices, lack of enthusiasm among government workers, and overall inadequate infrastructural development in the country. Consequently, the government is searching for of suitable alternatives, preferably emerging from among beneficiaries or local elites and thereby minimizing the government involvement.

Present Status of NGOs

With the re-establishment of democracy and a democratic government in the country, there is an increasing tendency to decentralize the development activities more and more to the grass roots level. The village and district development committees were revitalized and entrusted with major development responsibilities. The government institutional supports, however, were limited due to the scarcity of resources and fluctuation of manpower requirements depending upon the nature and volume of work. Moreover, the Government institutions were failing to adapt into a new taskforce having completed the a assigned task. Consequently, they are a liability to the organization. The government can neither remove them nor use their services in other development activities. They remain static

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and unproductive. The government needed flexible, self-supporting institutions preferably at the grass roots level that could bridge the gap between the government's development work and the people.

The concept of NGOs as a viable alternative to fill the development vacuum in the country is now recognized by the government.

The Social Service National Co-ordination Council (SSNCC) has divided NGOs activities into six categories, encompassing health services, social and village development, child welfare, women's development etc. And later two additional activities, such as environmental protection, and AIDS and drug abuse control were introduced. According to the SSNCC's publication of 12 February 1992, there exists 545 NGOs in the country of which 18 are national, 8 are regional and 518 are at local level.

Further details on NGOs are as follows:

Type of activities	KTM valley	Outside KTM	Total
1. Health services	30	15	5
2. Social and village dev.	97	69	166
3. Child welfare	11	2	13
4. Women's development	18	16	34
5. Youth activities	74	121	195
6. Environment	10	3	13
7. Blind and disabled	11	1	12
8. AIDS and drug abuse	6	x	6
9. Moral development	33	27	60
Total	290	254	554

The SSNCC further reveals that there are 16 International NGOs operating in the country having their activities in remote areas of the country. Besides, this there are other INGOs operating in the country without having formal agreements either with SSNCC or the Government.

The INGOs are financed by their respective government or sponsoring agencies. The other NGOs' sources of finance consist of 8.3% local resources, 88% foreign aid, and 3.7% government finance. Responsibility and liabilities of these organizations and their staff are to the extent of work assigned. Their responsibilities are limited, like that of the government officials. Therefore, in the changed political context, NGOs are viewed as private organizations which support development activities at the grass roots level.

Justification of Private NGOs

Employment Generation

Of all the development activities in the country, both in the public and private sectors, the one achievement that stands out is education. It has reached far and wide in the country. Meanwhile, the country is facing an unemployment problem among the educated populace. Education is a continuous process and with the increase of educated persons more and more new jobs have to be created. Presently, the government sector is taken as a perennial source of employment and every new addition to the employment force relies heavily on the government's employment openings.

Employment opportunities in the private sector are also being created, particularly in industries, commercial organizations, tourism, hotels etc. but all activities are confined mostly to the urban areas. No employment generation activities have so far been created at the district and village levels nor are envisaged in the immediate future in the private sector. It is also hard for villagers imagine any employment avenue beyond their traditional modes of livelihood, such as agriculture, dairy, horticulture.

In villages and districts, educational institutions are the most important sources for educated employment. Almost all these educational institutions have local teachers and staff. In the sixties, when education was becoming popular in villages, even the school graduates had opportunities to hold key posts, like headmasters and assistant headmasters of local schools. The government had a very difficult time to persuade school teachers from urban areas to go to village schools even with an additional salary incentive. Now most of these village schools have college/university graduates as teachers from their respective villages and/or districts. Most of these schools have reached a point of saturation and there is no more scope for additional university graduate teachers. The educated unemployment problems have also reached the villages and districts. There is unrest and dissatisfaction among educated people.

The concept is that NGOs can create a chain of employment opportunities at the grass roots level without any financial support from the government. The school/college/university graduates who are in search of employment in the local areas would have opportunities.

This would help to fulfill their inspirations as well villagers' need and the government's objectives of decentralization and getting work done by the people themselves.

Discourage Educated Migration from Rural to Urban Areas

Until the mid-sixties, migration of people from place to place in search of prospective agricultural land was usual as the hills were getting over populated and marginal lands were being used for agriculture. The trend of migration was from the hills to the inner Terai along the forest belt. Another form of migration was seasonal in search of temporary employment to supplement the farmers agricultural production for their livelihood. As soon as the employment opportunities for the educated reached a saturation point in rural educational institutions, unemployed educated people migrated to urban areas in search of employment. Along with them came their families, later followed by the extended families, and other dependents. This is continuously on the increase.

Agriculture and agriculture related economic development activities alone were not enough to check the rural influx to urban areas because these activities were not immediately effective in bringing about substantive changes in the rural economy. Farmers were not with a contented small degree of improvement in agricultural production. Moreover, other consumer good prices were rising faster than agricultural products. Farmers were measuring their economy in terms of cash income rather than the quantity of agricultural products. Besides this, farmers were relying on the services of their children on whose education they spent their fortune.

As in rural areas there are no immediate employment opportunities in urban areas other than local educational institutions establishment of a chain of NGOs. These NGOs are to accelerate rural economic development by providing improved plans, programs and techniques to the village development committees and then to farmers. This would be very appropriate in the context of decentralization policy of the Government. In the central and regional headquarters of the government there is enough qualified technical manpower, advisers and consultants available. Their primary task is to advise the development planners. Development activities are designed for the grass roots people living in rural areas, but these beneficiaries been neglected and deprived of development benefits due to lack of appropriate linkages.

Establishment of NGOs from within the rural educated people, after receiving necessary training from the agency concerned, would be the most appropriate non government agency to assist the village development committees, subprojects at the grass roots level, and farmers at large. This system will absorb a large number of educated unemployed people in their own villages and discourage them migrating to urban areas. This is not only a question of stopping singular migration but also the chain of families and their dependents.

Social Interaction and Follow-up

The planners and administrators claimed that once a plan was formulated and executive procedures developed, the benefits of the plan automatically trickled down to the grass roots level for whom the plan was designed. The administrators claimed that this process was effected. However, a sociologist held a different view and raised the question of "how could the beneficiaries know that the plan was designed for them?" They were never briefed nor consulted. Consequently, the plan was drawn up on a piece of procedures worked out and also shown as completed on paper. Benefits were shared by the policy workers, administrators and middle men. Administrators responsible for the execution of a development plan never bothered to assess the requirements or the aptitude of people for whom the plan was designed. Moreover, they had no time, patience, desire, or training to interact with the grass roots level people. All these shortcomings can be overcome with the establishment of NGOs at the grass roots level with modest training and refresher courses as and when required. The NGO workers, being a part of the village society can comfortably interact with the vision and knowledge of their fellow-villagers due respect giving them. This is based on the principal of reciprocal benefits.

Follow-up Action

Modern management science does not confine itself to the procedural development, defining function responsibilities and manpower requirements. Considered equally important is a follow-up action to a given task and the evaluation of end results, both intended and unintended.

This is greatly lacking in government executed projects. These are primarily concerned with the utilization of the budget and statistical reports confirming that the objective set out was achieved. In the context of a developing country, like Nepal where people are thinly scattered over the vast hill terrains with great difficulties of communication, development spin-offs to them can be reached only through constant follow-up action. This was greatly lacking in the government system. This follow-up action can be achieved through NGO workers because they are available for discussion.

Establishment of Social Institutions at the Grass Roots Level

There are two different controversial reports about the intensity of development oriented institutions in the country. The Government claims too many institutions in the name of development that these are getting beyond the government financial capacity. Recently, the government development institutions were extended upto the district level. Since most of the districts headquarters still lack a road link, the development benefits of such institutions can hardly be expected to reach the people.

As the government machinery is not sufficiently effective, each development task demands a separate set of manpower that keeps increasing the Government's financial liability. This cumbersome and clumsy administrative practices can be overcome and the cost minimized. Development activities could be better activated by establishing local based NGOs at the district and grass roots levels. Depending on the magnitude of development activities in a given district, the number of NGOs set up can be, either by the nature of work specialization or by geographical distribution.

Cost Effectiveness of NGOs

From the First Plan Starting in 1956 to the end of the Second Plan in 1965, the entire development aid was in the form of grants ranging from 78-100%. From the Third Plan starting in 1965 the foreign loan constituted between 15%-70% of the total development expenditures until 1991/92. In view of the limited gross domestic savings against the gross domestic investment and the growing foreign loans, the country has to develop cost effective devices to trickle development benefits down to the grass roots level. Over the past few decades, the Government endeavored to commensurate field administration to the degree of development activities so that motivation of the implementers would be high. Although the administrative costs increased, the development impact to the people was negligible. On 7 June 1992 Prime Minister Girija Prasad Koirala at the convention of NGOs in Kathmandu assured "free work atmosphere" to NGOs and further said "a need for expanding their activities throughout the country to reach services to the people".

As the objective of this paper is to organize a wide range of NGOs at the grass roots level in the country, we shall take into account the best prevailing remuneration available to educated employed people at the village and district levels. The most ideal, respected and effective profession at the grass roots level widely accepted is educational profession ranging from middle school to college absorbing a large part of educated population. They are accepted by society and their remuneration is commensurate with the living standard of an educated society. These teachers enjoy the standard salary and other facilities set by the Government for the educational institutes and, moreover, they share the privileges of living at home and assisting the family in the traditional livelihood of agriculture. This is the best ideal situation for NGO workers. Their salary and other facilities will commensurate with their level of education, experience and commitment to the work.

This is an ideal situation. A trained school graduate will receive remuneration equivalent to a primary school teacher. Comparing the government officials who were forcefully assigned to work, NGOs will be cost effective and have a pragmatic approach to the donors, and beneficiaries.

Creation of Local Development Oriented Leaders

A review of the country's development history revealed that the Government never genuinely offered opportunities to local people to create their own development leaders. The Government had no confidence in the capability and efficiency of the people. They always believed in guided development programs, imposing development work from the top to the people. Consequently, over the last 40 years the country has not managed to develop good development oriented leaders. Introduction of NGOs at the grass roots levels will give birth to development oriented local leaders whose services can be obtained for the development of villages and districts. They would have pragmatic approaches to the aspiration of the people, their needs, their resources and manpower. This is a must to bring about economic development emerging from villages and the people themselves.

Other Benefits of Promoting NGOs at the Grass Roots Level

The forward and backward planning actions of NGOs would lead to more accurate and representative information about the needs, priorities and capability of local people. In other words more reliable feedback on the impact of government initiatives, plans and programs and their effectiveness. Developing programs to meet local conditions so that the government and public scarce resources are used efficiently must be a priority.

With the participation of local people through local NGOs better access to target groups and there by project cost can substantially be minimized. At the same time, maximum use of local technology resources and adaption of new technologies as well, make projects more sustainable.

The Government's most desired wish projects being sustainable can be ensured to a great extent through wide ranging NGOs participation and constant observation.

Scope of NGOs

Broadly speaking, there are three forms of development practices in the country. The Government sector is the prime one with defined development objectives to provide socio-economic benefits to the people. It is entirely governed by the rules and regulation of the Government. The magnitude of work is also governed by the prevailing political system. The rules and regulations are very rigid and the whole system bureaucratic.

Another type form of development institution are the government guided institutes, popularly known as corporations. These institutions were established with government support with some administrative flexibility as they are governed by a Board of Directors under the Development Act, 2013. Besides, there are some organizations established under a separate Charter but entirely financed by the Government. These institutions are also classified as NGOs. In practice, they are under the Government's control and do not enjoy any working autonomy.

The third category of development institution is in the private sector established by an individual, a group of individuals under the law of the country. The manufacturing industries are registered with the Department of Industries under the Industrial Act, the commercial and trading activities are governed by the Commercial Act, hotel and tourism related activities are registered with the Department of Tourism. In addition, there are some social organizations which are registered with the CDO's office under the Association Registration Act 2034. Literally all these institutions can be classified as non-government organizations with defined objectives.

For the purpose of our study, a NGO is a body or an organization formed under the prevailing act of the country to provide expertise and/or equipment services, technical know-how, skilled, semi-skilled manpower, and carry out specific tasks against an agreed remuneration, and thereby strengthen its organization for better services and self-sustainability.

There is vast scope for NGOs, since most of the Government development organizations are either centrally or regionally based with a limited framework at the district level. There is a tremendous scope for such organizations to extend their services to the people in different development activities either under the Government agencies service contracts or in agreement with the village/district development committees. They can cover a wide range of activities, such as construction supervision work, work contracts, development of farmers institutions, farmers participation and resource mobilization, training and supervision on operation and maintenance of irrigation system, water management, agricultural extension services, pilot agriculture development etc in the irrigation sector. Similarly, there are many other agencies like agriculture, forest, environmental protection, roads, suspension bridges, health, education etc. that can also utilize their services.

Obstacles in Getting NGOs Established

The practice of establishing NGOs cannot occur in a vacuum. As their success depends on factors, which can support and strengthen the concept, it would be useful to review the factors that can affect NGOs negatively. The obstacles are broadly classified under the following headings.

Political Obstacles

The political environment or system that can discourage formation of a NGO at the grass roots level. In such situations the prevailing political ideology does not encourage openness or and is dominated by central government directives. In the later part of the Panchayat System all NGOs were controlled by the SSNCC which had no flexibility.

Similarly, tension can arise between the state policy and development projects governed by the District Development Committee responsible for overseeing NGOs. Nevertheless, political parties conflict at the village and district levels and this can also hinder effective development work at the grass roots level. Moreover, the existing legal system within a country can seriously frustrate efforts to promote NGOs.

- advance from the party upon the agreement of work award/contract.

NGOs Development Work Plan

The work plan will consist various activities, namely:

- training for NGOs by the agencies concerned in their respective fields;
- identification of NGOs field of activities work; and
- development of plans for NGOs.

Training for NGO staff will be the responsibility of the government or related agencies before they are allowed to carry out work agreed upon between parties. Cost of training should be borne by the agency.

There will be two ways to select of development activities to be carried out by NGOs. One approach will comprise of activities recommended by NGOs suitable for immediate development at the village levels. The other approach will consist of activities that the developing agencies award contract to the NGOs for a specific task. The field of activities can vary from social orientation to technological development.

Plan development will consist of a organization of NGOs at the field level, training to their staff for each specific job, award of contracts and monitoring of work.