NGOs’ contribution to development: A case of CYSD’s livelihoods intervention in Koraput district

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Abstract: While the state has gradually withdrawn from its welfare responsibility, NGOs have tried to fill in the void by trying to focus on development of local people. Through an empirical study in two blocks of Koraput district in Odisha, an effort has been made in the present article to examine NGO’s contribution to livelihoods development. It is argued that though NGO intervention has helped people in development process, sustainability of such development practices still remains a concern.

Keywords: CYSD, Development, Livelihoods, NGO, Odisha

I. Introduction

Over last few decades Non-Government Organizations (NGOs) have been engaged in wide ranging activities from community development to training, policy research, and advocacy. It is believed that their organizational flexibility, informal work style, and close engagement with grassroots communities enable them to deliver services to people in cost effective manner. While their ability to mobilize people and understand people’s concerns enable them to better articulate problems encountered by people, they supplement government initiatives by acting as a conduit between development programmes and beneficiaries through informing and sensitizing people about their rights and entitlements.

Kamat [1] observes that the NGOs or as she refers to them as community based organizations (CBOs) “emerged in the post-World War II period between the 1960s and 1980s in response to the failure of developmental states to ensure the basic needs of the poor”. When the welfare states began favouring neo-liberalism, they started gradual withdrawing from various welfare responsibilities towards the marginalized sections of the society. At the same time the market was also expanding. In this context, Kamat [1] observes that “Given expanding market economies and shrinking states, NGOs fill a growing void by responding to the needs and demands of the poor and marginalized sections of society.” This has happened globally. The Sixth Five-year Plan (1980-05) in India, in a sense, paved the way for recognition of NGOs as service providers and enabler of people’s participation in different development programmes. Now NGOs are considered to be playing a critical role in ensuring good governance and development in developing countries like India through their diversified activities.

1.1 Critiquing the role of NGOs in development

Scores of studies highlight the contribution of NGOs to development of local communities and underline their importance in development process. Ramkumar [2] highlights NGOs’ role in empowering women through facilitation of spread of literacy among them. Virmani [3] argues for encouraging NGOs to play their due role.

Praising the efforts of NGOs in reaching to the people in inaccessible land where government have failed to reach, Bandyopadhyay [4] observes that “These NGOs moved into the backwoods of western and south-western Orissa long before any welfare intervention by the state in this region. They carried out literacy programmes, raised the awareness of tribals regarding their legal and constitutional rights, introduced new technologies in agriculture and in their own way tried to remove their prevailing psyche of utter submission and instill a spirit of assertion…”

Notwithstanding the recognition in the ability of the NGOs as a catalyst in development process, scholars have undermined their role owing to their miniscule effort in limited geographical areas. Besides, it has also been observed that NGOs lack in capacity to carry out the mandates of development because of lack of capacities with them. Therefore, scholars like Turton and Farrington [5] emphasized the need for capacity building of NGOs for successful delivery of development needs.

On the other hand, though NGOs have often been credited with for their contribution in addressing development issues, they have been discredited for their efforts too. Das [6] opines that civil society organizations are accused by the Government of inciting people to violence for standing by the tribal people in their struggles. This is corroborated in Bandyopadhyay [4]’s findings. Knight, Chigudu and Tandon [7] have undermined the importance given to NGOs in the Washington consensus. Legitimacy of the NGOs are
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questioned because it is felt that “there are no mechanisms by which NGOs can be made accountable to the people they serve”. [1]

While on one hand the credibility and accountability of the NGOs have been criticized as pointed out by various scholars, on the other hand their policies have been found to be donor driven, thus threatening to undermine the needs of the local people for whom the NGOs have been working. This is evident from the observations made by Kamat [1], Hemment [8] and Ishkanian [9].

In this background, the present article highlights the impact of rural livelihoods programmes of a particular NGO in one particular district of Odisha1, an eastern state in India. Thus, for the present purpose, primary data have been collected from Koraput district where CYSD, a local NGO has been working for the past two decades.

The article has been organized into five sections. While Section 1 deals with introduction to the article including various literatures on NGOs’ efforts on development, in Section 2 an attempt has been made to contextualize the problem. The next section, i.e. Section 3 deals with the methodology adopted for the study followed by discussion on impact of CYSD’s intervention in Koraput district in Section 4. Finally, Section 5 concludes the discussion summarizing NGOs’ role in livelihoods development.

II. Contextualizing The Problem

2.1 Profile of the study area

Koraput, the southernmost district of Odisha, is situated between 18° 13’ to 19° 10’ North latitude and 82° 5’ to 83° 23’ East longitude. For long the district has occupied a distinct place in the global map due to high incidence of poverty, malnutrition, hunger and starvation deaths, low level of literacy, unemployment, low income level of people etc. According to the Orissa Human Development Report, 2004 with a low human development index (HDI) score of 0.431, Koraput ranks as low as 27 among the 30 districts of Orissa [10].

As a depiction of the district scenario, two blocks – Boipariguda and Kundra – are also represented by dismal development indicators. In both the blocks 82% of the total rural population lie below the poverty line as per the BPL survey conducted in 1997 by the Panchayati Raj Department of Government of Orissa. Per capita food grain production has been 468 grams and 421 grams for Boipariguda and Kundra blocks respectively. In Boipariguda, as per the Koraput District Statistical Handbook, 2005, the net sown area is only 25.92% of the total geographical area and a paltry 6.8% of this net sown area is irrigated [11]. In absence of productive land owing to geographical condition, poor irrigation infrastructure and lack of other livelihoods avenues, the work participation rate has been very low at 53.10 and 53.90 for Boipariguda and Kundra respectively. On the contrary, all these provide ample scope and opportunities for focused livelihoods intervention, thus making a substantial change in lives and living condition of the people of these two blocks.

2.2 Significance of the study

CYSD has been playing a critical role promoting development in two blocks of Koraput district through its livelihoods intervention programmes under the domain of ‘Sustainable Rural Livelihoods’. CYSD’s intervention in the area has now been close to two decades. And, this can be considered a long enough time to examine the impact of its intervention and to see whether the focused intervention has brought out any discernible change or not in the lives and living condition of the people of the area.

It has been recognized now that development does not include economic development alone in terms of growth in gross national product and per capita income, and variables like quality of health services, nutritional status, education, housing, clean water, electricity etc. are needed to be considered to understand development in a holistic perspective. In this context, it would be worthwhile to employ the sustainable livelihoods framework which takes into account all such variables and examine the contribution of the NGO towards development.

III. Methodology Of The Study

Sampling of villages

CYSD through its project PRAYAS-Koraput is working in 15 gram panchayats of the two blocks, Boipariguda and Kundra, covering a total of 212 villages. The target beneficiaries in these 212 villages include 36245 individuals belonging to 7750 households.

With a view to get a representative picture of livelihoods intervention in all 212 villages and its impact on the target household beneficiaries within a stipulated time period, a representative sampling following stratified random sampling method was drawn from the villages covered by the project.

A total of 210 households were covered under the study from 22 villages. While drawing the sample careful attempts have been made to choose representative sample from both the blocks representing various social groups and performing different activities, such as farm, non-farm and off-farm activities.

1 Orissa was the earlier name of Odisha. So, both “Orissa” and “Odisha” have been used interchangeably in the article.
In the final sample, more respondents were covered from farm intervention category (47.62%) followed by those from off-farm category (30.95%) and non-farm category (21.43%).

3.1 Data collection and analysis
Both quantitative and qualitative methods have been used for data collection. While questionnaire survey was carried out among sample households following the quantitative method, interviews and focus group discussions were carried out as part of qualitative method. Finally, both quantitative and qualitative data were analyzed to reach at study findings.

IV. Impact Of CYSD’s Livelihoods Intervention In Koraput District
This section has been made to examine the impact of CYSD’s intervention in livelihoods programmes in two blocks of Koraput district through its project, PRAYAS-Koraput. It may be noted here that as sustainable livelihoods refers to creation and sustenance of five different capitals – financial, social, human, physical and natural – following DFID’s sustainable livelihoods framework, effort has been made in this section to examine the impact of CYSD’s livelihoods programme in terms of creation and sustenance of these capitals.

4.1 Defining sustainable livelihoods
Chambers and Conway in 1992 have defined livelihoods as “the means of gaining a living, including livelihood capabilities, tangible assets and intangible assets”. Drawing on this definition among others, the team from Institute of Development Studies, Sussex tries to define sustainable livelihoods in the following terms.

“A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base.” [12]

4.2 CYSD’s rural livelihoods intervention in Koraput district
One of CYSD’s focus areas has been livelihoods promotion among marginalized communities, primarily belonging to Scheduled Tribes (STs). It has been systematically promoting a process of change emphasizing empowerment of the poor with a view to ensure sustainable development.

CYSD focuses on promoting round the year food and livelihoods security of the tribal poor and marginalized people of the area through its rural livelihood programmes. Emphasis is laid on promotion of activities in farm, off-farm and non-farm sectors to achieve this objective. The strategies followed by CYSD include:

- Setting up of institutions like Village Development Groups (VDGs)/Gram Sangathan, women self-help group (SHGs) and farmers’ groups in each operational village;
- Promoting grain banks;
- Agriculture support primarily through demonstration, training, exposure and extension services, and restricted input supply;
- Natural resource management through promotion of micro-watersheds;
- Promoting animal husbandry;
- Facilitating community farming practices;
- Facilitating linkages between the village institutions with the formal institutions like banks and micro-finance institutions;
- Vocational training to women and youth;
- Facilitating NTFP selling;
- Enabling the community to access market opportunities; and
- Facilitating a productive linkage between the community and different government schemes.

4.3 Impact of CYSD’s intervention on livelihoods
4.3.1 Financial capital
Financial capital refers to the economic well being of a person. Financial savings, access to credit and income generating activities like diversified economic opportunities other than agriculture, access to wage labour opportunities, and access to social welfare schemes like different kinds of pensions form some of the major components of a healthy financial capital base.
4.3.1.1 Engagement in economic activities

More than 90% of the sample respondents practice agriculture as their primary occupation. Similarly, more than 85% of the respondents depend on agriculture labour activities as their secondary source of occupation. On the other hand, the group economic activities in the study area range from participation in community farming to different non-farm and off-farm activities.

Percent 66.7 of the respondents have accessed both formal and informal credit facilities to start up some kind of economic activity. They access this loan amount either from self-help groups (SHGs) or from Village Organizations (VOs). These village institutions have been formed by CYSD and have been linked to credit sources like banks and micro-finance institutions (MFIs) for people to have access to monetary credit. The credit at hand gives an opportunity to the otherwise cash starved people to venture into diversifying their economic activities.

Majority 62.4% of the respondents use the loan amount for agriculture purposes (Fig. 1). The findings reveal that people have diversified to non-traditional economic activities like taking up small entrepreneurial activities (7.6%) and livestock rearing (11%). It is worth mentioning here that most of these diversified economic activities are taken up by the women giving them an opportunity to earn and have cash in their hand.

Further, the findings suggest that apart from carrying out economic activities on individual basis, villagers in the project intervened villages also resort to group economic activities. As revealed from Fig. 2, it is found that 14.8% of the respondents in the study area practice community farming. Through community farming the project is trying to give livelihood opportunities to the neediest people of a village by cultivating the hitherto unutilized land. Examples of Paraja community people of Jholaguda under Digapur panchayat in Kundra block cultivating 1.5 acres of land taken on lease from a villager which was lying uncultivated or villagers of Kenduguda under Doraguda panchayat of Boipariguda block utilizing their village kotha land (a common property resource) for horticulture purpose are some of the successful interventions under community farming activities.

![Figure 1: respondents carrying out different economic activities with loan amount](image1)

![Figure 2: participation in group entrepreneurial activities](image2)
An analysis of income spent on different activities reveal that respondents give importance to building infrastructure (59%), and most importantly to education (14.8%) and family health (30%). The spending pattern suggests a qualitative change in the mindset of the people towards realization of the importance of education and health.

### 4.3.1.2 Savings

The study observes that all women in CYSD’s project areas belong to SHGs. In addition, the people of the area save grain in community managed grain banks and utilize it during food deficit period. At least one-third of the respondents have savings in grain banks promoted by CYSD.

It is found that 92% of savings are contribution from personal incomes, which indicates the march towards economic freedom. However, focus group discussions with women groups reveal that they perceive SHGs as only economic forum and still there is a long way to go before they can use this forum for upward mobility in social and political spheres.

### 4.3.1.3 Access to credit

Access to credit is important for starting and sustaining any economic activity. It is observed that as many as 84.8% of the respondents have access to farm credit. The study findings reveal that majority 71% of the respondents avail monetary loan from both formal and non-formal sources. Similarly, 25% of the respondents have availed food grain loan from the grain banks. They use this monetary loan for different purposes ranging from repaying earlier loan amounts (15.2%) to spending on health care (7.6%), children’s education (7.6%) and sanitation (4.8%) (Fig. 3).

It may be noted here that borrowing from private moneylenders at a higher interest rate was hitherto a known phenomenon in the tribal dominated districts. However, CYSD’s intervention followed by formation of SHGs, initiating personal savings habit and then linking them to banks/MFIs for availing loans have reduced this phenomenon drastically as evident from the findings. During discussions the respondents have even acknowledged CYSD’s contribution to gradual decrease in dependency on private moneylenders.

### 4.3.1.4 Wage labour activities

In the absence of round the year agriculture opportunity due to unavailability of arable land and irrigation facilities, people in the study area depend on wage labour activities. This is evident from the study findings which suggest that nearly 90% of the respondents depend on agriculture labour activities as their secondary source of occupation. Similarly, another nearly 8% of the respondents depend on daily wage labour activities as secondary source of occupation. It may be noted here that landless people and people belonging to small and marginal farmer categories resort to agriculture labour activities in the lands of those having more arable land.

The study findings suggest that while 8.6% of the respondents had already participated in the National Rural Employment Guarantee Act, 2005 (NREGA) activity before project intervention, nearly 25% have participated after project intervention. Such respondents have got employment for only 10 to 30 days against the guaranteed 100 days of employment. The low turnout for NREGA work can be explained with the fact that people in the project intervened areas have access to other diversified economic opportunities introduced by the project, such as community farming, group entrepreneurial activities, and livestock rearing.
4.3.2 Social capital

A community thrives on factors like togetherness, trust, tolerance, mutual support and cooperation, collective representation, networking, non-discrimination of gender and also on sets of common rules and guidelines. In other words, all these elements form the building blocks of social capital of a community. Here an attempt has been made to examine the impact of project activities in building social capital among the target beneficiaries.

4.3.2.1 Community based institutions and networks

Community based institutions like village organizations and SHGs are indicators of healthy social capital development which has been a major contribution of CYSD’s concerted efforts. Almost all respondents in the study area belong to one or more community level institutions like SHG, Village Organization, Farmers’ Organization or Forest Protection Committee. It is important to note that there is a strong network of communication among people belonging to different villages. This is corroborated from the findings which suggest that 51% of the respondents have come to know about the benefit of group formation from nearby villagers. Further, a significant 35.7% of the respondents have joined a group only after self-realization of the benefits of belonging to such a group.

Nearly 35% of the respondents (male – 59% and female – 22%) in the study area have agreed to some kind of perceivable change after joining larger social groups called federations. These perceivable changes range from becoming more vocal to mustering collective bargaining power to negotiating with banks for availing credit and participating in political processes. The federation in Kathapada GP under Boipariguda block serves as an example of people demanding successfully to avail their right to work under NREGA. Similarly, because of the strength derived from being a part of a federation, people from Doraguda panchayat in Boipariguda block are now taking active part in gram sabha meetings and are raising their voices in order that their demands are heard.

4.3.2.2 Mutual trust and respecting common rules: Cornerstones of social capital

As the community level groups formed at village level are primarily economic interest based groups, sustainability of such groups rests on mutual trust among the group members. Also, the trust of the group members on the project is very important. In this context, it is worth mentioning that a large majority of respondents have joined a community level group or federation because of the trust they have on the project and its staff.

In order that a group becomes trustworthy, CYSD has introduced the concept of transparency into group activities whereby records of all meetings are maintained. These records apart from maintaining loan amounts, repayments, etc. also include the minutes of all meetings of a group. At the end of each meeting all the members put their signatures/thumb impressions in the record as a gesture that they agree to whatever discussed or decisions made. Besides maintaining records, in the beginning of each meeting the records are read out before the members and so also done after each meeting before taking signature/thumb impression of individual members. There is hardly any case of cheating among SHG or VO members.

4.3.2.3 Collective representation

Collective representation by people is another important element of social capital. The strength of social capital is dependent on effectiveness of collective representation. Encouraging findings have been made on collective representation by people in the study area in terms of carrying out economic activities, be it constructing water harvesting structure, or getting together for community farming or forming community based economic interest groups. However, collective representation in terms of participation in collective community activities, demanding rights and protesting against social evils etc. has not been very encouraging. The study reveals that only 27% of people have come forward voluntarily for community activities like village road cleaning and community infrastructure building. Similarly, nearly 10% of the respondents have said to have ever demanded collectively for minimum wage, ration/BPL card, mid-day meal scheme at village schools, Anganwadi centres etc.

4.3.3 Human Capital

Human capital refers to health, nutrition, education, skill/capacity status of the people. A healthy, educated and skilled society is considered the basis of a well developed human capital. Though CYSD does not directly work on health front, the project builds awareness of the people on health and sanitation issues and prepares them for demanding better healthcare and sanitation facilities from the government.
4.3.3.1 Improvement in health condition and access to healthcare services

It is observed that 30% of the respondents who have accrued benefit from undertaking economic activities after project intervention have been able to spend 30% of their income on family health. Similarly, nearly 8% of the respondents accessing credit facilities spend part of their loan amount on health care activities. This suggests that project intervention has brought about more economic opportunities and has increased access to credit facilities which in turn has helped people in achieving better health status.

4.3.3.2 Improvement in nutrition condition

The study reveals that access to food has increased after project intervention. This has become possible due to introduction of new agricultural practices resulting in higher productivity, introduction of vegetable cropping, introduction of mushroom cultivation and kitchen garden concept, and due to introduction of grain bank concept providing succour during food deficit period. It may be noted here that increased income from diversified economic activities has also provided opportunity to people to spend more on food consumption.

4.3.3.4 Skill building and knowledge transfer

The project carries out many training programmes and demonstration activities to build capacity of the target beneficiaries on farm, non-farm and off-farm activity fronts. However, it is observed that there is considerable degree of dependency on CYSD where 73% of the respondents viewed that project staff facilitated the process of availing loan for them.

On farm activity front, it is observed that though people have been trained on organic farming practices including preparation of bio-manures and bio-pesticides, hardly any respondent is following the practice. The people consider preparation of bio-manures and bio-pesticides as time consuming practices. On the contrary, as chemical fertilizers and pesticides are readily available in the open market, people prefer using such products for better yield.

On horticulture front, it is observed that though people have planted grafted mango saplings, they hardly possess any knowledge of how grafting is done. That the project has not done enough to transfer such skills to the beneficiaries, there is an apprehension that people may become dependent on project.

Further, it is observed that the follow up activities of a programme implementation has been poor for which many programmes have been discontinued by the villagers after couple of years. This has a negative impact on sustainability of the programme.

Similarly, on both off-farm and non-farm activity fronts it is perceived that the practices promoted by the project are not sustainable ones. Mushroom cultivation, an off-farm activity, is one such example. The project has promoted mushroom cultivation among the beneficiaries as an economic and nutrition opportunity. The beneficiaries have also adopted this economic activity. But the concern is that people feel dependent on the project to avail mushroom seeds which they cannot procure either from nearby markets or from nearby townships.

In case of non-farm activities, in Cherkaput village under Digapur panchayat in Kundra block, it was observed during the fieldwork that the women members though were persuaded to take up candle making as an economic activity; they found it difficult to carry forward the business. Firstly, they were yet to master the skill of candle making and secondly, the candles they made were not accepted by the local shopkeepers. Likewise, the women SHG members in Masigaon village under Kundra block expressed their utter dissatisfaction over not being able to sell their products like phenyl and detergent powder in the local market while facing stiff competition from already dominant and established products available in the market. Again, the raw materials for these products are being procured by the project from a distance place in Cuttack and this raises a serious question mark on sustainability of such activities in future. Examples of both these non-farm activities point to the lack of preparedness of the project with a proper market survey and business plan.

4.3.4 Physical capital

Physical capital refers to community level and household level infrastructures. Development of such infrastructures leads to better living condition and more access to economic opportunities.

It is a concern that though participation in democratic process has increased, people’s participation in community activities through voluntary contribution of labour has been very poor. Participation in community activities like village road cleaning, voluntary labour contribution for construction of village road, well, pond, water harvesting structure etc. is very negligible and the push from the project also seems inadequate. This has a negative impact on the physical capital of the community.

One of the plausible explanations might be the introduction of NREGA opening up opportunities for creation of durable rural infrastructure. But mere 25% of the respondents have ever worked under NREGA and that to only for 10-30 days primarily for rural road construction as revealed by the study. Nevertheless, the
project initiatives to construct or revive water harvesting structures in some villages are praiseworthy efforts. Construction of new water harvesting structures can be seen benefiting the communities at Dumunijholi and Mathapada villages under Boipariguda block. Similarly, revival of already existing but defunct water harvesting structures have benefited the community in their agricultural activities in Jholaguda and Ganthiaguda villages under Kundra block.

On individual level infrastructure development, the increased availability of economic opportunities and consequently more income have led 59% of the respondents to invest substantial amount of their income in infrastructure building. Similarly, more than 40% of respondents perceive that their access to agricultural implements has increased significantly after project intervention. This, in turn, has helped them in carrying out their major economic activity.

4.3.5 Natural capital

People in the study area have moved away from traditional seed varieties, particularly with reference to paddy. They are mostly using block supplied seed which later becomes farm saved seed and is used for cultivation. Seeds of other grains are also losing their shine as their productivity has become lower due to repeated use. On the other hand, farmers still practice mono-cropping, and use of bio-fertilizers and bio-pesticides has not been encouraging. Chemical fertilizers and pesticides being easily accessible, there is a challenge to promote organic farming in the project area.

In the absence of irrigation facilities the project initiatives to construct or revive water harvesting structures in some of the new villages are praiseworthy efforts. These efforts have given renewed hopes to farmers of these villages who are now practicing vegetable cultivation during Rabi season. On the other hand, these efforts have helped in water and moisture conservation in these areas.

V. Conclusion

The sample study has revealed that CYSD has contributed to livelihoods development of people significantly. The economic activities have helped the women members to be economically empowered. People have been able to make their own economic choices which suggest of economic empowerment brought about by the NGO. The credit at hand has given an opportunity to the otherwise cash starved people to venture into diversifying economic activities. The spending pattern suggests a qualitative change in the mindset of the people towards realization of the importance of education and health. Similarly, while the NGO intervention has helped people to have access to reliable credit sources, their dependency on local moneylenders has decreased significantly.

The NGO has had a positive impact on social capital formation in the sense that most of the respondents have been found to be member of one or the other village level institution in the study area. Though mutual trust is found to be inherent in the society, the NGO, nevertheless, has introduced the concept of transparency into the functioning of village institutions, thus reinforcing mutual trust. Despite the good efforts by the NGO on social capital formation, collective representation for social and political activities has not been encouraging.

Though the findings on physical capital has been encouraging, with regard to formation of natural capitals the NGO has have limited impact. Similarly, skill building and knowledge transfer have been found to be Achilles heel for the NGO posing threat to sustainability of its intervention.

References


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