

giving wisely

FOR PRIVATE CIRCULATION ONLY

|| sampradaan ||

Number 52

2007



“As for the present owners of wealth, they will have to make their choice between class war and voluntarily converting themselves into trustees of their wealth. They will be allowed to retain the stewardship of their possessions and to use their talent, to increase the wealth, not for their own sakes, but for the sake of the nation and, therefore, without exploitation. The State will regulate the rate of commission, which they will get commensurate with the service rendered, and its value to society. Their children will inherit the stewardship only if they prove their fitness for it. Supposing India becomes a free country tomorrow, all the capitalists will have an opportunity of becoming statutory trustees. But such a statute will not be imposed from above.

It will have to come from below. When the people understand the implications of trusteeship and the atmosphere is ripe for it, the people themselves, beginning with gram panchayats, will begin to introduce such statutes. Such a thing coming from below is easy to swallow. Coming from above it is liable to prove a dead weight.”



ORDER NOW!

New edition of
Directory of Donor
Organisations
available as a hard
copy Please contact
SICP at: 91-11-26899368
or 26121917

A bi-monthly bulletin of Sampradaan Indian Centre for Philanthropy

Contents

Opening Thoughts: Mahatma Gandhi on Challenges for Modern Society and Wealth 2

Articles:
Common Application, Please.....9

Choudhuridiha Community Fund: Will it be revived? 10-12

Maintaining Peace in Alwar 19

How can boards fail? 20

The Patina of Philanthropy 13

Paper:
No Time to Lose: Urgent Need to Stabilize Climate Change in the Himalayas 14-17

Philanthropy News: Charity Begins in the Boardroom..... 17

Rationale of Community-based Justice in the Process of Social Development: An Appeal 18-19

An Appeal by Sainik Sangh: The Emergent Community Foundation in Pauri Garwal 21-22

Letter to the Editor 22

Books: New Arrivals 22

Editor's Choice:
Book Review 23

Mahatma Gandhi on Challenges for Modern Society and Wealth

“I would say that if the village perishes, India would perish too. India will be no more India. Her own mission in the world will get lost. The revival of the village is possible only when it is no more exploited. Industrialization on a mass scale will necessarily lead to passive or active exploitation of the villagers as the problems of competition and marketing come in. Therefore we have to concentrate on the village being self-contained, manufacturing mainly for use. Provided this character of the village industry is maintained, there would be no objection to villagers using even the modern machines and tools that they can make and can afford to use. Only they should not be used as a means of exploitation of others.”

“The present distress is undoubtedly insufferable. Pauperism must go. But industrialism is no remedy. The evil does not lie in the use of bullock-carts. It lies in our selfishness and want of consideration for our neighbours. If we have no love for our neighbours, no change, however revolutionary, can do us any good.”

“Machinery has its place; it has come to stay. But it must not be allowed to displace necessary human labour. An improved plough is a good thing. But if by some chances, one man could plough up by some mechanical invention of his the whole of the land of India, and control all the agricultural produce, and if the millions had no other occupation, they would starve, and being idle, they would become dunces, as many have already become. There is hourly danger of many more being reduced to that unenviable state.”



Our strategy is to move slowly, produce concrete results, use actions, not only words, to make people believe in Icom - *Lucia Dellangelo*

Strengthen Institutional Basis of NGOs Through Grant-making

Lucia Dellangelo is a leader of one of the pioneering community foundations in Brazil, called Icom*. In the following interview with Sampradaan, she talks about what it takes to set up a successful Community Foundation.

Question: In India, Brazil is known for soccer, Pele and Ronaldo. Beyond that, Indian public generally knows little about your country. Therefore, it would be interesting for our readers to know more about the philanthropy scenario in Brazil.

Answer: Brazil is a country marked by drastic social inequality. The wealth is deeply concentrated in a small portion of the population while the majority has difficulties to get basic services. However, the economy and the social situation are gradually improving 97% of Brazilian children now attend school and health services are being offered to a larger segment of the population. The non-profit sector has experienced rapid growth in Brazil. From 1997 to 2002, there was an increase of 157% in the number of NGOs registered in the country. The growth of the sector has been accompanied by an increase in the number of partnerships with the government and private sector for the provision of social services and defense of environmental causes.

Question: In term of GDP, Brazil has retained a position among the 15 biggest economies of the world. It is one of the rising economies. Does one find a proportionate increase in the giving by individuals, Foundations, communities and business?

Answer: The increase of donors is not proportionate if compared to the increase in the number of NGOs. That means that there are more organizations seeking the limited resources available. However the number of business investing in social programs is increasing and the number of foundations (particularly corporate) is also up. Recent research shows that 59% of companies declare giving to social causes. Individual giving is still not significant, although some good examples start to emerge.

Question: With a large geography and large population, the challenges of development may have been substantial in scale in your country. Has the government played the role of

a 'regulator' or a 'catalyst' in ensuring the welfare of its citizens in Brazil?

Answer: Despite several efforts, the government has not been capable of promoting a more even distribution of resources and services in the country. The result is deprivation in rural areas and violence and poverty in overcrowded urban areas.

“...The idea is to give not only money, but challenge and improve the capacity of the organizations we fund...”

Corruption and short term, political party driven initiatives have undermined the capacity of the government to be a catalyst for development.

Question: Has there been a conscious effort by the Federal or state authorities in your country to encourage involvement of private donors, NGOs and community in development?

Answer: The government has tried to organize the relationship with NGOs and private donors through a new legislation in 1999, which set norms for partnerships

for the provision of social services and projects. Although there is rhetoric about cross-sector collaboration, the truth is that there are few incentives for private social investment in the country.

Question: We would like to have some more insight about community philanthropy in Brazil. Are there some more community foundations like Instituto Comunitario Grande Florianopolis? Is there a growing interest in the idea of community foundation in your country?

Answer: The first community foundation in Brazil was Instituto Rio, founded in Rio de Janeiro in 2001. ICom was founded in 2005 in south Brazil. There are other initiatives of community philanthropic organizations in Sao Paulo and in the Northeast, but the concept of community foundation is relatively new in Brazil. Last year GIFE (Brazilian Grantmakers Association) included for the first time in its conference a panel on the concept of community foundation.

Question: Are there specific reasons behind the growing interest in community foundations?

Answer: I believe community foundations have the potential to articulate and integrate social investments at local level, making a greater impact in social development. In my opinion the growing interest in community foundations stems from the fact that the non-profit sector has become more complex and

sophisticated, and therefore need organizations capable of serving as bridges among different actors. Community foundations can provide bridges among government, donors and NGOs.

Question: Can we talk a little more about the genesis of ICom, the social, economic circumstances surrounding the birth of your Foundation? Was it an individual driven endeavor or an institutional one to set up ICom?

Answer: The initial idea of creating ICom came from my experience as a Synergos fellow. I was deeply impressed by the potential of community foundations to adapt to different contexts and the kind of contribution it made to local development. Upon my return to Florianopolis I gathered a group of professionals to share what I had learned and to analyze the possibility of creating a community foundation in our town. We then invited a group of local business and community leaders to be members of the Board. Our first financial support came from AVINA Foundation.

Question: Was the birth of ICom rooted in the special needs of the local community? What were those needs?

Answer: All the professionals involved in the planning of ICom agreed that the city had too many small NGOs that needed financial and technical support in order to increase the impact of their actions. One of the first activities

of ICom was to conduct a mapping of local NGOs, identifying where they are located and what are their main needs. The results of the mapping showed that the main needs of local NGOs are related to institutional capacity building.

Question: Does the social composition of the local community reflect fully in the leadership of your Foundation? In what way have you ensured representation of the various segments of the community in the leadership of the organization?

Answer: The members of the Board comprise a very diverse group of people. We have business leaders from different sectors (media, industry, commerce), a former dean of the local University and current Secretary of Education, an NGO leader, and a young lawyer. Working with the Board has been a learning process, but I believe that ICom's Board represents the local community well.

Question: While talking about the sharing of resources, what are the resources in the community that you think are very important to meet your goals?

Answer: I think information is a very important and underused resource. NGOs do not know each other and how they can work together to reach their goals. Donors also need to be better informed about opportunities for good social investment in the community. We also need to learn to work with



small individual donors. Our major challenge is to raise the quantity and the quality of resources invested in our city.

Question: Is a plan to engage these resources in a strategic manner in place? Can you kindly share this plan with us?

“...The first concrete contribution of ICom has been the publication of the Guide of Local NGOs, which provided the community important information about its social network. The second contribution has been serving as a bridge, assisting local NGOs in their specific needs such as strategic planning or identifying a potential donor. The measurable indicator of performance will be the volume of resources ICom will be able to raise for its Community Investment Funds. ICom’s commitment is to provide technical and financial resources to local NGOs...”

Answer: At the moment we are about to launch a Community Investment Fund that will focus on Social Entrepreneurship. This fund will be formed by donations of several donors and will be invested in selected NGOs that work with young people in low-income neighborhoods. ICom designs the social program, and presents it to potential donors. We monitor the program and provide technical and financial reports to donors. We also have what we call Specific Fund that is created by the demand of a specific donor. In this case ICom elaborates a social program according to the interest of the donor.

Question: In your view, how ICom is adding value to the life of the local community? Is this a measurable process? Have you defined the benchmarks of satisfactory performance of ICom? Was the local community involved actively in defining those benchmarks?

Answer: I think the first concrete contribution of ICom has been the publication of the Guide of Local NGOs, which provided the community important information about its social network. The second contribution has been serving as a bridge, assisting local NGOs in their specific needs such as strategic planning or identifying a potential donor. The measurable indicator of performance will be the volume of resources ICom will be able to raise for its Community Investment Funds. ICom’s commitment is to provide technical and financial resources to local NGOs.

Question: I am sure; you would agree with me that there are general similarities between Brazil and India. Both are agrarian economies hurtling towards industrialization. Is the community in which you are based an agricultural one or an urban–industrial one? How do you raise resources from the local community? Is your fund-raising strategy based on the principles of leveraging? What are the challenges in raising the funds?

Answer: The city of Florianopolis is located in an island and the main economic activities are tourism, software companies and governmental services. Our fund raising strategy takes into consideration the fact that the level of donation has been traditionally low and sporadic. Our challenge is to reach new donors and to encourage donors to add value to their investments through the work of ICom. Government is also a potential donor to ICom’s funds. Up till now, Icom’s main supporters have been the AVINA and Kellogg Foundation.

Question: What are the main elements of your grant-making program? What are the main principles underlying your grant-making strategy?

Answer: Our grant-making strategy is focused on partnerships and innovation.

Continued on page: 12

If India is to be empowered, the first thing that comes to my mind is to be able to recognize the collective nature of Indian Psychic and then to try to rectify our masses collectively at all levels.

Our fundamental problems are *rampant corruption, cleanliness affecting health and hygiene, non-transparency, discipline, poor work ethics*. These are evils of our society.

The citizens need to act themselves. The importance of cultivating individual responsibility needs to be emphasized. I call this approach as ‘**POWER OF ONE PHILOSOPHY**’ which I will present in this article.

Late Nani Palkhiwala has aptly said, “To Indians nature has given immense intelligence and skill but no sense of public duty, discipline or dedication.”

If you look around, one will come across plenty of potential talent backed up by brilliance. This collectively creates intellectual capital. But the unfortunate thing about all this is that none of this is reflected when you look at the society at large. This gap between reality and potential is very wide, and it should be a matter of concern and efforts need to be directed to shorten this gap.

Our country is developing at a rate faster or otherwise, depending upon the individual point of view. But this development is like an inverted pyramid that is structurally very unstable. It can collapse at any time unless we do not address the fundamental issues of societal evils mentioned above. In my view, there is no point in trying to run, before we can first learn to walk.

Education, all aspects of it, is not very helpful in putting a curb with respect to *erosion of work ethics, dilution of values and morality*. These aspects are chipping away at the

India Empowered

By Dr. Suresh N. Karkhanis

norms of discipline etc. In public institutes, there is at its best almost no accountability. There are no rewards for performance and no penalty for non-performance. However, there are exceptions like the presence of IITs & IIMs amongst us. The universities have no vision and no view of what human being must know in order to be considered educated. Its general purpose is lost amid the incoherent variety of special purposes that have accreted within it.

“POWER OF ONE PHILOSOPHY”

The public should impose certain minimum obligations on themselves, rather than looking to their leaders for solution from others.

Dr Suresh Karkhanis, 2002, Pune

Indian mentality is maintaining inertia till forced to move, by which time the damage is done. Then we come up with knee-jerk solution. In my view the best approach is that, it is better to incur some costs today to avoid a small possibility of catastrophe later. Any stopgap arrangement is futile.

There is something fundamentally wrong with the *aam Junta* (common people) who has lost the capacity or will to feel anger, fear and outrage over the events that are happening around. We need citizens who are pro-active in solving problems; they need to feel involved and concerned.

It is therefore necessary that individual rights/privileges are curtailed

for common good of the nation for the time being. We are going through the phase whereby some of the individual idiosyncrasies need to be put on leash. If this happens then we will be able to rectify the societal evil that exists. Then any development in the area of technology or society, would take off and our nation would be able to take a quantum jump and go forward!

The other issues that we have imported from Western countries are child labor, women’s right etc., are important issues. But in the present state of nation-building, they are luxury items. There are intense opinions about these issues. But they should be tackled according to our priorities. These issues were practiced by the so-called developed nations during their developmental stage. For example, child labor was persistent in UK during Charles Dickens’ time. His writing became popular during his time. We should wait for our turn, instead of applying those perspectives smack on our society. Let’s first evolve, then we can practice these issues.

Lastly with all the wisdom and philosophy that we Indians possess, we still need our political, economic other problems to be solved by WHITE MAN. This is the consequence of the dogma that we have been following from the very beginning “**Do not try to invent the wheel**”. This has made us less inventive and less imaginative. It has also made us fearful of doing R&D work and has developed an aversion for negative results.

Alternatively, we feel comfortable in copying somebody else’s invention or even simple protocols. Case in hand is military exercise with US forces and sending our Air traffic controllers for training to US etc.

About the Author: Dr. Karkhanis is professor emeritus at the Maharashtra Institute of Technology, Pune.

Community Philanthropy Initiatives

By Dr. Sandeep Deshmukh

The Community philanthropy Initiatives program of Sampradaan has moved beyond the conceptualization phase. The years 2006 and 2007 proved to be important for us in this regard. The visit of former Executive Director of WINGS, Gaynor Humphreys to Sampradaan provided an opportunity for like-minded institutions to share their experiences and views on the idea of Community Foundation. Subsequently, we went to the communities expected to develop community foundations along with leaders of Mewat Foundation (Trust); Kodagu Model Forest Trust; and Sainik Sangh. The aim of the extensive exercise was to check the feasibility of raising resources from local communities in various forms. The exercise was encouraging.

Highlights of the feasibility assessment studies are as follows:

- It is difficult to prescribe same format of community mobilization in different environments, cultures in India.
- Rural population in Alwar, Pauri Garhwal and Kodagu in general suffer from deprivation besides the local specific problems.
- Marginal groups of farmers, landless laborers are willing to contribute grain and voluntary labor to community depositories and projects respectively.
- It is not enough to think in terms of sharing of wealth but also to think about strategies to create wealth

when one thinks about community foundations in rural setting.

- Involvement of government agencies is essential for building resources of community foundations and also to streamline roles of government functionaries and foundations. The last point is important with regard to potential for conflict between government priorities and community expectations.

- There is a varying degree of distrust about non-government organizations in the minds of government officials and local citizens. If NGOs need to be involved in development work in a more positive manner, lot more transparency and effectiveness in performance is expected. Indeed the government agencies feel that the community foundation could facilitate and monitor the work of NGOs more effectively.

- A community based organization with strong roots in local community and its needs can reposition itself as a Community Foundation. This addresses many issues related to costs and organizational culture in case of community foundations wed to wealth creation and wealth sharing in rural India.

- One could consider centralized or decentralized approach to the organizational nature of community foundations depending upon the local geographical, cultural and economic conditions. What is important is the cohesiveness of the social organization, which lends base to the organizational structure of an emergent community foundation.

- A community foundation can play a mentoring role with regard to local donor clubs and NGOs.

- Leaders of community foundations need to address the issue of social and economic disparities and their alleviation as a core value of local philanthropy. In fact it becomes important to understand the changing social roles and relationships in as much objective manner as possible to develop sustainable base of social development.

- Physical network of roads is an important factor in building donor mechanisms.

- Social networks play an important role in a smaller district for building donor networks.

- Reviving cultural heritage in a positive sense would help rally communities. However, the community leaders ought to ensure that the revival does not decay into 'son of the soil' type movements. There is a thin line between the two processes.

- Religious beliefs and customs may prove to be resources for motivating even community based programs as evident in case of Deeni Ulema in Alwar and Iguthappa Temple Trust in Kodagu.

- Philanthropic initiatives can be organized along the lines of natural environments like valleys.

The three emergent rural foundations are working out strategies and plans on the ground with the support of Sampradaan. Mewat Foundation (Trust) held a one-day workshop of community leaders in Alwar with support of local donors in near future.



Mewat: Current State of Affairs & Directions

A report on conference convened by Mewat Foundation Trust

By Dr. Pradeepta Kumar Nayak

Mewat Foundation Trust (MFT) organized its first conference on the 15th of July 2007. The conference heralded the resounding arrival of Community Foundations in Rajasthan in India. Convening the meeting of the citizens and CSOs is itself an achievement on the part of MFT as a newborn organization. The proceedings and lessons are as follows:

I Proceedings:

- About 60 people attended it in the meeting hall of the Immarti Devi Charitable Trust of Alwar. Sampradaan Indian Center for Philanthropy (SICP) also had its active participation in the conference, attended by the Executive Director, Dr. Sandeep Deshmukh, Program Coordinator, Dr. Pradeepta Kumar Nayak and Program Associate, Dr. Chittaranjan Mohanty.
- The participants belonging to different walks of life came from Alwar and neighboring regions of Mewat. Eminent personalities of the Meo community well settled outside Mewat also participated in it showing their keen interest in the development of their community.
- Like any other organization-in- infancy, MFT has also been going through the tensions of organizational development. There was a fear that the CSOs would take MFT as any other NGO and also as another competitor. It was thought that the time was not ripe to be very open about the foundation. The supporters suggested that it was prudent to popularize MFT in a slow

and steady way. They suggested that work and output were the best ways to create a lasting image and impact. As a result, a decision was taken to not highlight the Community Foundation in the beginning of the meeting.

- There were certain queries from the participants about MFT and its purpose. Dr. Munsu Khan Balot, the Managing Trustee answered the queries to their satisfaction.

- Dr. Sandeep Deshmukh, in his presentation, defined the concept of Community Foundation, its vision and mission. He also explained the necessity of a CF in Mewat. He suggested that it was important to work together irrespective of caste, creed, religious and political affiliations. He articulated the need for creation of community funds primarily with donations from within the community.

- Dr. Munsu Khan welcomed the people of Mewat and organizations working for them. He introduced the speakers, explained the problems and explored the actions. He exhorted the Mewaties to garner strength from different phases of their ethnic history and come together in the fight against illiteracy, underdevelopment and poverty. Dr. Khan also invited the volunteers for the formation of district level working groups of MFT.

- The theme of the day was “**Socio-Economic Status of Mewat and Directions for Development**”. There were discussions on education and agriculture, culture and history,

backwardness and social reform.

- The contributions were comprehensive as they touched different sectors of development including NGO groups and their work at grassroots level for different local communities.

Education:

(i). Everyone opined that Mewat was in urgent and continuous need of change; especially in the field of education. The region has been very backward especially in women’s education.

(ii) Different NGOs in their presentations vividly reflected the pathetic states of education. The teachers appointed in *Madrasas* are poorly paid. While the quality of education in *Madrasas* is poor, the same in the government schools is the poorer.

(iii) Without a strong political will, and bureaucratic insensitivity, the sector of education is an utter failure. To pass the buck, the community is labeled to have no interest in education.

Agriculture and allied Sectors:

(i) Agriculture has been the backbone of Mewat. And Special Economic Zones (SEZs) were perceived as a threat¹. There was vehement opposition to it from all quarters of the population, and MFT was urged to take the leadership as it had done during recent Gujjar uprising in protest against the government’s failure to accept the community as a tribe for the purpose of reservation.

(ii) During May-June, 2007, about 20



newly wed women were tortured and abandoned, because of superstitions and social evils like dowry. Mewat needs social reforms and MFT could spearhead it. The fact that people have lost interest in both the governmental and non-governmental organizations shows that MFT has a greater role to play².

(iii) While there are different organizations working in Mewat in the name of development, there is a perception that the NGOs have become corrupt. Some participants expressed their dissatisfaction with non-performing NGOs. There is no mechanism for monitoring –governmental or otherwise. The need of the hour is establishment of a watchdog, and community monitoring.

(iv). For effective development, it was felt necessary to work in a united manner. So it was a very important step by MFT to bring together the organizations and the citizens on a common platform for an open debate. The meeting marked the beginning of NGO coordination, a very positive step in the direction of development.

II. Lessons for SICP and MFT

1. The seminar was preponderantly attended by NGOs and activists. This led to an anti-government and anti-RSS tone of discussion. Political thinking was mixed literally with social and cultural issues. Future attempts should be to avoid political views and influences, as MFT would be required to work with constructive criticism, cooperation, and coordination.

2. MFT will have to create a code of conduct to be followed by speakers on such a platform.

3. There was a lop-sided emphasis on the development of a particular community while the approach should have been on all the social groups irrespective of caste, class, creed,

and religion. This is an opportunity for MFT to learn and act accordingly. There should be measures to disallow the vested interests from guiding MFT on caste or communal lines.

4. The leadership of MFT will have to widen its emotional and intellectual perspectives to think beyond the woes of a single ethnic group to attain a true pan-communal identity.

5. There is a need to advocate with Mewat Development Board (MDB) to define Mewat in a more inclusive and historical context. MDB defines Mewat as those villages where the people belonging to the Meo Community are at least 10% or more of the total population.

6. MFT can bring NGOs, government and donors together to discuss the problems and strategies of development in Mewat region.

(i) One such initiative could be in the form of adoption of good governance principles by NGOs.

(ii) Another initiative by MFT could be facilitating closer coordination between NGOs and government at grass-roots level.

(iii) At present, there is an urgent need for MFT to establish a dialogue between government, SEZ companies, landlords and CSOs representing Mewat.

7. MFT could also concentrate immediately on its services to donors. The services include (a) feasibility reports, (b) grant appraisals, (c) donor education on Mewat society and culture, (d) opportunity scouting, (e) capacity building of grant recipients including NGOs, (f) establishing a single window system through a consortium of donors.

(Footnotes)

¹ There is a formal announcement of establishment of a SEZ in Alwar district.

² This point was taken up in detail along with potential solutions during the preliminary Feasibility Assessment Study by SICP.

Common Application, Please: Raise your hands, my fellow EDs and development directors, if you are tired of writing 15 different grant applications to 15 different foundations. What ever happened to the common grant application form? Some grantmaking associations now have their own common grant applications. That is, they have a common application for dues-paying member foundations in their geographic area. But the majority of associations, including the larger two - Northern California Grantmakers and New York Regional Association of Grantmakers - are yet to adopt one. C'mon guys. Universities are using the common application for undergraduate admission. Check out the list of universities - public and private, large and small - across the country that have already done so. If Reed College and Rensselaer Polytechnic Institute can agree on the same form, I'll bet the Ford foundation and the Flora Family Foundation can find some common ground. Last year, over 700,000 applications were submitted online through the common university application. Imagine how many hours of re-writing, re-formatting, cutting and pasting, and re-copyediting nonprofits would save if there was a common form? And after that common grant application, how about a common Letter of Inquiry template? Source: <http://www.ssireview.org/> (April 11, 2007)

Choudhuridiha Community Fund: Will it be revived?

Dr. Pradeepta Kumar Nayak

A tiny hamlet called Choudhuridiha located under the Hatasahi Gram Panchayat, in Kendrapara district of coastal Orissa, had achieved a feat of sort in the late 1950s, which many big and prosperous villages are struggling to do even today. And the 'Choudhuridihites' achieved it without an iota of external help. Following is a story of their success, failure, frustration, and the feeling of de javu spread across half a century.

One fine evening, all the family heads of this small village sat together to discuss and decide on composite living of this multi-caste village. They decided to lead a life based on trust, harmony, cooperation and voluntarism. The meeting also decided "overall development" (peace, prosperity and happiness) as the vision of the village.

The mission began on 7th January 1957 with establishment of the village store with contribution from each family. The villagers stopped going out to get the groceries. The store provided the ration at a cheaper price than even the weekly market. The villagers could get it at credit and paid off at the time of harvesting in kind.

It was a store, not a 'shop' that sells commodities with an exorbitant price without any regulation. As the villagers owned the store collectively, there were effective measures for accountability and transparency. There was a store committee to decide and supervise the transactions including the rate. There was a profit deliberately decided for investing in social development of the village.

The store grew fast. The neighboring villagers also came to the store to buy

the ration. Even the shop-owners from nearby villages including Pegarpada, 8 kms from Choudhuridiha, came here for bulk purchasing. It became both a retail store and whole-seller. With profit, it diversified itself. The village opened a garment shop as a part of the store. It also had a tailoring shop, which was later converted, into a tailoring training center of the village. It also bought all the brass, aluminum, and copper utensils necessary for organizing marriage parties, family and village festivals and functions. The villagers took vessels for a token rent. The village took the *panchayat* ponds on auction and went for fisheries to generate more funds. It purchased a motor pump set to give it on rent. The farmers of the locality took it to irrigate their agricultural land. It also purchased plots for opening the branches of the store at nearby villages.

Choudhuridiha store created heavy assets in addition to cash revenue. In 1962, it purchased its own land. It invested heavily on agricultural land and allotted plots to the villagers on annual lease basis. It could sell hundreds of quintals of paddy and black gram at the time of harvesting. There was a time when the store had 62 acres

of agricultural land.

The growth began to translate into quality of life in 1960s. The committee decided to build *pucca* village road. Next plan of action was to build *pucca* houses for each family of the village. By 1965, it had a brick kiln for the purpose.

The village had its own library in 1967. There was not only inspiration, but also a kind of pressure to visit the library frequently, or at least 4 times a week. Women were also encouraged to borrow the books from the libraries. There were actions for socio-spiritual development. There were regular meetings in the village to listen to experts on the Vedas, the Upanishads, good life and other aspects of spirituality. The villagers decided to have its own deity and built the foundation of the temple in 1970. The deities *Laxmi* and *Narayan* were brought to the village and worshipped in a temporary temple with a "mahayajna" in 1979. The village committee had also decided to sponsor the education of poor and meritorious students from the village and also assist those of the neighboring village with a scholarship." Shram daan" was a norm for developmental activities, festivals, functions, and marriages. The village



roads were regularly maintained. One person from each family used to contribute labour (*shramdaan*) to construct or repair the road. It constructed three big ghats of red laterite stones. The village was not dependent on the government as it was raising its own fund.

Proper maintenance of records and registers was an important asset of management of the village and its fund. The village committee and general body meetings were held in a professional way. The village had its notice book, attendance register, resolution register, and minutes of meeting register.

Then there was downfall:

Some villagers preferred personal wealth to collective development. They decided to break the village unity by convincing the villagers with distorted information. One person, who was taking care of the accounts of the village store, established his own shop in violation of the village norm and persuaded others, by playing caste cards, to buy from his shop. Caste continued as a cause of conflict. Some other reasons of this fall were clash of interest between villagers, arrogance of some fund managers, and misappropriation of village property, infighting and intrigue. The major factors leading to the downfall were:

- Inability to take action against initial violations and misappropriations was a major cause. People took money but did not return. That set an example for others who had dishonest designs. Some people took it and said that they would return it only if others return. Some of the villagers cultivated the “thakur jami” (the cultivable land of the village deity, Laxmi Narayan), but did

not give the share of the village fund. It was not a question of money, but its misappropriation, mismanagement and the failure to recover the village share that led to the downfall.

- As the village leaders were pacifists, peace was their motto, and non-violence their value. They had a principle to solve their own problems, and that was to not to take any outside support for resolution of local problems. They used persuasive, cooperative methods, which was an escape route for those who had nefarious designs and could only be controlled by use of force. However, the villagers never went for police action or legal cases against those who forcibly grabbed the village land or property. No extra village authority was enforced. That left enough scope for culprits to escape.

- There were also conspiracies by outsiders who were jealous of the growth and glory of this village, which was surpassing other villages in image. Some leaders of neighboring villages were in contradiction with the leadership of LNS and they misguided the youth brigade.

During this period there was also a long-term conflict in the Hatasahi Gram Panchayat as an offshoot of abolition of ‘zamindari’ system. The village landlord forcibly grabbed the landed property of most of the villagers. In this battle, the founder of Choudhuridiha village fund, Sanatan Nayak, had contributed to the leadership of the ‘anti-zamindari’ movement. The landlord conspired to divide Choudhuridiha to take revenge on Sanatan Nayak.

- The service was voluntary though there were some permanent

incumbents like store managers. However the success heavily depended on the management, motivation, and skills. Not enough skill was available to professionally run the village. There was no one to guide them on formalization of this community fund by registering it, opening a bank account for the community.

- Sustainability was difficult. It was not a question of sustainability of money, but that of minds: motivating minds and meeting of minds. Sanatan had visualized the virtues of collective gain, while the villagers failed to see the individual benefits in the long run and were involved in petty issues.

It was always difficult when people are divided and disoriented. The village that rose with trust fell with mistrust. It was inspired misguided mistrust. Trust had transformed this tiny village into a local giant. The mistrust pulled it down to ground. The village was relegated to background. The villagers failed to unite. They closed down the store and stopped other enterprises. However, the expenditure on temple administration continued for which about 40 acres of its landed property were to be sold off. It was no more united Choudhuridiha, but a divided one, disturbed one.

Leadership crisis:

One could say that the history of the best development of Choudhuridiha is the history of the active life of Sanatan Nayak. He was well ahead of time and was supported by Sukadev Nayak, Harihar Nayak, Rangadhar Behera, Ramachandra Das, Ghanashyam Sahani, Madan Mohan Natyak, Padmanava Nayak, Madhabananda Das, Akrura Das. However, it was a single leadership, not a collective one.



Sanatan was intelligent, articulate and action-oriented. He was a schoolteacher, a farmer, a local leader; an expert of landed property, of marriage rites, a *Gandhian* social worker, a thought and action leader rolled into one. He had to give lot of time to the establishment of local educational institutions. Being a residential teacher in far off schools, he was not always available in the village. He was always on demand from all circles whenever he came to the village. While the village needed a full time leader, he could give only 50% of the time. As he grew old, he lost influence on the growth of the village, as the hamlet grew more integrated with larger society. It was proving difficult to sustain the success of Choudhuridiha Store. While the whole development was the brainchild of Sanatan Nayak, there was no second line to supplement or

replace him to carry his mission forward. Though there were others to support him, there was no one of his capacities to hold the village as a unit. As happens to all single-leader, charisma based organizations; it had to fall after initial rise. Meanwhile there have been four generations, but the fund is not yet in the right hands, as the new leaders have neither vision nor character to go ahead with the dreams of the founders. Rather, there is a deliberate disorganization of the whole situation. This community fund needs professional help. However, there is also good news in terms of revival of willingness. The youth of village are coming forward in a big way. They have also given a new shape to the developmental activities. Recently they have constituted two separate funds to lend those in need at a cheaper rate of interest. Previously the village moneylender was charging

the interest at an exorbitant rate. They have now about Rs. 3,00,000/- in their fund. Each member also contributes a portion of his profit to the original fund of Laxmi Narayan. The latter has an asset worth Rs. 8,00,000/- .The villagers living outside Choudhuridiha are willing to help. The need of the hour is consolidation and coordination of efforts.

Chidananda Nayak, the grand son of Sanatan is the new leader in making. He is intelligent, hard working and honest. He is willing to help people and coming forward for collective development. People have faith in him. He has been learning the tips of service and success from Sanatan. It is hoped that Choudhuridiha can get back to its glory as a leading light.

About the Author: Dr. Pradeepta Kumar Nayak works with Sampradaan Indian Centre for Philanthropy and can be reached at icp@vsnl.com

Interview

Continued from page 5

We stimulate NGOs to present proposals for funding which include other partners in order to foster integration of resources at community level. Our goal is to strengthen the institutional basis of local NGOs through our grant-making. The idea is to give not only money, but challenge and improve the capacity of the organizations we fund.

Question: In another ten years from now, how do you visualize the scenario of your community and ICom in it?

Answer: In ten years I hope to see a significant increase in the

number of donors and volume of donations in our city. ICom should be a catalyst for that. I also see ICom managing many Community and Specific Investments funds, providing a reliable and innovative source of funding for local NGOs.

Question: In the end, what are the lessons to be kept in mind by the leadership of an upcoming Community Foundation?

Answer: First of all I think it is important to have a group of local leaders who truly believe in the idea and in its potential to generate benefits for the community. I think community foundations that are created from outside are doomed to fail.

The second thing is that there is no right model to follow. Each community has different needs that should determine the role to be played by a community foundation. And these roles can change overtime.

The last but not the least I would say is, keeping the faith in the dream. Many people do not understand the concept of community foundations and try to discourage you. It is necessary to have a lot of energy and persistence to keep going. Our strategy has been to move slowly and to produce concrete results, to use actions, not only words, to make people believe in ICom.

* Link to Icom website: www.icomfloripa.org.br

The Patina of Philanthropy

By Mark Rosenman

The Product (RED) campaign tells us that by shopping, we can help Africa cope with HIV/AIDS. In reality, it's just one more example of the corporate world aligning its operations with its central purpose of increasing shareholder profit, except this time it is being cloaked in the patina of philanthropy. Buy a (RED) product and a portion of the purchase price goes to charity. But there is a question about what charities will lose in the long term. Over the past decades, we have seen the demise of independent corporate foundations as business leaders bring them in-house, merge them with marketing and communications departments, and shut them down. Today's corporate philanthropic activities are guided less by what is good and necessary for local communities and larger societies and more by the corporation's own interests. So, too, is cause-related marketing: It ties consumers' desires to see a social good with the corporations' desires to see higher profits. Corporate altruism has shrunk as corporate avarice has grown.

According to the pro-business Conference Board, although the dollar value of corporate contributions to charity increased in the post-Katrina year – including funds generated by cause-related marketing – the percentage of pretax revenue donated to worthy groups and causes actually declined. Based on their income, corporations are becoming stingier.

Many profits are up, in part, because of businesses' association with charities. Studies show that people (about 89% of them) are more likely to buy from companies with cause-related arrangements. That's why corporations spent more than \$100 million advertising their association with (RED) while raising under \$18 million for charity. In fact last year, in the U.S. alone, corporations spent over \$1.34 billion generally on cause-related schemes (a figure equivalent to about 25 percent of their 2005 U.S. cash donations).

What's wrong with all of this ostensible "corporate generosity"? First, it is self-serving, further diminishing true altruism in the corporate world. We live in a society where values are threatened, and avarice and greed need to be better balanced by a sense of the greater good – the commonweal. If values erode further in the market, nonprofits and the rest of us are all in deeper trouble. Second, all of us need to understand that, in the words of Buy(Less), shopping is not a solution.

We cannot consume our way to charity and to a better world. Doing good sometimes requires sacrifice, and we ought not allow ourselves to be convinced that we've done our part because of the color of what we use. Third, we generally don't know how much goes to the cause and how much goes to profit for each sale or in the aggregate; there is no true transparency or accountability. What do direct and secondary benefits add up to for the corporation? Are

charities being fairly compensated for those benefits? Fourth and last, we need to remember that there really is a profound difference between doing well and doing good. To the degree that we confuse the two, we substitute ourselves for the other and are diminished rather than enriched.

About the Author: Mark Rosenman is a public service professor at the Union Institute & University.

What RED Is?

(RED) was created by Bono and Bobby Shriver, Chairman of DATA to raise awareness and money for The Global Fund to Fight AIDS, Tuberculosis and Malaria which was established in 2002 with the support of UN Secretary General Kofi Annan and the world's leaders, to dramatically increase resources to fight three of the world's most devastating diseases. The funds are being raised by teaming up with the world's most iconic brands to produce (PRODUCT)RED branded products. A percentage of each (PRODUCT)RED product sold is given to The Global Fund. The money helps women and children affected by HIV/AIDS in Africa.

What's the meaning of the parentheses or brackets?

Well, we call them "the embrace." Each company that becomes (RED) places its logo in this embrace and is then elevated to the power of red. Thus the name — (PRODUCT)RED

You, the consumer, can take your purchase to the power of (RED) simply by upgrading your choice. Thus the proposition: (YOU)RED. Be embraced, take your own fine self to the power of (RED). What better way to become a good-looking samaritan?!



No Time to Lose: Urgent Need to Stabilize Climate Change in the Himalayas

By Col. C.P. Muthanna (Retd)

The Himalayan ranges stretch across a length of 2,500kms and average a width of 300kms. It has 14 of the tallest peaks in the world including Mount Everest that soar to a height of over 8kms above sea level. It stands in the path of the moisture bearing currents from the South and the freezing cold air from the North and has a vital meteorological influence not only on the weather patterns of South Asia but on the entire global climate.

The Himalayan ranges are home to over 100 million people. Three of the major river systems of South Asia, namely the Indus, Ganges and the Brahmaputra originate from the Himalayas. Number of people amounting to 500 million, inhabiting the plains of North India, Nepal, Pakistan and Bangladesh depend directly from these waters that flow down from the mountains.

Considerable areas of the Indus and Brahmaputra river basins also fall within Chinese territory. The Salween, Yangtze and Mekong are some of the important Chinese rivers that originate in the Himalayas. It has been estimated that 1400 cu km of freshwater is locked up in the Himalayan glaciers that act as the fountain-head of South Asia.

The mass of ice and snow in the Himalayas is the third largest in the world after the Greenland and Antarctic ice sheets. The vitally

important role of the Himalayas in sustaining the lives and livelihood of millions of people is obvious. It is therefore a matter of deep concern to the entire global community and to the people of South Asia in particular that the Himalayan environment is under serious threat due to the effects of climate change and global warming. Climate change has already taken a heavy toll of the Himalayas. Lester Brown of the World Watch Institute, USA, says that due to the effects of global warming the pattern of precipitation in the Himalayas and the regions contiguous to the Himalayas will undergo a more drastic change in the years to come. The increase in temperature will reduce the amount of snowfall and therefore the snow fed rivers of China and the Indian subcontinent will have less water flow in the summer months when the snow melts. However, since the quantum of water in the atmosphere is constant, the reduced snowfall will convert to excessive rainfall during the monsoons. The rivers will have reduced water in the summer months and the flooding of these rivers during monsoons will be more intense. We are perhaps already witnessing a cycle of more pronounced drought and floods in the region.

Another alarming trend is the shrinking of the glaciers due to the rise in temperatures. The Gangotri glacier that is the source of the

Ganges has receded by 600 meters in the past 40 years. There has been a marked increase in the rate since 1971 and the glacier has been shrinking by 30 meters per year. It is predicted that at this rate, many of the Himalayan glaciers will disappear by 2035 and most of the snow fed Himalayan rivers including the Ganges will become seasonal rivers by 2025.

It is evident that if the trend of reduced snowfall, increased precipitation and shrinking of the Himalayan glaciers continues, the result would be catastrophic for several millions of people in South Asia and China. Food productivity of the entire region would be severely affected due to the cycle of droughts and floods. Due to the failure of agricultural crops there would be mass migrations to the cities and towns from rural areas, placing tremendous pressure on the infrastructure of these population centers.

It has been estimated that during this century, the accelerated ice melts in the Himalayas flowing into the rivers combined with rising sea levels will destroy 50% of the rice fields of Bangladesh. It would also result in millions of 'climate refugees' fleeing from the low-lying areas in India, China, Bangladesh, and Vietnam.

It does not require a Nostradamus to predict the impending doom that is awaiting a region already battling with crippling poverty and over population. It is also vital to realize



that we do not have the luxury of time. The clock is ticking away and we must act now before it is too late. A problem of this magnitude has to be tackled in its totality. A two-pronged strategy is essential. Firstly, we have to be prepared for the consequences of climate change. This would involve planning for disaster management at the national level, changing cropping patterns, implementing water conservation measures, tackling the problem of pollution of rivers, etc. The second aspect of the strategy would be to try to stabilize the climate to the extent possible so that the impacts of climate change are minimized. This concept paper deals with the second aspect, i.e. stabilization of climate with reference to the Himalayas.

CLIMATE STABILIZATION OF THE HIMALAYAN REGION

It has been proved that human activity is a major cause of global warming and climate change. There is new and stronger evidence to suggest that most of the global warming observed over the last 50 years is attributable to human activity and that human activity will continue to change atmospheric composition throughout the century. This is the conclusion of the Third assessment Report (TAR) of the Intergovernmental Panel on Climate Change (IPCC).

According to the report, the atmospheric concentration of carbon-dioxide (CO₂) has increased by 31% since 1750. The present concentrations have not been

exceeded during the last 420,000 years. Seventy five percent of the CO₂ emissions during the last 20 years has been due to the burning of fossil fuels and the rest is mainly owing to change in land use patterns. Change in land use patterns is related to large-scale deforestation. It is to be noted that green cover acts as CO₂ sinks. Similar alarming increases in the concentrations of other green house gases such as carbon-monoxide, methane and nitrous-oxide have also been recorded in the past few decades. All increases in the concentration of green house gases are a direct fall out of industrialization, burning of fossil fuels, deforestation and modern agricultural practices. It is therefore logical to state that since human activity is responsible for increased concentrations of green house gases, human intervention is essential to stabilize and reduce emission of green house gases. The implication is that climate change can be stabilized and perhaps even reversed to a certain degree by human initiatives.

Like any other eco-system, the Himalayas will be adversely influenced by emission of green house gases in any part of the world. However, it is crucial to understand that the maximum effect will be caused by the activities in the immediate vicinity of the region and within the Himalayan ranges itself. In this context, it is relevant to note that the melting of ice caps in Greenland is extremely rapid when compared to the Antarctic. While the Arctic is closer to the heavily industrialized regions of North America, Canada Russia and Europe, the Antarctic in

the Southern Hemisphere is far removed from human habitation and from the effects of industries and automobiles that burn fossil fuels. Hence there is little effect of climate change on the ice caps of the Antarctic. Similarly, the Southern Hemisphere, consisting largely of less industrialized nations, as compared to the Northern Hemisphere, records a lesser degree of climate change and its effects.

Another glaring example is the Siachen Glacier that is within the Himalayas itself. This glacier has been among the fastest melting glaciers in the world since the past 20 years; it was about 20 years ago that the Siachen Glacier became an area of intense conflict between India and Pakistan with thousands of troops being concentrated in and around the glacier by both countries. The inference is that in order to stabilize the climate in the Himalayas, priority must be given to influencing human activity within the Himalayas and the areas that are contiguous to the Himalayan ranges. In order to achieve this objective, policy decisions by the countries concerned will be necessary. These countries include Nepal and Bhutan that are nestled within the Himalayas and others including India, China and Pakistan that have extensive borders along the Himalayan ranges. These nations will have to evolve a joint strategy for the management of the Himalayas. Thereafter, the countries concerned must implement the strategy within an agreed time frame.

Frame work for a joint strategy
A joint strategy for the management of the Himalayas will be based on the



following parameters:

[a] Identification of the extent of the zone requiring intervention: This would include the Himalayan ranges and contiguous areas. Broadly, the Himalayan Ranges would be the core zone and the contiguous areas would be the outer zone.

[b] Identification of the interventions required in the core zone and the outer zone in order to mitigate climate change and to stabilize the effects of global warming to the extent possible.

[c] The countries concerned will then have to sign an agreement on the various interventions and the time within which these will be implemented.

Recommended interventions

Certain measures that could be considered are enumerated below. Some of these will have to be applied more stringently and on priority bases in the core zone as compared to the outer zone.

[a] Industries

Certain types of industries will have to be banned and phased out. Alternatively, they should be permitted only on introduction of upgraded technology that will eliminate the emission of green house gases. In the case of Nepal and Bhutan, if there are industries that have to be phased out, these countries would not have space to relocate them beyond the Himalayas. Hence they will have to be suitably compensated by the other nations. India and China may have to setup a fund to assist Nepal and Bhutan to introduce upgraded technology for some industries.

[b] Automobiles

Automobiles in both the core zone and the outer zone should convert to environment friendly fuel. As far as the Government of India is concerned, priority for converting to CNG or LPG should be given to Jammu, Dehradun, Srinagar, Shimla and Manali rather than Delhi or Mumbai. All the countries concerned maintain a very large military presence in the core zone.

Thousands of Army trucks move within the core zone every day.

Therefore environment friendly fuel for these vehicles is essential.

[c] Demography

Demographic pressure always translates to greater levels of human activity. This has a direct bearing on the degree of climate change. The potential for expansion in most of the existing habitations in the core zone is limited. However, as regards the outer zone, the governments should ensure that the expansion of towns and cities is restricted. Satellite townships beyond the outer zone should be planned in order to restrict further expansion of cities such as Jammu and Dehradun. Similar initiatives will be required in China and Pakistan. In the case of China, the Tibetan region will be the area of focus.

[d] Afforestation

An intensive afforestation programme by the countries will be of vital importance. Efforts must be made to regain the glory of the original Himalayan and sub Himalayan forests. While stringent law enforcement will be required to curb timber smuggling, alternatives should be provided to rural populace that depend primarily on wood for

fuel. A well thought-out plan should also be prepared and executed to protect the interests of the large number of people in the core area who make livelihood through the manufacture of furniture, sports goods etc. The establishment of trans-boundary national parks could be considered. This would be a useful initiative by neighbouring countries to improve the management of forests along border areas. Ecological Territorial Army Battalions comprising of ex-servicemen will be able to play a very important role in afforestation of the Himalayas in India. The proposed Trans Himalayan Development Authority is an important step towards improved management of the Himalayan forests. The idea in its existing form could be enhanced to incorporate all the forests in the Himalayan region within India and in the other countries.

Role of Environment and Health Foundation (India)

The Environment and Health Foundation [India] (EHF) has prepared this concept paper. It proposes to carry this idea forward by setting up a center at Manali, alongside the Western Himalayan Mountaineering and Adventure Sports Institute [WHMI]. It could be named as the Center for Research on Himalayan Region Management/ Himalayan Climate Change research cell. The President of the WHMI could be in overall charge of the Center. The Center can carry out the following functions:

[a] Coordinate expeditions to various parts of the Himalayas within India and abroad to carry out field studies



to ascertain the effects of climate change in different parts of the Himalayas. This will enable documentation of the existing conditions for the entire region. Manali is centrally located in relation to the Himalayan ranges. At the same time it is fairly well connected to Delhi. As the project deals at the national and international levels, this would be an important factor since frequent interaction with the Central government will be required.

[b] Share information with other agencies in India and abroad such as the Snow and Avalanche Study Establishment, Garhwal University, Geological Survey of India, International Commission for Snow and Ice etc.

[c] Conduct conferences and seminars. Representatives of other concerned countries will be invited to attend when required.

[d] Feed information to the PMOs office and the Ministry for Environment and Forests, to facilitate decision-making at the national level. On completing all aspects of the study, the Center will prepare a draft proposal for consideration by the Government of India with regard to the formulation of a joint strategy for management of the Himalayan region.

[e] Once the Government of India has finalized the proposal, the Centre will facilitate interaction with other countries for the purpose of evolving a joint strategy. As and when an agreement is reached among the countries, the centre will act as a monitoring agency for the implementation phase. It will also continue to carry out more research

on improving the management of the Himalayan region for the purpose of stabilizing climate change.

Cost Factor

The centre will be able to utilize the existing infrastructure and facilities at the WHMI to a large extent. These will include office space, lecture/ seminar halls. Equipment and other facilities and guides for expeditions and field studies etc will also be readily available. This will save much of the cost of setting up the center. Expenditure would be incurred for office equipment with communication and computer facilities and for employment of staff as required. The Director of the Climate Change Research Centre will have to travel extensively and adequate funding will be required to meet the traveling expenses. As of now, the Himachal Pradesh Government has approved the proposal and the details of the MOU are being worked out with the WHMI.

Conclusion

The project may appear daunting and too grandiose. However, given the importance of the issue and the urgency that is required in tackling the problem, a beginning must be made. As the proposal takes shape, it is certain that the governments of all the concerned countries will be convinced. Together with the fate of millions in India, the future of more than a fifth of mankind is at stake.

About the Author: Col. C.P. Muthanna (Retd) is Secretary, Environment and Health Foundation, India.

Charity Begins in the Boardroom

Keeping true to the Indian tradition of 'gupt daan' (donating in secrecy), Indian companies gave away more than Rs.110 arabs in 2005-06. That's nearly twice the amount that came in through the FCRA route. If you haven't seen any of the money, and are worried about a missed opportunity, don't bother. A large portion of this charity may have been to in-house corporate projects approved under section 35AC. Then some of it may have been on paper only. Olga Alexeeva in her article "New philanthropy: a micro-world of busy youngsters", *Alliance Magazine*, March 2007, has also pointed out that the new philanthropy in the BRIC countries (Brazil, Russia, India, China) tends to be hands-on. Entrepreneurs prefer to set up their own charities and run the show themselves. And the Ministry is somewhat suspicious. The revenue foregone statement shows that the Government lost some Rs. 35 arabs in taxes due to such deductions. And in 2006-07, this is set to go up to Rs. 51 arabs! This also ties in quite neatly with the rumours of people going around to NGOs offering them big corporate donations if they have 35AC. The catch, of course, is that you have to return most of it in cash.

According to an article in the *Economic Times*, (9th March 2007), India Inc. turns generous to survive tax axe. Its estimate of Rs.220 arabs is based on the assumption that most of the money was donated under section 80G. However, over the past few years, section 35AC approvals for corporate charity have increased manifold. Our estimate assumes that a large portion of the donations was made u/s 35AC.

Source: Account Aid News Capsule

[* 1 arab = 100 crores = 1 billion = 1000 million]



Rationale of Community-based Justice in the Process of Social Development: An Appeal

Endeavor of planned development that is part of larger process of political governance in India, has started showing little respect to culture. The executive arm of governance is indulging in abuse of cultural identities rather than respecting and accepting the composite nature of our polity. When the ideology of pluralism would have been best suited to Indian society, the political rogues are picking out single, isolated threads of cultural identities for narrow aggrandizement.

The scarcity of resources is being used to pit groups against each other rather than educating them about the need for *aparigrahaa*. The very same executive is using brutal force to resolve the conflict of cultural identities as can be seen in eastern Rajasthan today. Because of their political myopia they are not able to see the plain truth that coercion cannot keep fragmented society together for long. The South Asian region has often experienced this truth in recent history, first during the first partition of country, second at the time of separation of Bangladesh. The enlightened leadership of communities in Rajasthan should realize that only the resurgence of the community would satisfy the unanswered questions of development. Political negotiations could have played a complementary

role in this noble task but the mechanism has been abused so often and blatantly by the rogues, that it should be given least importance in the process of reconstruction of society.

A time has come for direct empowerment of people, which entails:

- A silent critique of self by Community – this should be the basis of a constructive critique of contemporary society,

- Direct participation of groups in governance,
- Reducing the dependence of people on State,
- Imbibing the ethos of respecting naturalness of all forms of culture,
- Development and nurturing of self-sufficient and productive communities.

The factors affecting people's role in charting out their own destiny should be understood and incorporated in a proactive strategy of social reconstruction. It is important to understand the interplay of class and caste dynamics in social change. There is need to create mechanisms of dialogue and negotiation within the community that are sensitive to the perceptions and interests of groups within.

A. Class structure:

1. Assess how well developed is the class consciousness.
2. Are there mutually accepted mechanisms of negotiation between different classes? Are there mutually

acceptable mechanisms of resolution of conflict?

3. Has the community been through creation of new class categories? Have we understood the minute details of nature and behavior of these classes and their function in contemporary society? Do we accept those classes as they are today?
4. Are the stakes of different classes defined and taken care of? Is it enough?

B. Caste structure:

1. Is there a convergence of caste identity with class-based stakes?
2. Are the rituals of caste hierarchy becoming obsolete? Or are they used selectively to demonstrate 'natural' social order?
3. Has local economy been freed of ritualistic functions? Are the economic activities and decisions based on rational principles than rituals shrouded in unknown history?
4. Is the caste hierarchy still dominant through customs and historical institutions? Are economic decisions still affected by irrelevant customs and institutions pertaining to old order of castes?
5. Are we victims of politics of competition and severe ethnocentrism?

C. Composite class structure:

1. Are there any working groups within Community that articulate the perceptions, expectations and nego-



Maintaining Peace in Alwar

Dr. Munshikhan Balot

Caste or ethnic identities have worked towards both division and unity in Indian society. The democratic space created by modern system of governance allows groups to compete with each other. This is understandable till a limit beyond which caste or ethnicity proves to be nemesis of civil society. This was evident once again in Rajasthan in the recent months when battles erupted between arms of government and activists belonging to a certain caste group in eastern districts of the state. The flare up took an ugly shape when traditionally rival caste groups joined the battle.

Prejudices, disrespect to civic norms was evident in almost 11 districts of eastern Rajasthan with the exception of one, that is, Alwar. In spite of having a combustible demographic composition, the district remained largely untouched by the gory violence due to the efforts of the Mewat Foundation (Trust) (MFT) and community leaders. Highlights of the work done by the infant rural

community foundation on ground during the conflict are as follows:

- MFT and leading intellectuals of the district established 'Sarvajanik Sadbhavana Manch' (Public Harmony Forum). The Manch served as a platform for debate, dialogue for different segments of the local community. The forum is continues to perform the balancing role.

- A public meeting was called where community leaders, district magistrate jointly addressed the media. Appeal was made to the public at large to rise above communal divide and maintain peace through media.

- Second public meeting involved leaders of the agitating and counter-agitating social groups; leaders of various religious communities; leaders of many upper caste groups; and representatives of political parties. Major political outfits either kept away from the convention or declined to join as they had stakes in the ongoing conflict.

- The spree of peacekeeping meetings by community leaders also stalled the spillover of controversy

surrounding the Dera Saccha Sauda sect from neighboring Punjab into Rajasthan.

- The meetings were accompanied by a mass mailing of appeal to educated sections of various social groups. An English version of the appeal is reprinted here.

- Based on past experience and the current conflict, MFT along with SICP developed a tool for putting the dynamics of local community in a perspective. The tool allows one to unravel the complexities of class and caste based stakes and ways to manage the conflicts. The entire episode and response by MFT brought to the fore the understated educative and dialogue making role of a community foundation. In a society as complex as Indian, a community foundation could not be a mere tool of wealth distribution. It could also help in ensuring conducive cultural environment for economic prosperity and sharing.

About the Author: Dr. Munshikhan Balot is Managing Trustee of the Mewat Foundation (Trust), Alwar, Rajasthan.

Continued from page 18

tiations of new composite classes within? How much to whom and why?

2. Is it possible to use traditional mechanisms of negotiation and dialogue such as *jati panchayat*, arbitrators, community elders, spiritual teachers, monks, folklore, scriptures, recitations, *mahajan sabha* (assembly of traders, bankers), guilds of artisans for preparation of social plans and conflict resolution?

3. It is necessary to educate the warring composite classes about shifting relationships amongst them and between them and the State over a historical period documented authentically. They should be spiritually prepared to accept the unjust dimensions of their past.

4. Create 'Flash Groups' of leaders and arbitrators who can rush to any place and mediate in defusing poten-

tial or actual conflict. These Flash Groups should be located at different levels of Zilla, Tehsil/ Block and Village Clusters.

5. Create a Fund for Social Justice and Peace that would keep providing relief, support educative dialogue, and support negotiations within community.

6. Give members of political parties last opportunity to speak in a dialogue.



ORGANIZATIONAL STRATEGY

How can boards fail?

I deem it the duty of every man to devote a certain portion of his income for charitable purposes; and that it is his further duty to see it so applied; to do the most good of which it is capable.

Thomas Jefferson (1743-1826)

Let us count the (many) ways boards of non-profit organisations fail. According to the November, 2006 issue of CIA, the complimentary e-newsletter by Peter C. Brinckerhoff here are some of the most common:

1. They don't come to meetings:

You don't have a quorum, you don't get stuff done.

2. They don't do their homework:

Board members who come not having done their preparation are not ready to set policy or act as a check and balance on staff.

3. They focus on management rather than policy:

This is pretty common, and happens a lot when staff members don't give smart, talented board members anything meaningful to do at meetings....they'll find something to fill their time, even if it means stepping over the line.

Keep board members focused on policy by engaging them on key issues, and keeping them informed of new developments, in person, or online.

4. They discuss the organization (or other board members) in public:

This is like the black plague

for an organization that needs public support and acceptance. It most often happens when there is not good leadership on the board itself. People feel that they are not getting their say, or that meetings are ineffective and they go outside to gripe.

5. They disregard standard business practices. *No budget? No problem! The resources we need will show up. No insurance? Well, we're a nonprofit, no one will sue us. No audit? Hey, we can't afford one, and our staff and board are all such good people....*

I've heard all of these. Just because you are mission-based does not mean you can ignore standard common business sense decisions.

6. They ignore their own priorities or policies:

What's the point of having a strategic plan or financial policies if they are going to be ignored?

This kind of waffling makes staff crazy, since they don't know what the board really wants. Note to boards who do this: you are even *more* liable as a fiduciary if you ignore your own policies, plans and priorities.

So, what can you do as a manager or board member to reduce this kind of behaviour.

Try these actions:

Understanding how a nonprofit works today, and how it is likely to perform in the coming years, is fundamentally rooted in an understanding of its cash flow. Money and money matters generate a considerable amount of anxiety in most boardrooms.

Cash flow budgets, forecasts, and reports provide a great deal of information that directly addresses the operational concerns of the organization.

According to *The Cash Flow Solution* by Richard & Anna Linzer (Wiley 2006), cash flow analysis opens the door to understanding three key factors in nonprofit financial management:

- **The relative cost of funds that are raised, earned, and borrowed.**
- **The role of inflation on budgets.**
- **The importance of time and timing in nonprofit financial governance.**



LETTER TO THE EDITOR



Dear Dr Deshmukh,

Thank you for the issue of “Sampradaan” September – December 2006. It provides important information for NGOs working in different fields of development, right from Gandhi School of thought, Jayaprakash School of thought, Planning Commission’s views and views of others like Dr. Khosla – Development Alternatives, and proved without any doubt that rural poverty could be minimized by applying such policy which can help people in earning their livelihood.

However, the economic policies of the central government throughout last 25 years, aimed at concentration of economic production, distribution, which helped in empowering administration to get more and more money and increasing corrupt practices. Almost all political parties are having their own selfish motives, so they are unable to reverse the concentration of both political & economic power, and NGOs who believe in decentralized economic and political power are feeling helpless. Perhaps you are not aware but in Gujarat, there are more than 20 such organisations which are involved in developing surrounded areas on Gandhian line of thinking by empowering people through employment/ education/ small technology and marketing of such product. These organisations are also feeling disappointed to see the effect of new economic policies of globalization which has been adopted by Indian government also.

The state politics are implemented by the force of law and police against which NGOs have to do struggle hard...

Yours truly,
Regards,
Sooryakant Parikh
Executive Chairman
NASA Foundation, Ahmedabad

An Appeal by Sainik Sangh: The Emergent Community Foundation in Pauri Garwal

First: The peasantry is deeply disturbed with government policy on Special Economic Zones (SEZs), which in their present form and configuration can only constitute a grave threat to the integrity and security of our agrarian society rendering it vulnerable to dislocation and economic exploitation. The Indian farmer is already the most marginalised majority in society today.

Second: The ramifications of the current policy are manifold and far reaching. The peasantry is the only life source of the nation’s innate strength from times immemorial, the powerhouse of self-reliance most importantly in food without being hostage to external dependency and a granary of unmatched human resource for our soldiery with its roots in land it tills which instills its patriotic fervour as displayed over a historical continuum and which no other segment of society can claim. Our land frontiers are protected with this instinct. The Jawan and Kisan are thus traditionally interwoven in a natural bond as nowhere on the globe. Our social cohesion and cultural identity too are deeply rooted in peasantry unique to our nation and comparable with none, which cannot be traded off for avoidable commercial ends. It must be noted that post 1857, the British enacted laws under their Company to break the back of our peasantry for the threat it could pose against their rule by cleverly converting agricultural into a marketable commodity. We follow the same laws. Dislocation or threat of this to rural communities therefore means much more than mere displacement of one human activity by another. It means making inroads into our stability and security. Any measures, which erode our agricultural base by exploitation of arable land will also in light of definitive UN report, predicting acute impact on agriculture on account of global warming and climate change, can become a direct threat to our social and national security. SEZs must not therefore be allowed to encroach on agricultural land. These should be dispersed over fallow land so as to instead stimulate horizontal growth and development of neglected regions.

Third: Current methodology of economic growth is disturbing in many ways being driven by preference for corporate ‘convenience’ in an attempt at transformation into an economically super state through quick fix routes emulating alien models. The Chinese experiment by one party communist system using capitalist tools is their genius and cannot be implemented in our conditions. Even this despite their efficient rehabilitation policy, of which we have none, is proving worrying to them. In our context SEZs can only create more islands of selective prosperity in vertical proliferation of growth surrounded by ocean of neglect. With-



out horizontal proliferation of growth and diffusion economic benefits there can be no security nor an economic super state let alone superpower. For SEZs managed by pure corporate vested interests will accentuate class conflicts and take urban rural divide to dangerous levels by throwing out agriculture work force, increasing youth unemployment with migration to cities of unproductive manpower, further congesting 'developed' regions largely contiguous to major centres. It is a pipe dream to expect that we will become an industrial power through mere urbanization in alliance with SEZs as we are three centuries behind any mass movement for scientific or industrial revolution with no signs of this in the face of skewed education policies accenting on 'privatization' to churn out management work horses to feed MNCs. Merely this cannot be nation building.

Fourth: There ought to be a rethink on SEZs as even J Bhagwati the patriarch of globalisation has ruled out SEZs in our context. But while this debate resurges SEZs must carry a patriotic responsibility with a manda-

tory role in support of communities affected or dislodged by them and regions within a defined radius of their impact. The nature of missions can be SEZ specific but capacity and competence building of community specially to fit it for absorption and employment must be obligatory. In one SEZ it was reported that despite promising employment of locals, this was not done and skilled workers were enrolled from outside the state. The new policy stipulating employment of at least one member of the displaced family is bound to in practice prove perfunctory and token with no tangible results or commitment from corporate, a bonus to assuage conscious as it were. Training and education must spearhead any deployment on ground to obviate need for inducting outside workforce, through institutionalization of interface between SEZs and the affected. Any default should be penalized by levy of 2% tax to be utilized for community training, education and habitat development schemes.

Fifth: SEZs will be big polluters. Strong safeguards against carbon emission and commitment to environment must be extracted while li-

censing these bodies. The State must also ensure that SEZs do not become a haven for generating wasteful consumer consumption focused on churning profits promoting elitist lifestyle in further softening of our society for which we have a great penchant or for creating a parallel economy with private access to strategic assets of the nation, especially in light of liberal FDI policy. Under no circumstances should the State abdicate its control on strategic minerals and products while also ensuring that SEZs do not become bastions of free enterprises in control of foreign shareholders.

Fifth: A total review of SEZ concept is essential for peace and harmony the fundamentals without which no nation can forge ahead in progress. Corporate capitalism is beneficial only when it does not generate counter currents at cross-purposes with national interests and basic needs of the common man to lend dignity to his life. What are these national interests must be spelled out by the State. SEZs must therefore have a higher direction and a soul if at all the nation must live with this entity.

Books New Arrivals



Made to Stick: Why Some Ideas Survive and Others Die, by Stanford Graduate School of Business professor Chip Heath and his brother Dan. *Made to Stick* asks the question, "What makes some ideas stick with people, changing the way they think and act?" The authors identify six principles that are shared by sticky ideas of all kinds—from urban legends to math lessons, from movie pitches to scientific arguments. It's written for people who strive to craft messages that are memorable and lasting—nonprofit leaders, school teachers, journalists, executives, and ministers.

Random House published *Made to Stick* in hardback in January 2007.



A Book You Must Read

Famine, Philanthropy and the Colonial State – North India in the early Nineteenth Century
by Sharma, Sanjay, Oxford University Press, 2001, Rs.550/-

Book Review by Dr. Sandeep Deshmukh

Authors often treat philanthropy as a feat in narration. Substance is mixed up with form and mere statement of facts is extolled as analysis. The poor reader is left on her own to struggle through thicket of narrations and figure out essential aspects of history in a systematic manner. But there are always exceptions and one such is the scholarly work by Professor Sharma.

The book tracks down the evolution of modern colonial state in India in the context provided by successive famines between 1783 and 1837. The study is set in the background of Ganga – Yamuna interfluves known as *Doab*. The book explores four aspects of the phenomenon of famine.

One, the struggle by emergent colonial state to deal with situations related with famine and physical, economic and social crises associated with it.

Two, formation of collective and often mutually exclusive perceptions about famine and famine related behavior among colonial administrators and Indian masses.

Three, emergence of the concept of welfare related obligations towards subjects among colonial policy makers and administrators. Fourth, rediscovery of irrigation as an all-pervasive remedy for famines and consequent social ills by the colonial rulers in the middle of nineteenth century and its clear articulation as an

official doctrine in second half of that century.

The first and second aspects clearly demonstrate the unwillingness and lack of preparation of colonial state to deal with famines and its consequences unraveling on a colossal scale.

Perhaps the vacillation of administration was fuelled by intense debate between sections and rungs of colonial administration about how to deal with famine. This period was also marked by consolidation of the writ of colonial state, expansion of 'free market' over territories under direct company rule and even those being administered by indigenous rulers, and clear alignment of lower rungs of administration dominated by indigenous people, traders and money lenders with the colonial state.

The period also saw growing pauperization of the agrarian classes including the *zamindar* (feudal) class. The famine of 1837-38 witnessed many former feudal families flocking the towns and relief camps along with the tenants and the landless.

The third aspect relates with the development of doctrine of 'works of public utility' by the colonial state. Extension of organized relief to affected population and defining of position of state towards famine and related violence marked this development. Discussion on this aspect by the author also traces the genesis of the doctrine of 'works of public utility' to similar situations in England

and response of English government through enactment of laws related to poverty. Indeed the author in a brilliant manner traces the roots of terminology employed by colonial administration in India into English policies and laws of early nineteenth century.

By 1840s the colonial administration had also come to recognize the long-term consequences of famine. However, ironically the effective response to the menace in the form of revitalization of irrigation in a big way began only in the second half of that century. In the interim, the *bania* class (trading and money lending class) maximized benefits through forestalling, mortgaging and dispossession through sales.

The book raises more questions while analyzing philanthropy in relationship with state and moneyed classes in our early modern history:

How the emergent pre-colonial indigenous state performed the philanthropic role and what were the forms and mechanisms of indigenous philanthropy that existed at the advent of the foreign colonial state, which were either replaced or co-opted by the new state?

Was there a connection between the cycle of famines in early part of nineteenth century with the articulation of 'anti – colonial state' political perspective during first revolt of 1857-58?



LIST OF SICP PUBLICATIONS ON SALE
(THESE RATES ARE APPLICATION IN INDIA ONLY)

W.E.F. 01.04.2006

(A Postage of Rs.60/- for destinations outside Delhi and Rs.15 within Delhi is also to be added to the price)

<u>PUBLICATION TITLE</u>	<u>PRICE</u>
■ Sampradaan (bi-monthly newsletter)	Rs.300
■ CD of Directory for Women and Children Org.	Rs.200
■ Directory of Donor Organisations	Rs.300
■ For God's Sake: Religious Charity and Social Development in India	Rs.285
■ Investing in Ourselves : Giving & Fund Raising in India	Rs.375
■ Our Community Our Responsibility : An Introduction to Community Foundations	Rs.200
■ Building Bridges to the Community : IOC - Case Study (Mimeo)	Rs.360
■ 13 Information Sheets on Laws and Non-profit Organisations (Mimeo)	Rs 100
■ <u>Indian Foundations Series :</u>	
❖ Sir Ratan Tata Trust	Rs.100
❖ K.K. Birla Foundation	Rs.100
❖ Rashtriya Gramin Vikas Nidhi	Rs.100
❖ Bombay Community Public Trust	Rs.100
❖ Population Foundation of India	Rs.100
❖ National Foundation for India	Rs.150
❖ Bhoruka Charitable Trust	Rs.100
■ <u>Occasional Papers :</u>	
❖ Charity for Social Change and Development	Rs.25
❖ Women and Philanthropy in India	Rs.18
❖ Religious Philanthropy and Organised Social Development Efforts in India	Rs.50

PAYMENT INFORMATION

Please send my order to:

Name :

Organisation:

Address:

City: State: Zip/ Pin code:

Country: Phone: Fax:

Email: Website: Drawn on:

Cheque/DD No.: Date:

Published by: Sampradaan Indian Centre for Philanthropy, Sector - C, Pocket - 8 / 8704, Vasant Kunj, New Delhi - 110 070, INDIA
 Phone: 2689 9368, Telefax : 011-2612 1917, E-Mail : icp@ndb.vsnl.net.in, Web : www.sampradaan.org

The views expressed in this newsletter are those of the authors (and sources) and not necessarily those of SICP.

Editor: Dr Sandeep Deshmukh

Associate editor: Dr. Mona Mehta