



# FACTS AND MYTHS ABOUT INDIA

February 2016

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## ■ Introduction

Luxembourg-based NGOs financing development projects in India prepared a first version of this document in 2010. The NGOs' intention is to document that, while India enjoys strong economic growth, the majority of the people do not really benefit from it. As a consequence, the Indian NGOs continue to support poor communities in the country in their fight for a better future. They play an important role in empowering the poor communities and enabling them to defend their rights as well as ensuring that they benefit from government programs designed to improve their social and economic situation.

### *Rich India: Does economic growth really alleviate the lot of the poor?*

A recent paper even concludes that India's growth leads to rising inequality<sup>4</sup>.

On the one hand, India is in ninth position among the world's largest economies<sup>1</sup> and a member of the G-20. On the other hand, per capita income in India is only \$ 5 707 compared to \$ 91 047 in Luxembourg and approximately \$ 38 000 in France, \$ 42 000 in Belgium, and \$ 45 000 in Germany<sup>2</sup>. India continues to figure among the lower middle-income countries in the World Bank country classification table. The global significance of the Indian economy reflects the size of India's population of 1,295 billion.

India is a country of stark contrasts: beside the "shining India", with an expanding middle class that enjoys strong economic growth, there is also the other India, in which the majority of the people have not really benefited from the economic growth of recent years.

An increase in gross national product does not necessarily create new jobs, nor does it necessarily improve the situation of the poorer segments of Indian society<sup>3</sup>.

1 Ranking based on GDP in 2014. Source : <http://data.worldbank.org/data-catalog/GDP-ranking-table>

2 Gross domestic product (GDP) based on purchasing power parity (PPP), expressed in current international \$, for the year 2014. The data for Luxembourg is for the year 2013. Source: <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>

3 See in particular: Amit Bhaduri, *The Face You Were Afraid to See*, Essays on the Indian Economy, 2009, Penguin Books.



4 Alice Krozer. *For Richer...or Poorer? The Capture of Growth and Politics in Emerging Economies*, 2015

India is unfortunately still a very poor country:

- According to studies by the World Bank for the year 2011, 21% of the Indian population (more than 275 million people) had to survive on a purchasing power equivalent to U.S.\$ 1.90 per person a day and 58% of the population, or 751 million people, had to survive on a purchasing power per person of less than U.S.\$ 3.10 a day<sup>5</sup>.

39% of children under five in India are physically underdeveloped<sup>6</sup>. According to the hunger indicators in the world developed by Welthungerhilfe, a major German NGO, India is in the same group of countries as Tanzania, Guinea, North Korea, Mali or Guinea-Bissau<sup>7</sup>.

It is ironical that during the years of high-income growth since 2002, the Human Development Indicators in the country have been regularly falling or have stagnated.

According to past editions of the Human Development Report, India has moved down from 126th among 179 nations to 128th in 2007-2008 and 132nd in 2008-2009; the 2014 edition sees India for the year 2013, as for the year 2012, as 135th among 187 nations<sup>8</sup>.

There are also huge differences in development and in poverty levels between the 36 States and Union Territories of the Republic of India. Some States and Union Territories are significantly less developed than others, and poverty is significantly higher in the less advanced States and Union Territories.

However, there is only a limited correlation between economic growth and poverty reduction on the one hand and improvement of child nutrition, education, health, social protection, empowerment of women on the other. Inclusive growth and integrated development focused on the specific needs of deprived groups (Dalits, Adivasi...) make the real difference<sup>9</sup>.

### Socio Economic & Caste Census 2011 (SECC) <sup>1</sup>

The SECC aims at identifying the “multidimensional” aspects of poverty and ascertaining a broad profile of rural households to enable more effective targeting of government schemes. The SECC has found that over two out of every three rural households own a mobile phone. At the same time, 36 per cent of rural Indians are illiterate, only 10 per cent of households have someone with a salaried job and only 8 per cent of households earn Rs 10,000 (around 135 €) or more every month.

The SECC findings, released on July 3, 2015, bring out statistics reflecting the state of poverty and deprivation in rural India as well as crucial social trends such as ownership of assets, gender dynamics, marital, educational and employment status.

Nearly 28% of rural households have no phone.

The average size of a rural Indian household is nearly five members and in the overwhelming majority of households the head of the family is male, (only 13% are female).

While divorces are a relatively common phenomenon in urban India, they remain rare in the rural landscape. Only 0.12 per cent of the rural population have been divorced. Of the 64 per cent literate rural Indians, more than a fifth have not even completed primary school. The SECC also found that only 5.4 per cent of rural India has completed high school with a mere 3.4 per cent having graduated from college<sup>2</sup>.

Rural India remains largely dependent on self-employment or the unorganised sector. Less than 10 per cent of households are dependent on salaried jobs, and the majority of these are in government positions.

1 Excerpt from an article published on July 6, 2015 on the website of the newspaper Indian Express: <http://indianexpress.com/article/india/india-others/socio-economic-caste-census-2011-a-mobile-in-2-of-every-3-rural-homes-a-salaried-job-in-1-of-10/> See also: <http://www.secc.gov.in/welcome>.

2 The numbers regarding literacy and education in rural India can be found in the article “Over a third of rural India still illiterate: Socio Economic Census” published on July 4, 2015 on the website of the Indian newspaper The Hindu: <http://www.thehindu.com/news/national/socio-economic-and-caste-census-2011-shows-growing-illiteracy-in-rural-india/article7383859.ece>

5 See <http://data.worldbank.org/indicator/SI.POV.DDAY/countries/IN>. Figures are based on purchasing power parity, for the year 2011.

6 Quoted from UNICEF-WHO-World Bank Group Child Malnutrition Dashboard, September 2015. The figures for India refer to the survey period 2013-2014.

7 Welthungerhilfe, Welthunger-Index: Hunger und bewaffnete Konflikte, October 2015: India (80th), Tanzania (77th), Guinea and North Korea (both 78th), Mali (81st), and Guinea-Bissau (82nd).

8 United Nations Development Programme (UNDP), Human Development Report 2014.

9 In “India State Hunger Index – Comparisons of Hunger Across States”, a study of Welthungerhilfe, the International Food Policy Research Institute and UC Riverside (University of California) from February 2009, the State of Punjab ranks number one with a global hunger index of 13.6, between Vietnam and the Philippines whereas the poorest States, Chhattisgarh, Bihar, Jharkhand and Madhya Pradesh (index: 26.6 – 30.9) rank between Bangladesh, Mozambique, Mali, Ethiopia and Liberia. India’s global hunger index 2008 score is 23.7, which gives it a rank of 66th out of 88 countries.

## ■ The Myths

In the following, we will discuss a few myths about modern India. These myths are among the most commonly held misconceptions about India in Europe and such images are often largely reproduced by the media. We consider it important to present the facts and explain the reasons why Luxembourg based NGOs continue to support development projects in India, a country where much has changed in the past few years but where much still remains to be done.

### Myth N°1 :

*The industrial sector and the information technology (IT) sectors are the primary drivers of India's economic growth and its social development: right or wrong?*

India's IT sector is undoubtedly an economic success story. Today, Indian firms and Indian IT experts compete with the largest companies worldwide.

However, the IT sector employs only 3.1 million people with fewer new jobs in the coming years<sup>10</sup>, out of a labour pool of 767.5 million people<sup>11</sup>. The industrial sector does not create enough jobs to absorb a growing population: regular employment in the organized sector over the last decade grew at only about 1% per year, much less than the growth of the population.

The rest of the average 6-7% growth in gross domestic product (GDP) came from growth in labour productivity, or output per worker<sup>12</sup>. Even today, the Indian population still depends largely on agriculture for its subsistence: 47% of all jobs are provided by agriculture<sup>13</sup>, but agriculture only accounts for 17% of the GDP<sup>14</sup>.

Over 90% of the workforce make their living in the informal sector (mainly menial jobs)<sup>15</sup>.

Conclusion: Today as in the past, poor people still have to seek employment in agriculture and in the informal sector for their living, even though these activities do not generate enough income to care for a growing population.

#### Case Study: Two million Indians reply to ad for 300 clerical jobs<sup>1</sup>

Authorities in India's most populous state, Uttar Pradesh, say they have been overwhelmed after receiving 2.3 million applications for 368 low-level government jobs. Prerequisites for the posts include having primary school qualifications and being able to ride a bicycle.

But, tens of thousands of graduates, post-graduates and others with doctorate degrees have also applied.

An official said it will take four years to interview all the candidates. «These candidates only have to be interviewed but my estimate is that the entire process will take at least four years to complete even if there are 10 boards interviewing 200 candidates a day, for 25 days a month,» senior official Prabhat Mittal told BBC Hindi's Atul Chandra.

Those who have applied for the posts, advertised in August, include 255 PhD holders and 152,000 graduates. With the number of applicants, there are more than 6,250 candidates vying for each post.

The successful candidates will receive a monthly salary of 16,000 rupees (€215).

Unemployment is a huge challenge in Uttar Pradesh where tens of millions are out of work.

The state, with a population of 215 million, is expected to have 13.2 million unemployed young people by 2017, according to one estimate.

1 Article published on September 17, 2015 on the BBC News website: <http://www.bbc.com/news/world-asia-india-3427625>

10 This number refers to the fiscal year 2014. Source: <http://www.ibtimes.co.uk/india-number-new-it-jobs-created-halve-four-years-1473986>

11 This number refers to the year 2013. Source: <http://timesofindia.indiatimes.com/india/66-of-India-in-15-64-age-group/articleshow/22408378.cms>

12 Amit Bhaduri, The face You Were Afraid to See, Essays on the Indian Economy, 2009, Penguin. Books.

13 This number refers to the year 2012. Source: <http://data.worldbank.org/indicator/SL.AGR.EMPL.ZS/countries>

14 This number refers to the year 2014 and is given by the World Bank for agriculture, value added: <http://data.worldbank.org/indicator/NV.AGR.TOTL.ZS/countries>

15 The number refers to the period 2011-2012. Source: Confederation of Indian Industry, An Analysis of the Informal Labour Market in India, October 2014.

## Myth N°2 :

*India's education system is world class: right or wrong?*

Even if India's elite engineering and business schools provide high quality education, the same cannot be said for the education system all over India. There are wide disparities in education standards and literacy rates in the different states.

Whereas in 2011 the literacy rate was as high as 94% in Kerala, it was much lower in many states such as Bihar with only 64%<sup>16</sup>. Poorly qualified teachers, very high student-teacher ratios, inadequate teaching materials and outmoded teaching methods result in a low quality of education that often imparts little real learning. It is not uncommon for students completing primary schooling to lack even rudimentary reading and writing skills.



The National Achievement Survey (NAS) of 2014 assessing the learning achievement of children in 5th class shows that in the national average nearly 51% of the students are not able to master fundamental mathematical operations and an average of nearly 55% of the students didn't perform well in language skills such as reading comprehension<sup>17</sup>.

Whereas the access to education has improved significantly over the last decade, overall in mathematics and reading comprehension the average achievement of students declined as compared to previous surveys. Till now, most of the focus has gone into ensuring access to education. But now India has reached a tipping point where the quality of education has become equally important and needs to be improved.

### **Adult literacy rate (% aged 15 and above) 2015**

Luxembourg	99.0
United States	99.0
Germany	99.0
China	96.4
Vietnam	94.5
Brazil	92.6
Cape Verde	87.6
India	72.1
Bangladesh	61.5
Mali	38.7
Burkina Faso	36

## Myth N°3 :

*India's many state-of-the art medical research institutions and clinics staffed by highly trained doctors attract patients from all over the world, so good health care is sure to be available to everyone: right or wrong?*

India boasts a large number of excellent medical colleges and produces many highly trained doctors, whose skills are sought after outside India. Furthermore, India's many modern clinics, with their highly trained staff and state of the art equipment, attract medical tourists from countries the world over, who come to India to obtain treatment at a fraction of the cost they would pay at home.

India is also a leading producer and exporter of pharmaceuticals.

<sup>16</sup> Census 2011, Chapter 6 (State of Literacy), p.14, Government of India

<sup>17</sup> What Students of Class V Know and Can Do, A Summary of India's National Achievement Survey Class V (Cycle 4), 2015

Much progress has been made in the area of health since India gained its independence: in 1947, life expectancy at birth was below 30 years, while today it has risen to 67,8 years<sup>18</sup>.

However, access to health care in India is still characterised by massive inequalities. There is an enormous gap between the top-level care available to those who can afford it and that available to the majority of the population. According to a survey quoted in an OECD study in 2015<sup>19</sup>, only 16% of Indians have access to free or partially free public health care.

India has failed to meet its MDG targets of reducing maternal mortality and halving the proportion of people suffering from hunger. 29% of children under-five in India are underweight, while 39% suffer from chronic malnutrition<sup>20</sup>.

Less than 50% of children are fully immunized. While the under-five mortality rate has been substantially reduced (from 126 per 1000 in 1990 to 48 in 2015), it remains high when compared with the performance of other emerging economies. It is particularly striking that India's rate compares unfavourably with other, poorer South Asian countries such as Bangladesh (reduction from 144 in 1990 to 38 in 2015) or Nepal (reduction from 141 to 36)<sup>21</sup>. Babies and children continue to die of treatable respiratory infections, diarrhoea and other illnesses that could be prevented with adequate access to clean water, nutritious food, immunization and basic drugs.

Despite pre-election promises of increasing the health budget substantially, government spending on health was reduced in the 2015 – 2016 budget and accounts for just 1.2% of government spending, well below the WHO recommendation of 5%. The budgets of two important government health programmes, the National Rural Health Mission introduced in 2005 with the aim of making health care more accessible in the rural areas and the Integrated Child Development Services, which provides nutrition and other services to pregnant mothers and young children, were cut by 20% and 10% respectively.

It is clear that there is an urgent need for the Indian Government to increase its spending on health considerably and to ensure an equal provision throughout the country. At the same time there is a need for the weakest sectors of society to be aware of their rights to adequate health care. Indian civil society has an important role to play here, both in lobbying the government for better health provision for all its citizens and in awareness creation to ensure that the weakest members of society know what facilities are available to them.



18 Index Mundi/CIA World Factbook

19 Improving Health Outcomes and Health Care in India, Isabelle Joumard et Ankit Kumar, OECD, France 2015

20 UNICEF-WHO-World Bank Group Child Malnutrition Dashboard, September 2015. The figures for India refer to the survey period 2013-2014.

21 Levels and Trends in Child Mortality, UNICEF 2015.

## Myth N°4 :

*Being a net exporter of food, India has food security: right or wrong?*

According to official statistics, 29% of children below the age of five are underweight in India, i.e. almost three out of ten children fail to reach normal weight before the age of five years because they suffer from under nutrition. How can it be that close to 60 million Indian children are underweight even though India is a member of the G-20, the group of the economically most powerful countries in the world?

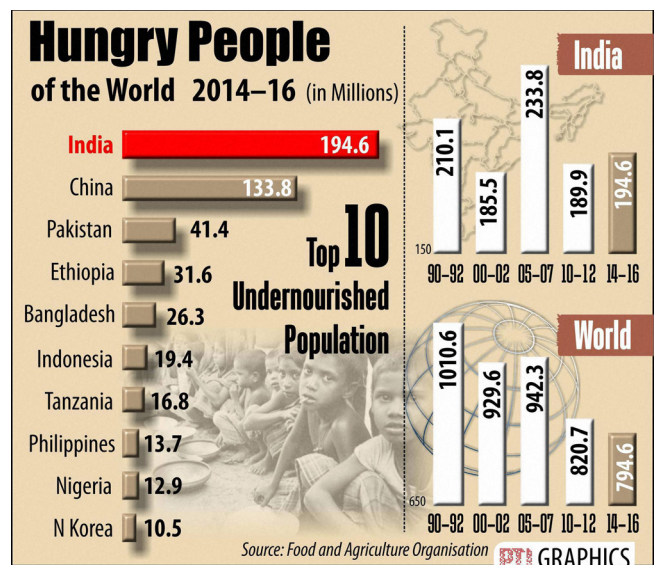
India claims to be self-sufficient in food production, and indeed, India is a net exporter of food. However, India only looks self-sufficient because food intake is abysmally low, not only in terms of quantity, but also in terms of quality. Low food production is not the real problem, and food production itself would increase if there were enough resources among the masses.

The major issue is people's inability to obtain those things which are essential for their life (health and well-being). This includes food, but it also extends to clean water, health care, sanitation, basic education and child-care.

Undernourishment, starvation and famine are influenced by all aspects of the entire economy and society – not just food production. When a country has enough food to be able to export it, there should be no hunger in that country<sup>22</sup>. In India, hunger, under-nutrition and malnutrition are related to unequal development rather than unavailability of resources.

*The fact is that the country is engulfed in an agrarian crisis that has now reached epic proportions. In contrast to the high growth rate of the Indian economy as a whole, measured by the Gross National Product, the growth in the agricultural sector reached barely 1.8% in the last couple of years, down from 4.9% in the Eighth Plan period (1992-1997). The other manifestation of the crisis is the continuing suicides of farmers, with the epicenter now shifting to Vidarbha in Maharashtra, which currently records an average of around 3 suicides a day. Suicides also continue unabated in other parts of the country, including Punjab, Karnataka and Andhra Pradesh. There have been 166,304 suicides of peasants over the period 1997-2006, which is an appalling average of 16,000 a year.<sup>1</sup>*

<sup>1</sup> Farmers' Suicides in India: Magnitude, Trends and Spatial Patterns, K. Nagaraj, Madras Institute of Development Studies, March 2008



<sup>22</sup> See also Amartya Sen, Development as Freedom, Oxford University Press, 2001, Chapter 7, Famines and Other Crises

## Myth N°5 :

*India can hardly achieve development with its high population growth: right or wrong?*

India is home to 1.29 billion people<sup>23</sup> or around 18% of the world's population, but has only 2.4% of the world's surface area. Demographic projections indicate that it could surpass China as the most populous country in the world by 2022<sup>24</sup> and the population could rise to between 1.5 to 1.8 billion people by 2050<sup>25</sup>.

It is a challenge for India to cope with the increasing demands its population places on food, water<sup>26</sup> and other natural resources. Although India is today a net exporter of food, hunger still exists in the country.



Jawaharlal Nehru, the first prime minister of independent India said the following: “You can tell the condition of a nation by looking at the status of its women”. In India women traditionally bear the main responsibility for the well-being of their families, yet they are systematically denied access to the resources they need to fulfil this responsibility, such as education, health-care services, empowered social status, access to income generating activities and access to and freedom to use family planning services.

Inclusive development (i.e. development for all sectors of society, including the poor) will help India to cope with the burden of population growth. Inclusive development includes women's empowerment, addresses the social and economic position of the poor, improves and expands education to the poor, provides access to adequate health and family welfare services, and generates opportunities to earn a decent income.



When India gained its independence, the fertility rate was approximately 6 (i.e. on average, a woman gave birth to six children). Today it has come down to around 2.8 for the whole of India, and in nine Indian states it is already equal to or lower than the replacement level of 2.1.<sup>27</sup>

If the benefits of India's economic growth reach the poor, and if Indian social policy really focuses on the poor, the replacement rate of 2.1 children per woman will be reached before 2050 for the whole country.

Thus inclusive development and declining fertility rates are mutually reinforcing social forces, and an adequate development policy focused on the social needs of women and the poorer groups of society would also lead to a reduction in population growth.<sup>28</sup>

23 <http://data.worldbank.org/country/india>

24 [http://esa.un.org/unpd/wpp/Publications/Files/Key\\_Findings\\_WPP\\_2015.pdf](http://esa.un.org/unpd/wpp/Publications/Files/Key_Findings_WPP_2015.pdf)

25 <http://esa.un.org/unpd/wpp/Graphs/Probabilistic/POP/TOT/>

26 <http://base.d-p-h.info/fr/fiches/dph/fiche-dph-7825.html>

27 Falling Fertility Rates: Wikipedia; Indian States Ranking by Fertility Rate. [http://en.wikipedia.org/wiki/Indian\\_states\\_ranking\\_by\\_fertility\\_rate](http://en.wikipedia.org/wiki/Indian_states_ranking_by_fertility_rate)

28 Further reading: United Nations Population Fund: State of the World Population, 2013.

## Myth N°6

*India is caught up in a social and religious system that impedes its development: right or wrong?*

A strong social stratification system has existed in India for thousands of years. Although all citizens have been considered equal in the eyes of the State since the country's independence, the system is still present in society. People from the upper castes and their sub-castes still struggle in their coexistence with Dalits and non-caste people, who are allotted the most menial and arduous jobs. For these ostracised populations, there is a real link between social status and the hardship of their existence: poverty, rights violated, poor access to education and other development opportunities.

**Link between social groups, religious groups and poverty<sup>29</sup>:**

**Poverty by Religious Groups at the National Level**

Religion	Share in Population	Percent Population below the Tendulkar Line (INR 27 in rural areas, and INR 33 in urban areas)			
	2011-12	1993-94	2004-05	2009-10	2011-12
Rural + Urban					
Christianity	2.2	38.5	24.5	20.5	16.4
Hinduism	81.5	45.6	37.5	29.7	21.9
Islam	13.6	51.2	43.6	35.4	25.4
Jainism	0.3	10.5	4.6	1.5	3.3
Sikhism	1.6	19.6	18.9	12.5	5.9
Total	100.0	45.7	37.7	29.9	22.0

Table: Poverty by Religious Groups, 1993-94 to 2011-12

**Poverty by Social Groups at the National Level**

Social Groups	Share in Population	Percent Population below the Tendulkar Line (INR 27 in rural areas, and INR 33 in urban areas)			
	2011-12	1993-94	2004-05	2009-10	2011-12
Rural + Urban					
ST (Scheduled Tribes)	8.9	63.7	60.0	45.6	43.0
SC (Schedules Castes)	19.0	60.5	50.9	40.6	29.4
OBC (Other Backward Castes)	44.1	39.5	37.8	30.0	20.7
FC (Forward Castes)	28.0		23.0	17.6	12.5
All	100.0	45.7	37.7	29.9	22.0

Table: Poverty by Social Groups, 1993-94 to 2011-12

India's future depends on the inclusion of these sectors of society, so it is critical to restore their dignity by providing them with opportunities<sup>30</sup> to improve their lives: an important task for the State and for civil society and one that is crucial to support. Some progress has already been made. For instance, a certain percentage of the seats in universities and the jobs in the government administration are reserved for people from lower castes, Dalits, Adivasis and other deprived minorities. Change is possible, and some examples are impressive: Ambedkar, a Dalit, wrote the Indian Constitution and K.R. Narayanan, another Dalit, was President of the Republic from 1997 to 2002.

However, when it comes to political participation at the local level, India is once again a country of contradictions: on the one hand the PRI legislation prescribes a 50% positive discrimination system in favour of women candidates to be elected. On the other hand, in some states (Haryana among others), law denies uneducated and poor citizens the right to take part in these local Panchayat elections. Regulations that clearly protect the domination and exploitation of the Haves over the Have Nots.



<sup>29</sup> The indications given in the tables are taken from: Arvind Panagariya, Vishal More, Poverty by Social, Religious & Economic Groups in India and its largest States 1993-94 to 2011-12, SIPA/ISERP, Working Paper No. 2013-02, Program of Indian Economic Policies, Columbia University, September 2013.

<sup>30</sup> See, from the winner of the Nobel Prize for Economics, Amartya Sen, Development as Freedom, zzzOxford University Press, 2001.

## Myth N<sup>o</sup>7

*Government policies in India: The quality of governance has a bearing on the promotion of development for all: right or wrong?*

Is good governance<sup>31</sup> an issue for concern in India, the biggest democracy in the world?

The former UN Secretary General Kofi Annan once stated that, “Good governance is perhaps the single most important factor in eradicating poverty and promoting development”. Recognising its importance, one of the UN’s Sustainable Development Goals (SDGs) for 2030 is to “promote peaceful and inclusive societies” and “build effective, accountable and inclusive institutions”.



In India, high levels of freedom of expression, of association and of political competition exist. But although democracy is seen to exist in form, many problems can be observed in practice. An example of this is the criminalization of Indian politics. The 2014 General Elections to the lower house (Lok Sabha) saw the highest number of politicians with criminal records and every third newly elected MP has a criminal record. As of August 2014 23% of State Ministers in the upper house (the Council of States) had outstanding criminal cases against themselves and 13% had been charged with serious crimes.<sup>32</sup>

Corruption is a symptom of weak, ineffective or bad governance and scandals in India have cost vast sums of money.

Sadly, it has become a pervasive aspect of Indian politics and bureaucracy. The misappropriation of funds for the Commonwealth Games of 2010, the telecoms scam of 2010 and the Coalgate scandal of 2012 are estimated together to have cost the government tens of billions of US dollars. Transparency International ranked India 85th out of 175 countries in its 2014 Corruption Perceptions Index. As they say “It reveals India’s bitter reality of political corruption: the inadequacy of structures of accountability and transparency to deter the corrupt and the access to such mechanisms by the people”.<sup>33</sup>

Regrettably, most people benefit little from the wealth generated in today’s India. Communal, feudal, caste and regional tensions continue to haunt politics and as a result, policies are too often out of touch with people’s interests and preferences. Government support schemes often fail to reach the poor and for many, public institutions are simply inaccessible. Even if they manage to find their way through the jungle of government services to apply for support, corruption is the next problem they face. A 2010 study found that 95% of households who are asked to pay bribes end up paying them.<sup>34</sup>

Civil society organizations are doing what is needed; they demand rights, they mobilize, they educate, they call for accountability. And their achievements are notable, for instance the landmark Right to Information Act of 2005. In May 2011, India ratified two important UN conventions against corruption (UNCAC) and organised crime (UNTOC). But there is much to be done to put these in practice.

What is needed? Empowerment of the rural, the disadvantaged and poor masses in India, to give them easier access to opportunities - such as education and work, but also to ensure that they participate, demand their rights, and call for accountability; tasks that the Indian NGOs, but equally the authorities, try to accomplish.

31 Source: Assessing and Analysing Governance in India: Evidence from a New Survey, Julius Court

32 Source: Association for Democratic Reforms (www.adrindia.org)

33 Transparency International (blog.transparency.org)

34 Centre for Media Studies (www.cmsindia.org)

## Myth N°8

*India is a democratic and pluralistic society and as a result civil society organisations are free to play a critical role, questioning government policy where they feel it is necessary: right or wrong?*

A fundamental element of a democratic and pluralistic society is the right of civil society organisations to monitor government policy, to criticize it when it fails its citizens and to suggest alternative solutions. In doing so they make a vital contribution to the democratic process.

India has a vibrant civil society, of which it is justly proud. However, in recent years Indian civil society organisations, in particular those working in the field of human rights and in the field of environmental protection have been increasingly subjected to various forms of harassment on the part of the authorities.

In this context, use is regularly made of the Foreign Contributions Regulation Act (FCRA), which regulates foreign donations to Indian NGOs. Several have been accused of violating the FCRA regulatory laws; in 2014 India cancelled the registration of nearly 9,000 charities for failing to declare details of donations from abroad<sup>35</sup>. Many civil society representatives are convinced that the main reasons behind these actions are political in nature and that the government is abusing its power to target political opposition.

This situation intensified after the BJP government came to power in 2014. NGOs are increasingly accused of impeding the economic development of the country, it is sometimes even suggested that Indian NGOs are being instrumentalized by foreign countries that do not want to see India develop.

For instance, in a study published in 2014 the Indian Intelligence Bureau claimed that some 2% of GDP are being lost due to NGO activities, such as Greenpeace's campaign against coal-based power projects<sup>36</sup>. Since 2014, multiple attempts have been made by the Ministry of Home Affairs to restrict Greenpeace's operations and foreign funding, however they have so far been overturned when contested by Greenpeace in the courts.

The FCRA was amended in 2015 and now requires NGOs to promise that the foreign funds they receive will not be used to affect, among other things, India's security, strategic scientific or economic interests<sup>37</sup>. Furthermore, foreigners wishing to visit India in order to conduct research on human rights have in some cases been denied entry visas and Indian activists have been prevented from visiting other countries.

The importance of international cooperation between civil society organisations is evident in today's globalised world, in which many issues are no longer limited to individual countries but need to be addressed on a regional or global basis. The attempts of the Indian government to prevent civil society from working together with like-minded organisations abroad are contrary to the concept of a modern, democratic and pluralistic state as civil society makes a useful contribution to inclusive development.



<sup>35</sup> <http://www.bbc.com/news/world-asia-india-32493116>

<sup>36</sup> <http://www.thehindu.com/news/national/ngos-stance-on-development-projects-to-hit-growth-ib/article6105289.ece>

<sup>37</sup> <http://www.deccanherald.com/content/484820/govt-brings-dos-donts-ngos.html>



Editing : Le Cercle de Coopération des ONGD – February 2016

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Cover photo : Marc Erpelding

Design and layout : Carolina Favre

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