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A Note on Decentralised Planning Initiative: Possible lessons from the Kerala Experience¹

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The south Indian state Kerala's experience has been widely acknowledged for promoting local democracy and decentralized planning. Though with its own unique local context, Kerala's achievements in the decentralised planning can be used as a good example to look at the process of micro planning in other states of India. Kerala made its first attempt to decentralise power to local level democratic institutions as early as in 1957, immediately after the re-organisation of the state (Chathukulam, 1991). In 1961, the state assembly passed the Kerala Panchayat Act 1961, which paved the way for the formation of local bodies all over the state. The establishment of district councils in 1987 led the administrative decentralization to the district level. Following the national level Constitutional Amendments in 1992 (73rd and 74th), the Kerala legislative assembly passed the Kerala Panchayati Raj Act 1994. Two years later, the government (led by the Left Democratic Front - LDF) launched People's Planning Campaign (PPC) for democratic decentralization. The PPC continued until 2001 when the new government (led by the United Democratic Front - UDF), renamed the programme as Kerala Development Programme (KDP) and the basic institutional structure and functions of the PPC remained in different forms. It has been argued that this has resulted in changing the mode of implementation; the new programme moved from the old 'campaign model' to institutionalise the panchayat system. As the PPC had followed the campaign mode, it had a higher element of volunteerism and attempts to rejuvenate the system. Whereas, through bureaucratic efforts during the KDP resulted in institutionalizing the grass roots level planning process rather than in propagating the element of volunteerism (Rajesh, 2013).

The state's efforts to decentralise its power and democratization were equally supported by the micro level experiments initiated by the civil society organizations, particularly by the people's science movements like Kerala Sasthra Sahithya Parishath (KSSP). K.S.S.P carried out local level resource mapping since the 1970s and contributed towards developing institutional frameworks for local

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planning, which later became a part of the people's planning campaign launched in 1996 (Chathukulam & John, 2002; Isaac & Franke, 2000; Rajesh, 2013). The total literacy campaign held in the 1990s is another example for the active involvement of civil society organisations in local development process. The demand for decentralization of planning and administration to the lower level was further supported by socio-political reform movements, political leaders and scholars (Tharakan, 2008).

The clarity in functions, functionaries, finance by means of legislation etc. can be considered as some of the salient features of Kerala's democratic decentralization (George, 2013). For instance, the amendment of Kerala Panchayat Act in 1999 'provides the statutory framework for creating functional, financial and administrative autonomy at the level of the third stratum of government. Without creating such a necessary condition, no state in India can move forward on the road to decentralized governance' (Oommen, 2004). The state has set very clear rules and identified the actors and their functions in different levels of local governance. By recognising the 'Gram Sabha' (village assembly) as a deliberative and deciding body, the Panchayat Amendment tried to bring the elements of direct democracy at the lowest level. It provides a uniform three-tier structure (at the gram/village, block/mandal and district levels), and insists on direct, regular and mandatory elections conducted with specific policies of reservation. The rule allowed the respective state governments to transfer the functions, responsibilities, and power to the panchayati raj institutions while providing the required support in transforming them as institutions of local self-government. By initiating institutional reforms and moved ahead of other states to devolve powers, responsibilities, and funds to the local governments.

Based on valid estimates, the LDF government decided to transfer 35-40 per cent of the state plan outlay to the local governments and later the state planning board developed the methodology for decentralised planning to be pursued autonomously by the local governments. During the initial years, the local governments were unable to utilize more than 10 per cent of the funds they received and hence they availed regular extensions from the state (Kannan, 2000). From the period 1997-98 to 2011-12, there has been a steady growth in the flow of fund (from the stat to the local governments (Table.1). In 1993-94, its share was about 4% of total public expenditure and 0.73% of net state domestic product (NSDP), but by 1998-99 the shares have respectively increased to 12.04 per cent and 2.40 per cent. Overall, the state has devolved nearly 25 per cent of its development fund /plan outlay) to the local governments but the recent year show a marginal decline (Oommen, 2014).

Apart from the resource come from the state governments (70% of rural share of plan to gram panchayats and 15% each to the block and district Panchayats), the gram panchayats have revenue-raising powers. Along with transferring more resources, the state governments hold these institutions

responsible for leading the process of local development. In order to review the financial position of the local governments and to guide the state on the distribution of funds among Panchayats, a State Finance Commission is formed once in five years.

Table: 1
Trend in the Devolution of Resources to Local Governments
by the Kerala State Government 1997-98 – 2011-12)

Year	Ratio of LG Plan Grant to State Plan Outlay	Total Transfers to LGs (Plan + Non- Plan) as % of State's Own Tax Revenue
1997-1998	26.23	23.24
1998-1999	30.65	28.7
1999-2000	31.38	27.45
2000-2001	29.56	24.95
2001-2002	28.19	21.79
2002-2003	33.33	24.84
2003-2004	29.73	22.53
2004-2005	28.13	20.99
2005-2006	25.61	20.78
2006-2007	22.54	17.17
2007-2008	22.14	16.63
2008-2009	21.69	15.36
2009-2010	20.65	15.56
2010-2011	22.72	14.87
2011-2012	23.24	15.45
15 Year Ratio	24.98	18.48

Source: Oommen, (2014).

Decentralisation can be identified as a process of empowering the local governments through mobilising local people and resources required for micro level planning and development. The participatory development programmes and local self-governing bodies are instrumental in targeting resources towards the disadvantaged social groups (Besley, Besley, Pande, & Rao 2005). This requires the local governments to be responsive, transparent, participatory and accountable to the people including the most deprived sections of the society such as the dalits, tribals, and women. Thus, the state revises its reservation policies (in proportion to the proportion of SC and ST population and a minimum of one-third for women) at all three levels of local self-governing to elect the leaders for Gram Panchayats, Block Panchayats and District Panchayats and promotes its citizens to the leadership of LSGs, representing all sections of population. The political parties, through their respective elected members play a key role in the functioning of these participatory institutions and strengthen the processes of democratic participation of the people. The state has recently revised the share of seats and leadership positions for women in all the three levels (from 33% to 50%). As the experience in 2010 local body election (the first one after the revision) suggests, the revised policy has

enabled many educated young women to contest in the local body election and thereby entered the leadership of local bodies and local politics (Jafar, 2013).

The extension of participatory democracy through the institutions of village panchayat, gramsabha etc. provide affirmative positions to the marginal sections and helps on efficient use of local resources through decentralized spatial planning. Greater the involvement and participation of citizen, the quality of public services like primary schooling, primary health care, drinking water supply, sanitation and other basic amenities become better. Kerala's decentralisation experience provides many examples to confirm these expectations and reflect on how the local planning was used as an instrument of social mobilization (Oommen, 2004; Isaac, & Franke, 2000). At present, the Kudumbashree mission,² the state poverty eradication mission, MGNREGA activities, rural health workers and other state/centre sponsored- welfare programmes and associated networks also work closely with local governments and strengthen the local planning in a way that helps Kerala in sustaining the earlier development achievements and improving them further.

There have been some criticisms about whether the people's plan campaign has fallen short of its expected outcomes. For instance, the creation of civic culture through the collective action was unrealised; therefore the PPC-institutions could not generate the kind of mass mobilization that was expected (Heller, 2001). Similarly, the lack of knowledge made popular consciousness eclectic and depoliticized. The political situation in the state, especially the conflicting interests emerge in the coalition, the assorted views among the the political leaders, key actors of PPC at grass root level and the public at large about the goals of the campaign also contributed towards the under-realization of the full potential of decentralization (Chathukulam & John, 2002 & 2003; Gurukkal, 2001). Compared to the earlier mass-mobilising programmes like land reforms or unification of Kerala, the PPC 'seems to have not been completely successful in realizing the expectation that further developmental initiatives will be driven by social movements and civil society organizations in the wake of the campaign' (as cited in Tharakan, 2006).

Broadly, Kerala's decentralized planning and decentralization initiatives have strengthened people's participation in planning and fostered democracy way ahead of the other Indian states; and therefore these criticisms have to be seen in relation to the high expectations. In a way, it is on the basis of its strength of local self-governments, Kerala manages to sustain its relatively higher status of human development achievements (George, 2013). Overall, Kerala's efforts of decentralization through the

²Kerala introduced *Kudumbashree* in 1998 as a women-oriented poverty eradication mission among the women neighbourhood groups. The current form of *Kudumbashree* has its origin from the success of the 'urban basic services for the poor' adopted in the Alappuzha municipality.

People's Planning Campaign (PPC) remain as a popular experiment of mobilizing people for the local planning process. The state was praised for using the local bodies and related networks for strengthening the provisions of basic minimum needs infrastructure like housing, water supply, sanitation, connectivity, etc., and mobilising local people and resource for micro level planning and development (Bandyopadhyay, 1997; Chathukulam & John, 2002; Das, 2000; Isaac, 2001; Isaac & Franke, 2000; Isaac & Harilal, 1997; Heller, 2001; Heller, Harilal, & Chaudhuri, 2007; Mohanakumar, 2003; Narayana, 2007; Oommen, 2007; Sharma, 2003, Tharakan & Rawal, 2001). It has been argued that the 'speed and extent of coverage as well as efficiency in implementation in respect of provision of minimum needs has been superior to that of Government' (Kang, 2002:113). At the same time, Kerala's decentralisation style cannot be reduced to a policy for 'speedy and efficient' way for implementing development projects and service delivery. It goes beyond the 'substitution of the State by a set of NGOs in the implementation of local projects, including especially social sector projects, the funds for which, whether drawn from the State budget or from foreign donors, are expended through these NGOs' (Patnaik, 2004).

Compared to other popular campaigns like the total literacy campaign held in the 1990s, state's decision to the power and resources to the local government has resulted in varying responses among the political party and leaders, bureaucracy, civil society organisations and the general public (Kannan, 1993). The ways in which the conflicts that existed among these groups got resolved and implemented the people's campaign perhaps help others in their way in mobilising both people and resources to strengthen the productive base for local level development and widely spread social infrastructure. In Kerala, the active and sustained engagement of civil society organisations like Kerala Sastra Sahitya Parishad (KSSP, the people's science movement), played a crucial role in popularizing the debate on decentralisation. The wide-spread network in the state took led the preparatory works and promoted people's participation through 'seminars and camps, working as resource persons, drawing up projects and development reports, organising training programmes and the publication of a large number of books, manuals and guidelines' (Kannan, 2000; Rajesh, 2013). It has been widely acknowledged that democratic governance is best promoted through the widest participation of the people in local democracy and decentralized planning. Though with its own unique local context, Kerala's achievements in micro level planning democratic participation can be treated as a useful example to understand, plan and engage with local development process.

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