PLANNING AS AN INSTRUMENT OF POLITICS ?
RETHINKING THE METHODOLOGY OF LOCAL LEVEL PARTICIPATORY PLANNING IN KERALA

K.N. HARILAL

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ABSTRACT

The people's planning programme in Kerala, the latest episode in the state's experiments with democracy, is in the shadow of a bureaucratic capture. Government orders and guidelines set from above appear to have subdued the process of participatory planning. In view of the gains already made in deepening democracy and the immense potential yet to be realised, it is important to make corrective measures to put the experiment back on track. The goal of democratisation should be upheld by restoring and strengthening participatory spaces built into the process of planning. The paper proposes an overhauling of the methodology of planning from below. This can be achieved by demystifying and debureaucratizing the planning process and making it as simple and transparent as possible. The enthusiasm for maximising participation, however, should not be allowed to degenerate and give into a strategy of co-option. Participatory spaces should be allowed to retain their relative autonomy and hence, the right to be critical. Further, it needs to be emphasised that people's participation is not a substitute for expertise or experience in development planning. Instead of replacing experts and absolving them of responsibilities, participatory planning should strive to make maximum use of expertise within government as well as outside without compromising on the principles of accountability and responsiveness towards the people. The experiment should also be sensitive to the limits of local level participatory planning and governance. The local governments should not be overburdened with responsibilities that are beyond their competence.

Key words : Local government, democratisation, participatory planning, bureaucratic capture, Kerala State

Introduction

In a press conference held on November 3, 2011, K. Chandrika, Mayor, Thiruvananthapuram City Corporation expressed concern over the delay in receiving the District Planning Committee's (DPC) approval for the Corporation's budget proposals for the financial year 2011-12. "We submitted proposals for the approval of around 765 projects in August. There are just four months left in this financial year, which means that we might not be able to complete many of these projects in time"[1]. Thiruvananthapuram Corporation's story is not an exception; as we shall illustrate later it is an experience shared by most local governments in Kerala, not just in the current year, but over most years in the recent past. Planning generally takes nearly six to seven months, leaving hardly five to six months for implementation. Local governments are rendered helpless by a highly complicated and heavily bureaucratised methodology of plan formulation and approval. The enormity of the resistance that the cobweb of regulations entails and absurdity of the whole exercise should be obvious to any observer, for the regulations run into hundreds of printed pages and several volumes[2]. The bureaucratic capture of the people's planning experiment in Kerala, notably, is not confined to the realm of planning alone; it has in fact been much more pervasive, covering almost every aspect of local governance. What Partha Chatterjee (1997:82-103) has famously said about planning at the national level in India has become true of the people's planning experiment in Kerala too; 'planning as politics' has given way to 'planning as instrument of politics'. According to Chatterjee, the Indian state assiduously maintained the sphere of planning as a preserve of experts, mostly economists and technocrats, keeping it far removed from political contestations. Planning was projected as a realm above politics, only to be used as an instrument of the state in furthering its twin objectives, viz., accumulation and legitimisation. In contrast, people's planning was launched in 1996 with the express intent of deepening democracy by demystifying and de-bureaucratising planning at the local level, defining it as a realm of the local people and hence, of politics (Thomas Isaac 2000:1-15). However, the bureaucracy appears to have over reacted to the prospects of political competition and the entry of non-experts and the uninitiated into the sphere of planning, where crucial decisions regarding development priorities and allocation of resources are made, by making the rule books for local plans several times more stringent and cumbersome than those at higher tiers of government.

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1. The financial year is from April to March. The press conference was covered by most newspapers the next day. Interestingly, on 24 February 2012 the Corporation Council passed a resolution requesting the state government to extend the period of implementation of the annual plan by three months. The same demand was raised by many local governments in the state (The Hindu, April 16, 2012).

2. The Kerala Institute of Local Administration (KILA 2009 a, b, c, d, and e) has compiled all relevant government orders and circulars pertaining to the decentralisation of power in the state. The publication runs into five volumes and more than 1200 pages.

The positive impact of people's planning, especially in the context of deepening democracy, as we shall show subsequently, can hardly be exaggerated. But, as recent research would amply testify, the Kerala experiment is tending to deviate from its original goals (Government of Kerala 2009); most importantly, participation in planning activities has stagnated or even declined in terms of numbers as well as quality (Heller *et.al.* 2007, Sudhakaran 2006).Tightening of the rule book and multiplication of government orders did not help improve the quality of local plans and projects either; the quality of projects prepared at the local level has generally been poor (Government of India 2006:101-128); if anything, the decentralisation experiment had a dampening effect on the mobilisation of local resources (Government of Kerala 2011): the system of keeping accounts remained in disarray and was not at all transparent (Oommen 2005, Government of Kerala 2009); it could not check corruption (Widmalm 2008: 132-73); it was a failure in integrating schemes across different tiers of government or development sectors (Kannan 2000) and so on – the list of woes could go on and on. While local plans fared well in the service sector and triggered some notable success stories in agriculture, their overall impact on the goods producing sectors, especially industry, was rather dismal (Benson and Rajesh 2011, Mohanakumar and Vipinkumar 2010, Harilal 2008). The gains in services and success stories in agriculture require more organised support to make them sustainable and replicable. What is more disappointing is the inability to envision the future, which is an inalienable quality of any planning exercise; in the absence of a five year plan or an alternative vision statement, planning at the local level is reduced to simply the preparation and implementation of annual plans.

It is this picture of general despair that provoked us to initiate a rethinking on the methodology of people's planning in the state. Towards this end, the Research Unit on Local Self Governments in the Centre for Development Studies (CDS-RULSG) organised a dialogue using multiple forums, such as workshops, online debates, focus group discussions, interviews with people from various walks of life such as elected representatives, government officers, experts, activists, etc.[3]. The present paper may be seen as an outcome of the collective brainstorming that followed. Obviously, everything that has happened to the people's planning cannot be attributed exclusively to the methodology of making the plans. It is only reasonable to look deeper and identify the real factors that determine the fate of such experiments in democracy. The methodology of planning is seen here as a vantage point of departure for such enquiries.

Before dissecting the methodology of planning, we need to interrogate the idea of people's planning at the local level, as we attempt to do in Section I, for generating a fairly clear understanding on its potential as well as its limits in making democracy more efficient, deep, dense and meaningful.

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3. We organised two state level workshops and three village level meetings (at Omallur, Karivallur and Bharanikkavu), apart from conducting interviews with several key informants. The present study has also benefitted from an online discussion on the subject conducted with the help of decwatch (decwatch@googlegroups.com). We wish to thank all those who have participated in the discussions. Special thanks are due to Prof. M.A. Oommen, who had gone through an earlier draft and gave many valuable suggestions.

The role of people in democracy that goes beyond voting and election of representatives is a question debated widely now, thanks to the fragrant revolutions in the Middle East, and the mammoth mobilisations elsewhere in the world, including the Wall Street movement. Can such spontaneous movements of the people transform themselves into or generate durable mechanisms of continuous direct involvement of the people in governance and policy making? This question is perhaps as old as democracy itself. It was debated in the context of anti-systemic movements as well (Arrighi et.al. 1989). In fact, people's planning in Kerala is best viewed as an experiment designed around this fairly old question of political philosophy, albeit restricted to the level of local governments. That it is a controlled experiment, restricted to local governments, makes a discussion on the potential and limits of people's planning all the more important. It is pertinent in the context of the present study, since it borders on valuing a methodology of local level planning, to keep in mind that there are many things that are beyond the reach and control of local governments. In Section II, we attempt a critique of the methodology of people's planning currently in vogue, and try to unravel the mystery of the bureaucratic capture of people's planning. Instead of falling into the familiar and simplistic trap of conspiracy theories, our endeavour will be to look for more entrenched and systemic reasons so that our search for the alternative is more effective. The primary purpose of this paper, notwithstanding the academic interest involved, is the search for alternative methodologies, which can restore the spirit of participation and struggle. In Section III, we present broad contours of a possible alternative methodology of planning by the people at the local level. Even though the threat of bureaucratic takeover is real, it would be too naïve to conclude that it would advance unchallenged. Instead, the present stalemate is best viewed as an important phase in the struggle for deepening democracy. The growing opposition against the bureaucratisation of local level planning and the search for alternatives are signs of an incessant and protracted struggle[4].

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4.   It would be too naïve to assume that the State in India, especially since its neoliberal turn, would tolerate significant progress towards democratisation of planning and development administration.   As Chatterjee (1997) had shown the State is likely to evolve appropriate strategies to overcome such challenges to the process of accumulation. But, it is equally naïve to imagine that the war for democracy would be so easily lost and won. This is especially true of a region such as Kerala characterised as it is by a rich history of people's movements for democracy. Incidentally, resistance against the bureaucratisation of people's planning has been growing in the state. Even though they differ in detail, all leading political parties have taken positions against bureaucratisation. For a contextual critique of Partha Chatterjee's arguments see Mannathukkaran (2010).

SECTION I

DEMOCRATISING DEMOCRACY

The contagion of popular uprisings that the world is witnessing now, beginning from North Africa and the Middle East and spreading to most other parts of the world, given their geographical spread and far reaching implications, would be recognised as the fourth wave of democratisation[5]. Just as the earlier waves, the latest one would also be instrumental in establishing or reinventing democracy as a form of government in many countries. But obviously, as the strong presence of popular movements even in established democracies of the West suggests, the fourth wave of democratisation is unlikely to be satiated by the promise of electoral competition. Apparently, people are determined to occupy public spaces, and also to encroach on spaces that are not considered public as yet, such as Wall Street, symbolically so, to extend democracy beyond electoral competition. But, can the role of people in a democracy be stretched beyond producing governments? Or to put the classic question bluntly: is it possible for the people to govern? The hegemonic theory of democratic elitism will answer the question in the negative. The elite are unlikely to welcome mass politics or the growing participation of the people for its anarchic potential, which might even lead to the breakdown of democracy, as it occurred in Europe during the interwar period. According to elitist theory, if we define sovereignty in a broad sense as the formation and determination of the general will, it is impossible for the people to govern. The elitist theory therefore reduces the scope and meaning of the concept of sovereignty – from a process of forming the general will to a process of choosing one of the competing groups of the elite to govern. In this view, people remain the ultimate arbiter of democratic politics, but only in one capacity – as the arbiter of the competing elites.

In the context of the present paper, it is important to look into why, in the elitist theory, the scope of people's participation is limited to that of choosing between the elites (Schumpeter 1980:250-73, Pateman1970:1-45). The first argument is a Weberian one which considers administration as becoming too complex to be handled by the people. The second argument evokes the penetration of particular interests that makes the formation of rationality through public discourse difficult. The third one,

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5. Some scholars (Huntington 1991) identify three distinct waves of democratisation since the beginning of twentieth century: democratisation in central and eastern Europe in the aftermath of World War I, democratisation in Germany, Italy and Japan in the aftermath of World War II, and democratisation in Latin America and Eastern Europe in the late 1980s.

which appears as the opposite of the second proposition, may be referred to as the mass society argument. It cautions against irrational pressure by the masses on the political system. It is then assumed that the rule of the elites would solve the problem of administrative complexity, check the undue influence of particular interests, and protect values not shared by the masses. In this view, the lower the level of participation, the more enduring and resilient will democracy be.

It was the introduction of the concept of the public sphere that created the much anticipated break in the democratic debate. Habermasian idea of the public sphere reconciles the contradiction between the increasing complexity of public administration and participation by the people by separating public administration from the public sphere, while keeping the two dimensions structurally dependent on one another (Habermas 1992:27-79). The separation of the state and the public sphere, and conceptualisation of the latter as a space for free discussion, differentiated from the realm of state administration, relieves participation from the curse of administrative complexity. Here, participation is not a form of administration, rather, it is a process of deliberation and argumentation, which influences state policy and demands accountability. However, Habermas, like Marx was aware of the critical limits of the bourgeois public sphere that arise from the underlying property relations. Formal freedoms cannot insulate civil society and public sphere from the influence of power relationships. This critique of the bourgeois public sphere was further developed by Habermas (1992:141-222), taking into consideration later developments in capitalist societies that invaded and transformed the public sphere. The disintegration of the public sphere on account of developments such as the growing influence of mass media, advertisement, the attempts at manufacturing 'public opinion' etc., restricts the functioning of democracy under the rule of capital.

Representatives of the third wave of democracy, especially scholars from Latin America, who stand for more direct participation, criticise Habermas for not offering a proper connection between reason and will (Avritzer 2002: 50). According to Habermas, within the boundaries of public sphere, actors can acquire only influence, not political power. "The influence of a public opinion generated more or less discursively in open controversies is certainly an empirical variable that can make a difference. But, public influence is transformed into administrative power only after it passes through the filters of institutionalised procedures of democratic-opinion and will formation and enters through parliamentary debates into legitimate lawmaking" (Habermas, 1996:371). Habermas does not offer any short cut to the democratisation movement, except the strengthening of the public sphere and the accumulation of influence to move the power-holders. The power-holders can choose to ignore the message emanating from the public sphere, but only at the cost of legitimisation problems. According to Avritzer (2002: 50), a mechanism stronger than influence is required to connect the public sphere to the political system. This is an area where democratic theory and practice too are still groping in the dark. It is not surprising that the participants of the Occupy Wall Street movement have not been able to properly articulate what they really want.

Avritzer's idea of participatory publics is an attempt to innovate a stronger connection between the public sphere and the political system. The theory of participatory publics is built around the experience of Latin American countries since the 1980s (Avritzer 2007). In Latin America, unlike in inter-war Europe, mass mobilisation and heightened participation did not harm democracy; on the contrary they were responsible for restoring political competition in many countries. Further, the democratisation process in some countries has progressed beyond electoral competition by establishing what Avritzer would refer to as participatory publics. Participatory publics add two elements to public sphere, viz., public fora and accountability. Public fora provide the public sphere with the capacity to foster deliberation and thus increase the chances of arriving at consensus/decisions. Participatory budgeting in Brazil is a good example of the functioning of participatory publics, where deliberative bodies play a role in arriving at decisions as well as in monitoring their implementation (Baiocchi 2003). Participatory publics offer a framework for ensuring responsiveness and accountability of power-holders. A note of caution, however, is necessary here in view of the Weberian position of incompatibility between popular sovereignty and administrative complexity. Participatory publics do not replace administrators or experts; they represent a midway between participation and complex administration. It is a deliberative, non-administrative device, designed to make collective action at the public level and democratic decision making mutually compatible. Participatory institutions venturing into taking all decisions and hence running the administration are likely to be exposed to the risk of getting co-opted into the administrative hierarchy as its appendage, besides alienating experts and neglecting specialized agencies. They will lose their autonomy and critical edge, and cease to be a part of the public sphere. This is a point to be emphasised here because as we shall see in Section II, certain participatory bodies of people's planning in Kerala appear to have crossed the limit and have entered the territory of administration with respect to some important aspects of development planning. Participatory bodies, which get co-opted into the hierarchy of administrative structures, are likely to get entangled in the overarching network of bureaucratic regulations and controls. The control mechanism might also turn harsher and more regimenting vis-à-vis participatory bodies compared to the regular arms of the bureaucracy. An important point to be emphasised in the context of the present critique of the methodology of planning is the need to preserve the relative autonomy of participatory forum so that it retains the right to dissent and criticise.

The criticism of administrative complexity put forth by Weber and Schumpeter cannot be pushed aside easily. We are living in a world of increasing specialisation and accumulation of specialised knowledge and expertise in every area. Democracy should be able to harness experts and specialised knowledge, and should avoid building up apathy towards experts and knowledge. The director of a movie need not necessarily have knowledge or expertise similar to that of the numerous artists, technicians and other professionals he may engage in the making of a movie. The case of the shareholders of a joint-stock company or its board of directors who hire professionals and workers is similar. Lack of expertise of people therefore cannot be held as an argument against democracy. But, a people who

value democracy should evolve the art and appropriate mechanisms to hire experts and harness knowledge without compromising the canons of popular sovereignty. Alienating experts and specialised agencies, as we shall argue later in the context of Kerala experiment will not be helpful for furthering the cause of either development or democracy.

Democracy in Kerala: Participation and Struggle

Kerala has a fairly long and illustrious history of democratisation movements, which went far beyond establishing electoral competition. A distinct aspect of the Kerala experiment, which makes it different from the Latin American cases, has been the importance that it had placed on the struggle against the system while participating in it. It is no exaggeration to say that modern Kerala society is built more by public action than anything else; the people in the state worked together to a great extent to shape their collective destiny (Sen 1996, Ramachandran 1996). People came together on umpteen occasions to put pressure on the State not only to break redundant rules and make new ones, but also to implement them without fail. In the process, they also created institutional arrangements that sit on the boundary of State and public sphere for ensuring responsiveness and accountability. The history of land reforms in Kerala, for instance, is a rich source of evidence for such experiments in democratic action. Collective action had played a critical role in the framing of land reform legislations as well as in their implementation, notwithstanding the strengths and limitations of whatever land reforms the state has had. Anti-systemic movements in Kerala did not resist the temptation to participate in local and regional governments for the fear of cooption. What they vowed to do instead was to combine participation and struggle (*Bharanavum Samaravum*) so that there was immunity to cooption[6]. The tension between participation in government or other spaces of authority and the need to carry on the struggle against the State has been an important feature of Kerala's experiments in democratic politics[7].

Launched in 1996, people's planning represents a new phase in the history of the democratisation movement in the state. It was designed to enhance the space and scope of participation. This was achieved using a two-pronged strategy: first, by strengthening the existing local government institutions and creating new ones; and second, by opening up new public spaces for facilitating participation. Even though there were some major initiatives earlier, the state had to wait till the 73rd and 74th constitutional amendments, to achieve a major breakthrough in the area of local self government and participatory planning. The constitutional amendments were followed up by state-level legislations,

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6. Bharanavum Samaravum can be translated as "participation in and struggle against the government/ State". This was the strategy employed by the left political parties in the state in Kerala. The communist party used to mobilise people against the government even when it participated or led the state government.

7. Democracy cannot but remain an unfulfilled promise under liberal capitalism. "A promise that could not be fulfilled without calling into question the privileged status of private property, the powers of the class which owns it , the apparently apolitical economy within which it is ensconced, and the social understandings of abstract individualism which are attendant upon all these" (Rupert 2000:5). The danger of cooption of anti-systemic movements venturing into the realm of participation and the emphasis on the struggles against the system should be understood in this background.

devolution of responsibilities, authority, and resources. This has helped establishing elected, empowered and hence genuinely democratic tiers of government below the state level. This has also enhanced the depth of electoral competition and hence democratisation of governance. Public spaces of participation were another major addition. Village assemblies, neighbourhood groups, development seminars, working groups and many such avenues of participatory deliberation were innovated. Incidentally, it is interesting to see how the opening up of new avenues of participation impacted the commitment towards public action and struggles. Whether the enhancement of participation would result in a compromise in the commitment towards anti-systemic struggles has been a major point of political debates in the state during the initial years of people's planning[8].

Centralised planning helps in the aggregation of individual choices and priorities to form general reason and common will of the nation. However, it is known to suffer from the limitation of glossing over or erasing important differences in the pattern of choices, arising on account of ethnic, social, gender, cultural, economic and spatial realities. It is also known for not paying adequate attention to local knowledge and local information. Centralised systems are also handicapped by their inability to respond quickly enough to local level changes. Decentralised participatory planning offers a solution to many such problems inherent to centralised systems. First, the level of aggregation of individual priorities is brought down from national and sub national levels to the local level that is likely to be much more sensitive to local level specificities and differences. Local governments are also better placed to accommodate and preserve local knowledge.

Similarly, moving the locus of the decision-making authority down the hierarchy and closer to local sources of information makes the system more reflexive and adaptive to changes at the local level. Participatory decision making will make the people own the decisions besides making them vigilant against possible deviations at various stages of implementation. It is true that participatory planning at the local level, in spite of its many virtues, entails some costs too. Even the most obvious things, which afford ready decisions, may prove costly in terms of time and other resources when the participatory route is taken. It may not be the first best route in all instances in terms of efficiency. Yet, it is considered desirable for its intrinsic value; it augments the quest for development as freedom (Evans 2002). The process of preference formation on public goods is as important, if not more important, as the preferences themselves. In fact, according to many scholars, an environment of collective action and public discussion is required for people to make informed preferences (Baiocchi 2003). Obviously, therefore, an alternative methodology of planning cannot but emphasise the need to maximise the space and scope of participation and public discussion.

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8.   It was a major political debate in the in the state, especially in the left circles, over the last ten to fifteen years. Critics of people's planning at the local level portrayed it as a neoliberal strategy, sponsored by international agencies such as the World Bank, to shift the burden of liberal reforms to the local governments and ultimately to the people themselves. The official view of the left formations on the other hand approached new avenues of participation as spaces for sustaining the struggle against neoliberal globalisation. Participation and struggle are seen as two sides of the same coin.

The virtues of participation, however, do not offer valid reasons to downgrade representative structures of democracy or to valorise direct democracy. This is obvious from our discussion on the role of mobilisation, collective action and participation in democracy. These factors admittedly play an important role in democratising democracy and making it more meaningful. However, they cannot play the role they are expected to without the presence of sound and responsive structures of representative democracy. Mobilisation, public action and participation are meant, more often than not, to make the representative structures more responsive and accountable. Participation should not mean throwing the baby of representative structures out along with the bath water. Representative structures, on the other hand, will become more vibrant and democratic by strengthening participation and by being more responsive and accountable to the people. Democratic theory must have clarity of thought on this question of the relationship between participatory and representative structures because the absence of such clarity creates confusion at the practical level, such as in making of development plans. This is important in the context of the tendency in the literature, especially in policy circles of international development agencies, to eulogize local and participatory structures of democracy while denigrating representative institutions. In development practice it also shows up as a tendency to prescribe local level participatory democracy as a magic formula to crack all difficult policy issues. This will result in the over-burdening of local participatory institutions with unrealistic expectations while allowing higher tiers of government shirk responsibilities. It is in this context that many critics of the participatory approach to development suspected it as a move to save the State, as well as the interstate system from the responsibility of failure and to make the people themselves responsible for State policy. In fact, it is such eventualities that transform participatory planning from its high position as a process of politics as such to an instrument of politics. As we have argued earlier, participatory structures cannot replace representative institutions of democracy; instead, they may be employed to strengthen the latter by making them more responsive and accountable to the people. Further, participation need not and cannot be confined to the local level. Democracy will become more sustainable and meaningful when people start participating at higher levels too by innovating different practices of collective action such as *sathygraha and* demanding responsiveness and accountability from holders of power.

Although conceptually it may be a possibility, it is almost impossible to imagine about historical democracy, i. e., democracy as it existed in history or likely to come into existence in future, without the facility of representation. Representation is a capability that human beings develop through history. As society develops, the institution of representation would also assume more sophisticated forms. Representation by force or tradition may give way to representation by choice, which requires building of trust. But, even the representation by choice we see in democracies can never be perfect; in fact, democracy can be seen as an incessant search for more representative representatives as well as more representative systems of representation. Democracy can disown a set of representatives or undo a system of representation, but can never abandon the institution of representation.

In representation, the represented entrust the representative to act on her/his behalf. Representation therefore can be explained in terms of the opportunity cost of the represented in acting on her/ his own. The opportunity cost of acting on one's own will tend to increase with growing specialisation and division of labour in society. The represented have an important role in deciding the quality of representation; they can do this by participating not only in the selection of representatives but also in ensuring their responsiveness and accountability. In other words, people should take active interest in politics and proactively participate in it. But, for various reasons, which can very well be delineated, people become apathetic and less inclined to participation. As low and declining voting percentages in many democracies suggest, people are becoming reluctant to participate even in elections, not to speak of other avenues of participation. An important reason for this is the elitist propaganda that systematically disparages politics, like for instance, portraying it 'as the last resort of a scoundrel', to drive 'decent' people out of politics, so that it is maintained as a preserve of the elite. Incidentally, proponents of the elitist theory of democracy believe that apathy of people and their reluctance to participate make democracy more sustainable. Another reason of course is the rising opportunity cost of participation. Frequent elections and too many participatory events can make poor people participate less because of the burden of earnings forgone. Free riding is another important reason for low participation rates; those who abstain assume that the system or those who participate would take care of politics without their having to find the time and energy for such matters. Those who free ride cannot be excluded from enjoying public good. Globalisation and deterritorialisation of communities also complicate the issue of citizenship and participation. On account of external integration and connections with the rest of the world, many people tend to have hardly anything to do with the localities they are supposed to be living in, except that they reside there. They tend to have more connections with the rest of the world than with the locality of residence; they could be working for distant clients and employing workers in other continents, besides being part of global networks and deterritorialised communities.

Exclusive residential zones of international standards that come up in otherwise backward localities make the problem of apathy towards participation still worse. The residents of such luxury islands are averse to local politics and social life and restrict local contact. They regulate horizontal transactions by maintaining private security, private roads, etc and sport a 'local people and dogs not allowed' attitude. Such exclusive colonies of the elite disrupt local public life in various ways, break the contiguous nature of public space, and render local people inferior citizens', and demean their existence. This trend raises important questions such as the limit to 'privateness' that can be allowed without infringing on the right of others to lead a public life. The issue involved cannot be ignored in a state like Kerala, where many such exclusive and supposedly private realms were broke open and made public through collective action. In the context of participation, it raises the issue of placing checks on free riding. Participation probably cannot be completely voluntary, especially in the case of local governments, because non-participation and free riding can in many contexts make local public life and local governance difficult. Governance issues related to land, water, waste management, pollution,

public health, security, etc., can be cited to illustrate possible inconveniences caused by non-participation. This is particularly so because the elites and their exclusive zones draw more than proportionately from common facilities and common property resources, while at the same time generating more waste and pollution.

Another problem that warrants attention in the context of a rethinking on the methodology of participatory local level planning is related to the division of responsibilities and powers across different tiers and agencies of government. Even though the thumb rule of subsidiarity, in which decisions should be made by levels of government no higher than that is necessary to perform a given function, is widely accepted, translating it into a working formula of division among different tiers is a complex exercise that might trigger intense turf wars among tiers and agencies of government (Oommen 2010). Conflict and confusion over roles, responsibilities, powers, etc., are likely to peak when structural changes such as a major decentralization programme is introduced. It will take some time for the system to settle down to a new equilibrium. In Kerala, the search for a new sustainable balance among agencies and responsibilities is not yet over. While there are many areas characterised by overlapping of authority and duplication of efforts, it is not rare to see areas or responsibilities with no clear takers. Nonetheless, as we illustrate in Section II, on account of accumulated dissatisfaction in the performance of higher tiers of government, and high expectations placed on local democracy, some overburdening appears to have occurred at the local level. The areas where the local governments fail or deliver poor performance more often than not are poor candidates for local governance. It is important to save local governments from unjustifiable expectations and unmanageable responsibilities. This is particularly important in the context of liberalisation and globalisation that render not just local but even higher tiers of government helpless in many areas. This is particularly true of areas where the interface with market is of critical importance. Interestingly, core areas of responsibility of local government such as sanitation, local roads, drinking water, etc., where they are reported to perform well have not yet been subjected to full play of market forces. However, this is not the case with the promotional activities associated with local production and employment generation related to agriculture and industry. In many of these areas, local economic units have to compete and survive in markets, which may appear to be local but are actually closely integrated with national and international markets. Local governments hardly have any mechanism to regulate or even influence such markets which affect local economies.

Local governments are likely to succeed where the local economy enjoys more relative autonomy. Products /activities characterised by localised markets, very high transportation cost, entry barriers, absence of scale economies, etc., are likely to provide this relative autonomy to the local economy. The opposite would hold true for products that have low transportation costs, enjoy scale economies, have no entry barriers, nationally or globally integrated markets, etc. The failure of local plans in productive sectors, especially industry, which is reflected in the abysmally low survival rates of micro enterprise units started under the auspices of local governments, will prove the point. It is not that such areas cannot at all be considered at the local level. An intervention strategy prepared for such areas,

regardless of the level of government, will have to be one that takes the dynamics of the market into account, and has inbuilt mechanisms to deal with uncertainties, risks and other complications arising out of exposure to competition. National or regional governments are better placed in dealing with the issues involved more than the local governments. This is an important context in which limits of local democracy become apparent. In most areas of economic policy the rules of the game are all set at higher levels of government, and in some cases, at the level of supra-national agencies, so that local governments can only hope to make the best out of externally set games. For instance, local governments can do very little to control inflation, or to check a sudden fall in the price of commodities produced in the locality. Even when the local governments intervene to moderate the effect of price movements on local producers or consumers, they can hope to do it only with the help of the higher tiers of government. In short, 'a global sense of place' is required, wherein it is seen as constituted by economic, social, cultural and political relations and flows of commodities, information and people that extend far beyond a locality (Mohan Giles and Stokke Kristian 2000). Any attempt to underplay contextuality of place, ignoring national and transnational economic and political forces, will only help prop up unrealistic expectations on local democracy, while at the same time exonerating the State and transnational power holders. The tendency to essentialise and romanticise local government also has the danger of downplaying local social inequalities and power relations.

Here, we need to mention the activities, which, on account of strong negative or positive externalities, cannot be entrusted exclusively to local governments. For instance, the intervention of a local government in matters relating to a river basin could have adverse and unsolicited effects on other locales in the same river basin. Interestingly, the right of local people to have their own local government cannot be allowed to infringe on similar rights of the people in other localities. The case of positive externalities which might spill over from one locale to another is the flip side of the picture. For instance, the positive externalities of the preservation of water bodies undertaken by a local government would spill over to neighbouring localities. All costs and benefits of such externalities need not always get into the decision making process of a local government, especially when the people affected are outsiders. In such cases, intervention from higher tiers of government may be required.

The issue of scale economies and efficiency is also relevant for government services that are not exposed to market competition. For instance, the argument in favour of separate and independent public services at the local level for important areas of services would go against the norms of specialisation and scale economies, and thereby affect efficiency too. Line departments of national or regional (state) governments are better suited to coordinate administrative services and professional groups related to public works, public health, irrigation, drinking water, geology, etc. The vertical departments are supposed to be depositories of accumulated knowledge, expertise and skills that are generated, preserved and diffused better when they operate with some minimum scale. Splitting the line departments into hundreds of separate and independent units would amount to dismembering the

professional groups in government. However, there is an apparent conflict between the idea of having strong line departments on the one hand and the need to integrate the operation of various development agencies at the local level on the other. Nevertheless, this is more of an administrative problem than a real development issue. Line departments should be able to serve lower tiers of government without compromising their responsibility with higher tiers. The introduction of separate local government bureaucracies in every area of specialisation would only worsen conflict.

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SECTION II

PARTICIPATION: FROM THEORY TO PRAXIS

The tension between the idea of democracy and its practice is played out mainly in the sphere of participation. Democratising democracy would invariably involve stretching participation beyond the production of governments. Participation, however, as we have tried to argue could be multifaceted and certainly need not be restricted to direct participation in decision-making at the local level. The history of democratization of the Kerala society would vouch for this as it is inseparable from the history of diverse, dense as well as intense collective action by the people of the region. The experiment of people's planning at the local level is best seen as one of the recent episodes in the larger struggle for deepening democracy, with an obvious focus on enhancing space and scope for participation at the local level. Here, the larger question of democracy – 'whether people can govern' – is confronted at the level of local development planning. When the people's campaign for planning was launched in 1996 it did not have any model of participatory planning from below to emulate. The campaign tried to learn 'by doing' and in the process, successfully evolved a methodology of participatory planning, which has undergone many changes over the past fifteen years. Here, we attempt a critique of the methodology of people's planning focusing mainly on the version currently in vogue in the state, an outline of which is presented in Table 1[9]. The participatory methodology was designed to demystify, decentralise, and de-bureaucratise the process of local level planning so that it is sensitive to the local development problems besides being responsive and accountable to the people. Nonetheless, as we have tried to argue in the previous Section, participation is akin to walking a tight rope; while it has the potential to be the main vehicle of democratisation; it also runs the risk of degenerating into an instrument of politics, bureaucratisation, co-option and legitimisation.

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9.   Important features of the methodology practiced during the eleventh plan period are available in a Government Order, G.O (M.S)/128/2007/LSGD, dated 14-05-2007 (KILA, 2009 d: 3-41). An account of the methodology used during the initial years (IX Plan) of the experiment of people's planning in Kerala is available in Thomas Isaac T. M. and Harilal K.N. (1997) "Planning for Empowerment: People's Campaign for Decentralised Planning in Kerala," *Economic and Political Weekly*, January 53-58.

Table1: Stages of Planning Prescribed During XI (2007-12) Plan

Serial Number	Phase
I	**Taking Stock : A Detailed Review of Development** Re-constitution of working groups and sector-wise reviews by them
II	**Preparation for Convening** *Gramasabhas* (Village assemblies) Preparatory interaction with stakeholder groups
III	*Gramasabha* **Meetings** General and subject group meetings
IV	**Watershed Planning** Introducing watershed dimension into local level planning
V	**Preparation of Approach Paper and Development Report** Consolidation of the outcomes of earlier phases
VI	**Preparation of Draft Annual Plan for the LG** Allocation of Plan funds and preparation of plan document
VII	**Development Seminar** Seminar at LG level with wide participation to discuss the draft plan
VIII	**Incorporating Suggested Changes in the Annual Plan** Effecting changes in allocation and other parameters if suggested
IX	**Preparation of Development Projects** Conversion of project ideas into project documents
X	**Finalisation of the Plan for DPC Approval** LG council meeting for finalising the plan
XI	**Technical Appraisal by Technical Advisory Groups (TAGs)** Procedural and technical wetting
XII	**District Planning Committee (DPC) Approval** DPC meeting
XIII	**Issue of DPC Proceedings** Formal approval to use plan funds
XIV	**Plan Implementation and Monitoring**

Source: Government Order, G.O (M.S)/128/2007/LSGD, 14-05-2007 (KILA, 2009 d: 41).

An assessment of the methodology of participatory planning cannot perhaps ignore the system that existed prior to its introduction. Such a comparison, however, is simple because, almost everything that comes up for decision in participatory planning now was decided earlier by the line department bureaucracies and that too, through non-transparent processes. Local governance was eventless and noise free. Local people, for instance, hardly knew anything about the selection of the beneficiaries of government programmes, to feel aggrieved or register protest. This was true of most government activities that reached the local level. That local governance has suddenly become a contested terrain enmeshed in debates and collective action is therefore a sign of successful democratisation. This is

also reflected in commendable improvement in the delivery of public services and local infrastructure (Benson and Rajesh 2011, Heller *et.al*. 2007)[10]. However, the signs of participation fatigue and possible bureaucratic capture of the participatory planning process are too obvious to be ignored.

The most telling evidence of the threat of bureaucratic capture is the unjustifiably long duration of the process of making and sanctioning of the local plans. Table 2 which presents data on District Planning Committee (DPC) approval of local government (LG) plans will help us highlight gravity of the problem. Even as late as in August (2011), only 34 per cent of the LGs had received the DPC proceedings permitting them to start plan implementation. The city corporations, including Thiruvananthapuram, were still waiting for the DPC clearance to start plan implementation. Even at this stage there were LGs which had not yet submitted their plans to the Technical Advisory Groups (TAGs). Moreover, even if we assume that all the remaining LGs received their DPC proceedings not later than the end of October, the time left for implementation for most would not have been more than four to five months. Obviously, the time that goes into plan formulation is greater than time available for implementation. Data for earlier years also reveal an almost similar pattern. Considering the adverse impact of such delay in the implementation of projects related to agriculture and allied sectors, LGs were encouraged to submit priority projects earlier (Phase I) without waiting for the finalisation of the LG plan. This was a welcome move, but only 203 LGs out of a total of 1223 availed of the facility in 2011-12.

The lag in plan formulation is reflected in the data on plan expenditure as well (see Table 3). However, the shortfall in plan expenditure is particularly worrying in the Special Component Plan (SCP) and the Tribal Sub Plan (TSP), which we shall take up later. The expenditure in the Women Component Plan (WCP) has also tended to lag behind. An equally important problem related to plan expenditure is its bunching towards the last quarter of the year. Even though this is a problem that also affects central and state governments, it is more severe in the LG plans. Table 4 which presents data on plan outlay and expenditure till the end of November 2011 is self explanatory in this regard. While the expenditure in state government plans reached 30 per cent, the LGs were lagging behind at 17 per cent. If the experience of previous years are any indication, expenditure levels are likely improve and

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10.　This comparison between pre and post-decentralisation periods is not usually attempted. Instead most commentators focused on the period since the introduction of democratic decentralisation, and also on the failure to maintain the tempo created during the initial (campaign) phase of people's planning. Compared to the pre-decentralisation period, we see remarkable improvement in the democratic space available to the people. The scope for electoral competition in general and women in particular has increased manifold, participatory spaces have multiplied, and actual participation of citizens in general, and marginalised groups such as Dalits and women, has improved compared to the pre-decentralisation period. Added to this has been the effect of participation spill over we see in new avenues such as the Kudumbashree Mission.

Table 2: Data on Plan Approval by the DPCs till August 2011-12

LGs	Phase I				Phase II				LGs received proceedings (%)
	Total LGs	Submitted to DPC	Approved by DPC	Proceedings given to LGs	Submitted for project TAG	Submitted through TAG	Approved by DPC	LGs received DPC proceedings	
Gram Panchayat	999	180	180	180	876	864	851	365	37
Block Panchayat	152	14	14	14	122	114	113	39	26
District Panchayat	14	1	1	1	2	1	1	1	7
Municipality	53	8	8	8	45	42	38	12	23
Corporations	5	0	0	0	0	0	0	0	0
Total	1223	203	203	203	1045	1021	1003	417	34

Note: The financial year is from 1 April to 31 March

Number of LGs is reported as in the Source.

Source: Local Self Government Department, Government of Kerala.

reach respectable levels at the end of the year. In the central and state government plans, bunching of expenditure is more of a payment problem than the actual execution of work, whereas with the LGs, the approval of the plan as well as its implementation is delayed beyond the half way mark of the financial year. Needless to say that the economic activities the planners wish to influence are mostly year-round activities and cannot wait till the last quarter of the year when the LGs start implementing their projects!

Table 3: Plan Expenditure of Local Governments in Kerala (percentage of outlay)

Type of LGs	General		SCP		TSP		Total	
	2002-03	2009-10	2002-03	2009-10	2002-03	2009-10	2002-03	2009-10
Grama Panchayats	48.06	79.70	36.32	61.91	29.16	67.71	44.56	73.61
Block Panchayats	53.84	81.70	35.96	81.08	33.33	84.48	48.21	81.65
District Panchayats	39.91	71.24	32.81	69.41	30.34	74.46	37.87	70.79
Municipalities	54.40	79.50	23.46	64.98	25.00	52.85	46.98	75.29
Corporations	42.87	73.83	22.55	48.84	0.00	0.00	38.43	66.15
Total	48.10	78.40	34.36	65.56	30.19	72.72	44.17	73.85

Source: Kerala State Planning Board, *Economic Review*, Various years, Government of Kerala.

Table 4: State and Local Plans: Outlay and Expenditure 2011-12

[Rs. in Crore]

Category	Outlay	Expenditure up to 30-11-2011	Expenditure till November 2011(%)	Expenditure till November 2010 (%)
State Plan				
State Plan Schemes	9435.95	3152.15	33.00	38.00
Local Governments (Grant-in-aid)				
Village Panchayat	1412.11	249.37	18.00	36.00
Block Panchayat	333.74	83.39	25.00	36.00
District Panchayat	342.64	54.54	16.00	34.00
Municipalities	306.17	43.44	14.00	36.00
Corporations	179.39	13.84	8.00	25.00
Total LG	2574.05	444.58	17.00	33.00
Total State Plan	12010.00	3596.73	30.00	37.00

Note: Figures are provisional subject to changes and corrections.
Source: Central Plan Monitoring Unit, Government of Kerala.

The data on the month-wise expenditure of development funds of LGs are presented in Figure 1. It brings out the problem of bureaucratic delays causing expenditure to bunch more sharply, and raises serious concerns regarding quality of project implementation under decentralised planning. All the three graphs, representing month-wise expenditure of plan funds for 2007-08, 2008-09, and 2009-10, were close to floor level till the end of the year before exploding to touch the roof in the last few months especially in March. It is alarming that the expenditure achieved in the month of March alone was as high as 65 per cent of the total annual expenditure in both 2008-09 and 2009-10! Keralites are now quite used to this deplorable 'March rush' in the LG system, and consider it a typical example of the Malayalam adage 'uthrada pachil' that mocks the *Malayalee* habit of waiting till the day of *uthradam* to prepare for the festival of *Onam* which falls on the next day.

The LGs are made to wait till the last moment to complete the formalities and to embark on and hasten implementation. This discomforting experience of the LG leaders can be further illustrated by narrating the experience of Thiruvananthapuram City Corporation in 2011-12, which we have been following right from start to end. From the words of the Mayor quoted at the outset of the paper it is clear that the plan projects of the Corporation, even though submitted as early as in August, were not cleared even as late as in November. The Corporation publicly protested against the delay on several occasions since then. On 24 February, the Corporation Council passed a special resolution in view of the delay in DPC process requesting the state government to extend the period of plan implementation by three months. Even till the middle of March, there were media reports regarding delay in DPC

Figure 1: Share of Month-Wise Expenditure in Total Plan Expenditure
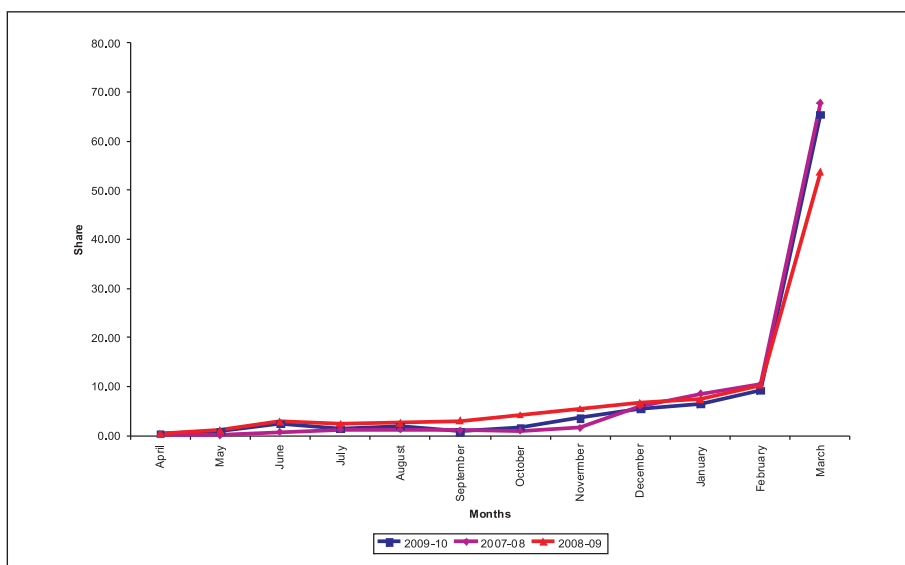
Source: SULEKHA, Information Kerala Mission, Government of Kerala[Accessed on 9 April, 2012].

clearance of some Corporation projects (Mathrubhumi Daily, 11 March 2012). However, the anti-climax of the story came immediately after the financial year ended when the Mayor claimed that the Corporation had spent more than 90 per cent of the plan outlay! Obviously, the Opposition was unhappy and came up with many questions and complaints regarding implementation, on which they demanded an enquiry by the state government. In spite of such problems, which recur every year, most LGs are constrained to rush through the implementation process, lest they are blamed for forfeiting the plan grant-in-aid from the state government. The predicament to rush through the implementation process results in questionable implementation practices, quality and efficiency deficit, corruption, parking of funds with autonomous implementation agencies, complaints from the public and audit objections (The Hindu Daily, 16 April 2012, Government of Kerala 2006). Such bunching of expenditure also makes plan monitoring difficult, if not unviable.

The signs of a possible bureaucratic capture present themselves more vividly when we dissect the process of plan formulation into its component phases (See Table 1). A perusal of the data on submission of plan proposals to the TAG suggests that the planning process up to the TAG phase takes around four months. This is clear from the data on submission of plan documents to the TAG in 2011-12; the cumulative proportion of LGs that submitted their plan proposals to the TAG was 20 per cent up to the end of June, 76 per cent till the end of July and 84 per cent in August. It took around two to three more months for TAG vetting, DPC approval and issue of DPC proceedings. The fact that 20 per cent of the LGs submitted their plans to the DPC before July suggests that there is scope for saving

time during the initial stages. But the initial stages involving gramasabha meetings, development seminars, and working groups are indispensible because they have a bearing on the extent and quality of people's participation in planning. The time taken up to the submission of plan proposals to the TAG therefore cannot be reduced substantially without constricting the space for participation. But, as we shall show later, it should be possible to plan ahead and complete the processes up to the submission of plan proposals to TAG well before the beginning of the plan year. Delays that are avoidable are those that happen mainly in the phase after the submission of plan proposals to the TAG. Notably, this phase has more to do with overseeing and disciplining of LGs from above than plan formulation as such. The TAGs are expected to ensure that the local plans fulfilled two important requirements; first, that the LGs have followed the prescribed procedures of plan formulation besides fulfilling the conditions set from above regarding project formulation and allocation of plan funds, and second, that the projects were technically sound and viable. The LG plan is approved and DPC clearance given only after TAGs complete their job including technical vetting of all projects included in the plan.

It is this disciplining phase that proves to be quite debilitating for the LGs. A cursory comparison of LG plans with the state plan in Kerala will help clarify the point. The line departments and other claimants of the state plan funds are supposed to submit their plan proposals for the forthcoming year to the State Planning Board well in advance during the period September to November every year. After consultations at various levels the state plan is finalised by the Cabinet and presented to the Legislative Assembly along with the annual budget in March. The line departments can start implementing the programmes right from the start of the financial year, as and when they are given administrative and technical sanction. In state plans, detailed administrative and technical vetting of individual projects and the issue of technical sanction are separated from the process of plan formulation. These are seen as tasks related to implementation. The plan is not withheld for want of technical clearance for any particular project, however important it is. The case of LG plans is the exact opposite; administrative and technical vetting of project proposals and technical clearance precede the implementation phase. An LG plan, for instance, can be withheld for want of technical clearance of projects included in the plan document. It is a clear instance of bureaucratisation and lack of trust in the LGs.

In a multilevel system of planning as in Kerala it may be important to have guidelines and norms set from above for ensuring coordination and integration among the different tiers of government. Such a system might also need some mechanism to ensure that all agencies involved conform to the guidelines. What is emphasised, however, is lack of trust and the inefficient manner in which norms are administered. The present system appears to mix up the making of the plan with its implementation. Just as in the case of the state plan, detailed administrative and technical vetting for issuing technical sanction can be shifted to the implementation stage. Finalisation of the plan does not have to wait till the last project is given technical clearance. The proposed separation of the planning and implementation stages would save two to three months and allow the LGs start plan implementation much more in advance. Once the plan is approved, implementation of projects can commence as and when individual

projects are accorded technical sanction. Technically complex projects may take more time to get started but they will not hold back implementation of other projects included in the plan. The proposed change will have positive implications for other aspects of local planning as well. It will now be possible to complete the entire process of plan formulation before the beginning of the plan year, as done in the case of the state plan. On account of bunching of implementation activities in the last quarter of the year, the LGs were not in a position to go through the processes of plan formulation such as convening of gramasabhas before the beginning of the new plan year. Once plan implementation is more evenly spread out, LGs can also go by the pattern followed by the state and central governments and prepare the plan in advance. If so LG plans can be integrated with the LG budgets and presented in March itself, which incidentally was the long pending suggestion for improving local governance in the state.

Another spill over benefit would be the reversal of the role of the TAGs from their current disciplining and regulatory function to the originally visualised participatory one. The Technical Advisory Group and its predecessor, the Voluntary Technical Corps (VTC) as their names suggest were designed as participatory spaces for experts in different fields to provide professional advice on a voluntary basis and thereby empower LGs in technical matters. But over time, the TAGs were co-opted and converted into a regulatory arm of the government, leaving little space for free discussion and exchange of ideas. Incidentally, cooption and the loss of critical space has a tendency to drive away many genuinely interested experts from the TAGs. It is also a matter of consensus that the TAGs could not live up to the regulatory role entrusted to them. Once the TAGs are relieved of the responsibility of giving administrative and technical clearance to the LG plans, they can be reverted to their original role of finding technical solutions for local development problems confronting LGs and local communities. The expert members of TAGs can study local development problems, analyze project proposals of the LGs, identify limitations and gaps, and help to make them technologically viable and innovative projects without wielding the regulator's whip. The TAGs can also play a major role in the preparation of district plans, besides helping coordination and integration of planning across different tiers of government, even when confined to their advisory role. The task of giving technical sanctions can be entrusted to the concerned line department officials, who would also bear the responsibility of their decisions as serving government officers. There could be situations, as earlier experience shows, where the bureaucracy refuses to give technical sanction even to eminently viable projects submitted by LGs. This problem can be solved by the District Planning Committee (DPC) by setting up appellate technical panels at the district level, or by entrusting the responsibility to senior officers in the government system.

An issue that may crop up here is that of possible deviation between the DPC approved LG plan and the plan that would emerge after the process of technical vetting and sanctioning. It is a genuine concern because, for instance, there could be substantial deviations from the norms prescribed for sectoral allocation of plan grants-in-aid. This can be checked to a significant extent by suggesting the limits to deviation allowed in revised project proposals from their respective outlays approved in the plan. However, admittedly, some deviations are likely to remain. But, this is only to be expected. The

plan and its product cannot be the same. What is advisable is to learn from mistakes to make more realistic plans on the one hand and to introduce corrective measures, wherever necessary, on the other. After all, such deviations occur and are permitted in state and central government plans.

More direct evidence of bureaucratic capture is to be seen in government orders related to LG plans, which would beat any other aspect of governance in the state in terms of number as well as sheer volume. The Kerala Institute of Local Administration (KILA) has done a commendable job in collecting and putting together all the government orders and circulars in five volumes running into more than 1200 pages. In addition to this, there are handbooks and other publications brought out as a part of the capacity building programmes. All government orders included in the volumes are not directly related to plan formulation. But, government orders included in volumes 4 and 5 which run into 434 pages have a direct bearing on plan formulation. It will be counterintuitive to argue that the multiplicity of government orders is a sign of transparency and demystification of planning meant to facilitate participation. The question of demystification assumes even more importance when we consider the fact that the system is much simpler at the level of the state government departments. There is no compilation of government orders pertaining to state level planning readily available, but the government orders in use issued by the concerned departments do not exceed more than a dozen or a maximum of fifty pages in volume. Even though it would be interesting to pursue the question as to why the government orders related to LGs had a tendency to multiply in number and got so complicated in content, we had to desist from the temptation. Nonetheless, some important factors can easily be traced, which, interestingly do not conform to any simplistic notion of bureaucratic capture. First, some of the orders or parts of them were meant to demarcate areas of jurisdiction and responsibility among different tiers of government, which was perhaps necessitated by the fact that decentralisation was newly introduced in the state. Second, there was an element of pedagogy visible in the language used and the descriptive style adopted in the LG orders that tended to make them uncharacteristically long and voluminous. This was obviously meant to help newly elected representatives and volunteers. However, it turned out to be counterproductive in many contexts. For instance, illustrations regarding procedures, introduced with a view to help the LGs, were interpreted as mandatory steps to be followed in plan formulation. There were also instances where the audit team interpreted the government orders in the literal sense, overlooking the spirit of capacity building that guided those who drafted the orders. Third, the LG orders were the mechanisms meant for communicating and implementing central and state government priorities pertinent to the devolved plan funds. Guidelines regarding sectoral allocation of plan funds or use of SCP and TSP funds are good examples. Such communication is almost unavoidable in a setting of multilevel planning, especially if the local is not idealised and the threat of particularism is to be checked. Fourth, for want of other viable mechanisms, government orders were used as instruments for coordinating and integrating the development interventions initiated by different agencies. Fifth, unlike the field officers of government departments, the LGs and local people provided prompt feedback, frequently necessitating revisions and amendments. None of these

explanations can however hide the lack of trust in LGs and the resulting bureaucratic reluctance to leave the decision-making space to the local level. A critical reading of the text of a sample of LG orders will prove this point beyond doubt.

We take two often cited programmes for the purpose of illustration, viz., the EMS Housing Programme and the One Million CFL Lamp Campaign. The EMS Housing Programme is of special interest not only because it was instituted in the name of the first Chief Minister of Kerala but also for its apparently ambitious but laudable goal of providing land for all landless households and houses for all the houseless poor in the state. The excess load of mutually contradicting government orders pertaining to the Housing Programme was a point of discussion in the state. We have located as many as 14 government orders/circulars pertaining to the programme, each one promising that further clarifications will follow. The language of the orders was linear, unidirectional, and clearly undemocratic. They went into every minute detail and gave commands to the lower tiers of government and their functionaries. The power structure they signified was so unequal that it left no trace of agency to the LGs, except committing their resources, including borrowed funds, for the programme! An important point of decision of the programme was the selection of beneficiaries, which left no space whatsoever for the LGs. The beneficiaries were to be selected from among landless and houseless people in the BPL list, and some new applications were to be received from certain specified categories of people. Norms for identifying the eligible and weeding out others were also given from above. The story of control did not end there; the norms of beneficiary selection as well as the directions on the steps necessary to purse the norms were also given from above. The LGs were required to appoint verification teams to decide on the eligibility of beneficiaries, but the constitution of the team was to be as specified from above. In addition to the verification teams, two super check teams were to be constituted consisting of a panel of government officials suggested from above. The idea that everything is best decided from above stretches far beyond what is suggested here. Formats for receiving applications and preparing the list of beneficiaries, five digit codes to be used to identify beneficiaries, and so many other seemingly trivial things were decided and given as commands from above. What is said here about beneficiary selection is equally applicable to every other aspect of the programme. What would happen when such a comprehensive regime of power varies its commands and controls too often? It is not surprising that many LGs, elected representatives as well as officials at the local level, found it humiliating[11].

Even though the One Million CFL Lamp Campaign was another highly centralised programme implemented through the LGs, with humiliatingly insignificant agency given to LGs, it had an amusing comedy value to it. The orders related to the CFL Campaign, despite the mark of centralisation they

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11. As many participants in our workshops explained, what was most embarrassing for elected representatives as well as officials, were the frequent changes in the list of beneficiaries on account of changes suggested in the norms. They found it extremely difficult to explain and convince people about such changes in the list of beneficiaries.

bore, appeared as if they were written to mock the tendency of over centralisation. Set to serve the commendable goal of energy conservation, the programme envisaged replacement of ordinary bulbs by distributing one CFL lamp each to every BPL family. Although the goal was as simple as providing a free CFL lamp, the mandatory stages of preparation were mockingly more elaborate than the housing programme. It mandated the constitution of jumbo organising committees at district, block, and village/ municipality levels. What it suggested for finalisation of the list of beneficiaries was a long drawn out and cumbersome procedure involving more verification stages and super checking when compared to the housing programme. It turned more comic with the suggestion to collect and transport all replaced bulbs first to the LG office, then to the block office and finally to the district centres. In the end, the district centres were to solve the problem of disposing on an average of around one hundred thousand bulbs. In short, in both these cases LGs, were denied even the degree of freedom that the line departments usually gave their field offices.

Plan Formulation and Limits of Decentralisation

In the previous Section, we outlined certain limitations of local governments in making interventions in the goods producing sectors, especially in industrial activities. It is such structural constraints and limits of decentralisation that led to widespread complaints among LG leaders, which were echoed in our workshops as well – that there was shortage of viable project ideas in the goods producing sectors. This is a problem more acutely felt in the case of special component plans such as SCP, TSP, and WCP, where the scope of spending on infrastructure development is relatively less. This limitation of the lower tiers of government has some implications for the methodology of planning. The guidelines issued by the state government insist on a certain minimum allocation for the productive sectors. The limitations arising out of reasons such as scale economies, market distortions, and competition from established players from within and outside the country, etc., that we discussed in the previous Section are likely to persist, more so in the present neo-liberal policy environment. However, it should be possible to ease some of the constraints imposed by the state government guidelines. For instance, LG intervention, especially the package of assistance extended to the producers is typically confined to the BPL category. This is widely reported as a factor constraining the viability of LG intervention in the productive sector. The LG plans should have a broader scope than the typical anti-poverty programmes. In priority areas such as food security, the definition of beneficiaries should be broad based to include all producers including the 'non-poor'. All farmers coming forward to cultivate paddy or vegetables or rear cattle, for instance, deserve to be encouraged by way of subsidies, even if the rate of subsidy was to be lower for the 'non-poor'[12]. This, in general, shall be the approach to economic activities with positive externalities, such as conservation of paddy land, protection of

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12. Incidentally, the average area of land owned by rural households in Kerala was as low as 0.26 hectares in 2003. Further, in Kerala 92 per cent of the operational holdings operate less than 1 hectare of land. In spite of widely acknowledged vulnerability of small holders majority of them might get classified as 'non-poor'.

sacred groves, or a private project proposing to use solid waste to produce energy. Private initiatives even from 'non-poor' categories deserve public support in such enterprises. A broad-based approach of this nature will also help address the widely observed problem of alienation of the 'non-poor', especially the middle class, from participatory planning. It will also lead to their wider participation in gramasabhas and other participatory spaces.

In the case of the other constraints in the productive sector, the local planners can imbibe valuable lessons from their experience, which is marked by success stories as well as high failure rates. Green patches are seen more in areas least affected by structural factors such as scale economies, advertisement intensity, or brand name loyalties. Farming and dairy, for instance, have a higher number of success stories. Admittedly, even such sectors suffer from structural issues such as scale, although on a less intensive level. Development interventions in such areas succeed when producers are extended organised support to overcome structural barriers. The support extended by the Kudumbashree Mission to the women's neighbourhood groups and the Vegetable and Fruit Promotion Council of Kerala (VFPCK) to the vegetable farmer's markets is worth reporting here. There are many other individual success stories specific to particular LGs which can be used to illustrate the point. In most of these cases, government or semi-government agencies are seen to offer a helping hand to petty commodity producers to overcome structural constraints.

In the case of industrial activities, the influence of structural factors such as scale of production is much more pervasive and hence all the more challenging when it comes to organizing support for the producers. Many complementary activities such as organising marketing networks or brand name development are beyond the reach of lower tiers of government. Higher tiers of government, including line departments of the state government, should be able to take up such roles they are the best positioned to help the lower tiers successfully intervene in the productive sector. The state government and its agencies should come up with major programmes at their level to encourage and sustain LG interventions in the goods-producing sectors. However, it goes without saying that the neo-liberal environment would not allow higher tiers of government to take a leading position of this nature. In the absence of such support, it is not at all realistic to expect many success stories from the lower tiers of government and the petty commodity producers they endeavour to support.

It is quite unusual to expect governments, at any level for that matter, to complain about the excess supply of resources. They seldom admit lack of capacity to use available resources. But, it is very common to come across such complaints from LSGs especially in the area of SCP and TSP[13]. This is also obvious from the data on plan expenditure, which show the SCP and TSP lagging far

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13. This is an issue hard to miss in any discussion on local level participatory planning in Kerala. LG representatives, almost without exception, complain about shortage of viable project ideas in the area of SCP and TSP. The story was repeated in our workshops too. Pandalam Prathapan, a panchayath president from Pathanamthitta district, who is also a vice-president of the Panchayth Presidents Association in the state, explained the reasons for the shortfall in SCP and TSP expenditure in our workshop, which was generally accepted by other participants as well.

behind the general segment for many years. Notably, even the best performing panchayats tend to register significant shortfall in SCP and TSP expenditure. There are limits to the spending of SCP or TSP funds in the infrastructure sector because infrastructure projects generally fail to meet the conditions for a minimum proportion of beneficiaries from the scheduled castes and tribes. There are difficulties in formulating welfare programmes too because many LGs have already achieved the targets related to housing conditions, electrification, sanitation, drinking water, etc. with respect to potential SCP and TSP beneficiaries. In fact, the felt need in the SCP and TSP is to generate livelihood opportunities, either in the form of income accruing assets or employment generation. However, the problems that we discussed earlier in the context of LG intervention in agriculture and industrial activities are more severe in the case of the SCP and TSP. Landlessness or inadequate possession of land makes agriculture and allied activities unviable for many of SCP and TSP beneficiaries. In the case of industrial activities, the general limitations discussed earlier are applicable to the SCP and TSP as well.

The issues we raised here have a bearing on the devolution of resources to the LGs. It raises concerns regarding the proportion of SCP and TSP funds transferred to the LGs. According to a study group set up by the State planning Board (Government of Kerala 2008) during the tenth five year plan, about 62 per cent of the SCP outlay and nearly 50 per cent of the TSP outlay were transferred to the LGs. In contrast, only 30-35 per cent of the total outlay of the state plan got devolved to the LGs. Obviously, the SCP and TSP devolution appears to be on the higher side. This issue assumes added importance because the LGs are penalised for expenditure shortfall in SCP and TSP by cutting down of their general purpose funds. Such shortfalls and compensation from general purpose funds leave many LGs with very limited space to make projects in the general segment. It is widely alleged that this is also a reason for the alienation of other segments of the population from the planning process. The process of effecting compensatory cuts is also known to hold up the planning process and contribute to the delays, so much so that there are instances of the LGs offering to surrender SCP and TSP funds. It also raises the question as to whether it is fair to penalise the potential beneficiaries of general purpose projects for the mistake of the local government. In our opinion, the root cause of the problem is the structural constraints that limit the capacity of the lower tiers of government to formulate viable SCP and TSP projects. Such structural barriers are best addressed at higher levels of government. Therefore, the state government should either scale down the proportion of SCP and TSP funds earmarked for LGs or come up with an effective support mechanism to make their projects sustainable.

Building the Future

Planning among other things is also an exercise in imagining as well as building the future. It also involves an incessant process of reconstructing history so that a better view of future is possible. Planning becomes a meaningless exercise in the absence of such an exercise of learning from the past for visualising and making decisions for the future. In the absence long-term planning or perspective planning, planning tends to become an excuse for adhochism. This in fact is the danger confronting

LG plans in Kerala. Local level planning in Kerala, despite the best efforts made in the past has not been able to go beyond the preparation of annual plans. According to an award winning panchayath president from Thrissur district, "Absence of five year plans make big thinking impossible at the local level. It is difficult to plan multi-year projects and hence LGs tend to make small projects which can be implemented in a year. There are many areas that require larger projects with multi-year resource commitment as well as a multi-year implementation schedule". This is a point of view that is widely shared among LG representatives. Even though the five year plan is an integral part of the methodology of planning originally visualised for people's planning, it proved to be an evasive goal because of the heavy burden of procedures related to preparation of annual plans. The LGs were perennially preoccupied with either the preparation or belated implementation of annual plans. The alternative suggested here will allow some leeway for making longer term plans and strategies. In fact, imaginative planning for the future should be a continuous process. All possible participatory spaces should be used to envision the future course of development of the region.

State intervention in development is multi-faceted, and happens over time and over different tiers of government, as well as horizontally across spaces among governments belonging to the same tier. Most often, as it is put in a lighter vein, one hand of the state does not know what the other is doing. Local level planning opens up a vantage point for integrating various lines of intervention; for instance, the lowest tier of government is a meeting place of activities of the entire hierarchy of governments and government agencies. The lowest tier of government, village panchayats and municipalities, therefore, can play a major role in integrating the activities of the different tiers. Lowest tiers of government can plan their activities in the light of those taken up at higher levels, while the higher tiers can try to be as sensitive as possible to the priorities set at the lower level. In other words, in a system of multi-level planning, development planning will turn out to be an iterative process of continuous communication and adjustment among the different tiers of government. The practice of integration and its success vary significantly across regions. In a majority of the LGs we do not come across serious efforts at integration, except conforming to certain mandatory conditions set from above to ensure integration. But there are also commendable success stories of integration across various arms of the government. The Kodakara model in Thrissur district, for instance, is a widely acclaimed success story in the area of plan integration.

The DPC, as the 73rd and 74th constitutional amendments suggests, is supposed to play an important role in making the district plan for integrating the activities of different tiers of government. In spite of the importance attached to the district plan, and some efforts made earlier, the idea is yet to be translated into practice in Kerala.

Participation Fatigue

The reasons for citizen's apathy and participation fatigue should be obvious from the discussions so far. Intensification of social division of labour, rising opportunity cost of participation, free riding,

etc., might have contributed to this trend. The failure of local governments to convert participation into responsiveness and accountability and provide tangible results, or a realisation gap appears to have dissuaded people's participation. There are objective limits to decentralisation that constrain LSGs in their effort to live up to the expectations of the people. This limitation comes out quite sharply in the case of their ability to create livelihood opportunities for the people, especially in the goods producing sector, on account of structural reasons. But, as our discussion so far has shown, there are factors specific to the methodology of local planning that contribute to the realisation gap. The complexity of regulations, lack of transparency, and mystification of the planning process do not help the cause of participation.

Gramasabhas offer the broadest platform for participation in the Kerala experiment where all voters are supposed to participate. They play an important role in registering the development needs and priorities of the people, in the selection of individual beneficiaries of welfare programmes, and in the social auditing of the programme in general. But, it is common to come across the gramasabha participants protesting that what they discuss is scarcely reflected in the local plan. One obvious reason for this is the practice of setting an unwieldy agenda for the gramasabha meetings. There is a limit to the capacity of decision making of a gramasabha which comprises of hundreds of people meeting for few hours. The overload of work makes their processes ritualistic and incapable of leaving any clear messages for the other stages of the planning process. The Brazilian experiment of participatory budgeting offers some useful lessons in this context. In participatory budgeting, participants choose among broad areas of development by registering their priority ranking. The exercise is simple, precise and transparent. It also affords clear messages for those who allocate budgetary resources across the listed areas of development. It provides dependable templates for gauging the responsiveness of the budget to the suggestions made by the people.

The Kerala experience provides interesting instances of co-option and incorporation of participatory institutions that adversely affect their legitimacy and ultimately, the participation rates. In Kerala, the policy has been one of encouraging beneficiaries to participate in project implementation such as construction of small buildings, roads, canals, etc. Beneficiary committees were given all encouragement, including advances for meeting working capital expenditure. The beneficiary committees have turned out to be a big failure because fake committees far outnumbered the genuine ones. This has also turned into a method of co-opting people from the locality to support corrupt practices. The beneficiary committees also tended to pre-empt local vigilance groups that kept a watch on the quality of work executed. The distinction between citizens, who are entitled to raise questions and the State machinery, got blurred. Such confusion regarding roles, responsibilities and powers of participatory institutions and the various arms of the State machinery can prove to be highly debilitating. For instance, when people are dragged into and entrusted with the responsibility of making the project documents, technical vetting, issue of technical sanction, and execution of work they would lose the

right to monitor and criticise[14]. Instead, they get entangled in the cobweb of rules and regulations. In the process, on account of confusion regarding roles and responsibilities, the State machinery and members of the bureaucracy would make smart escape. They cannot be made accountable. It is also a recipe for the breakdown of the monitoring machinery. Lack of clarity of roles will raise the question as to who will monitor whom. Likewise when participatory forums take on the role of execution, it can also lead to alienation of the experts within the government. When participation is stretched beyond policy making, prioritisation, and monitoring and penetrate into day-to-day governance and execution, it could simultaneously alienate experts within the government and also absolve them of all responsibilities. LGs in Kerala and the experiment of people's planning, no doubt, are suffering from this syndrome of lack of clarity of roles and responsibilities.

Incorporating people as beneficiaries or as experts into the government machinery and entrusting them with the responsibility of execution and regulation, make them vulnerable to cooption. Even the elected councils and their members as well as political parties are not immune to the threat of cooption. Once they gain access into the State machinery, the new recruits are also subjected to the tyranny of government rules designed to see that they do not violate the discipline of the job they are entrusted with. In the process, needless to say, the co-opted groups are relegated to the lowest rungs of bureaucracy, bound by orders and circulars, and deprived of the freedom to disagree and protest. Participation in the absence of constant vigil and struggle against cooption can degenerate into a process of making subjects out of citizens.

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14. Incidentally, unlike in the higher tiers of government, elected representatives in LGs in Kerala are very closely involved in day-to-day governance activities. Very often than not, they take on the role of the executive, so much so that it is unclear as to who makes the decisions on plan execution. Fixing the responsibility of decisions therefore becomes an unenviable task. Needless to say that such an environment of flux is conducive for rent seeking activities.

SECTION   III

SOME SUGGESTIONS

The people's planning programme in Kerala, the latest episode in the state's experiments with democracy, is in the shadow of a threat of bureaucratic capture. Government orders, and rules and procedures set from above appear to have subdued the process of participatory planning from below. In view of the gains already made in deepening democracy and the immense potential yet to be realized, it is important to make corrective measures to put the experiment back on track. The goal of democratisation should be upheld by restoring and strengthening participatory spaces built into the process of planning from below. This can be achieved only by demystifying and debureaucratising the planning process and making it as simple and transparent as possible. The enthusiasm for maximising participation, as we have argued in the present study, however, should not be allowed to degenerate and give into a strategy of co-option. Participatory spaces should be allowed to retain their relative autonomy and hence, the right to be critical. Further, it needs to be emphasised that people's participation is not a substitute for expertise or experience in development planning. Instead of replacing experts and absolving them of responsibilities, participatory planning should strive to make maximum use of expertise within government as well as outside without compromising on the principles of accountability and responsiveness towards the people. The experiment should also be sensitive to the limits of local level participatory planning and governance. The local governments should not be overburdened with responsibilities that are beyond their competence. Further, there should be concerted efforts to better integrate the different tiers of government and other agencies involved in planning.

Planning is an exercise in imagining and building the future. Planning becomes meaningless in the absence of such an exercise of learning from the past and visualising the future. Long-term perspectives and five year plans should be developed. The process of imagining what the future will be like should be a continuous exercise. To facilitate this, we suggest the formation of Local Planning Commissions/ Local Planning Forums at the level of each LG with the head of the LG as chairman and experts nominated by the LG as vice chairman and members. It should be a participatory space of local people for imagining the future of the region. The Local Planning Commission can organise consultations on local development issues; prepare draft perspective plans, draft five year plans, and a shelf of draft

project proposals. Its role, however, should be just advisory and voluntary in nature. All decisions should be made by the elected councils.

The approach towards the five year plan should not be too ambitious. Estimates on outlay and allocation cannot be very precise. But, the five year plan, apart from setting the general goals, should have a clear idea on important multi-year projects, which require firm commitment regarding the investment of plan funds. If big infrastructure projects of general importance are undertaken, a fixed proportion of the outlay in each year could be exempted from the sector-wise allocation limits.

LGs could be encouraged to create more avenues of participation. However, too many mandatory participatory events may prove to be burdensome for economically disadvantaged people because of the opportunities that are foregone. Two gramasabhas related to planning should continue to be mandatory. A rethink on the conduct of the planning gramasabha is also recommended. Apart from reviewing implementation of the current annual plan, it is also expected to discuss the plan proposals for the forthcoming year. An assembly of voters cannot get into the technicalities of the project proposals. Following the Brazilian model of participatory budgeting, the gramasabhas can record the preferences/ priorities marked by the participants. Ten to fifteen areas/ problems can be identified and suggestions obtained on the printed forms which have provisions for adding on new problems identified by the participant. This will turn out to be an important data base for planning as well as a document of the people's priorities.

There should be some initiative to regulate free riding. Participation in local governments, unlike at higher levels, cannot be left completely to the discretion of residents because non-participation of some can cause great inconvenience to others. Non-participants, especially the rich, may be given some disincentive such as a surcharge on local taxes.

Development Seminars also play an important role in participatory planning. They provide a more conducive forum compared to gramasabhas for deliberating common development issues of the LG taken as a whole. Strengthening of development Seminars therefore will help the LGs address the problem of ward-wise division of plan funds, which is quite rampant among LGs in Kerala.

In order to augment participatory space, LGs could be encouraged to convene Janakeeya Darbars once in a month on a fixed date when the LG members as well as officials can be present to hear the suggestions of the people and redress their complaints. This will promote citizen feedback and the accountability of LGs to the people.

The LGs may be encouraged to publish an implementation yearbook at the end of every plan year. This is in addition to the information required to be made available to the public even as the process of implementation is in progress. The implementation yearbook will have to be a comprehensive report on plan implementation, giving information on each project implemented during the year, with details on individual beneficiaries, areas impacted upon, expenditure and achievements. Publication of

such information should be seen as part of the democratisation process. This will make monitoring and social auditing more rigorous.

The working group that translates development ideas into project proposals is another important participatory forum. Participation of experts and volunteers in working groups, especially their right to be critical, will influence the project proposals. The LGs should try to use such expertise and local knowledge to the maximum. Nonetheless, volunteers in working groups need to have only an advisory role. This will help avoid the danger of co-option of an important participatory forum and at the same time ensure accountability of the bureaucracy. Responsibility of convening the working groups and preparing the project proposals should be that of assigned officers. It should be her (his) responsibility to abide by the government guidelines regarding project formulation. After all, this is the practice followed at the higher tiers of government. The implementing officers should own up the project proposals. The conflicts between volunteers and officials, if any, may be resolved by the LG and the concerned line department. Participation is not meant to relieve government officers of their responsibilities. Instead participation should make the officers more responsible and accountable.

The same approach should be adopted in the case of technical sanction as well. The line department official issuing technical sanction should own up the responsibility of TS as in the case of all other government projects. Some mechanism should be put in place to resolve conflicts related to the TS, if any, between the assigned officers and the LG. The DPC can intervene to make alternate arrangements if required.

Beneficiary committees, except in special cases, need not be encouraged to take on the role of implementation. They present a good instance of co-option. Participatory spaces may be allowed to retain their autonomy and hence critical edge. As far as possible, the responsibility of execution should be left to the government officers so that there is accountability. Relieving people and their representatives from the responsibility of execution will help them retain their right to raise questions and criticize. This need not at all be and should not be at the expense of the power of the people to make all policy decisions.

The planning methodology at the local level need not be too rigid in comparison to the procedure at the state level. At the state level, detailed technical vetting of project proposals is not mandatory at the planning stage. Technical vetting and issue of technical sanction are done at the implementation stage, i.e., after the annual budget, and hence, also the annual plan, is approved by the state legislature. The detailed technical vetting by the TAGs need not be made a precondition for plan approval by the DPC. DPC level vetting of local plans shall be confined to a review of procedures and guidelines issued by the state government. This can be done by the DPC secretariat. This suggestion will save the LGs nearly two to three months in their annual plan formulation cycle. It will also end bunching of implementation activities in the last quarter of the year.

The practice of integrating non-plan items of expenditure such as repair and maintenance with the annual plan may be discontinued. This is particularly so in the case of own funds of the LGs.

Given the nature of the DPC, it may not be possible to have too many meetings in a month. The DPC Chairman therefore may be given the power to give provisional sanction to the local plans after the vetting of the DPC secretariat, subject to the final DPC approval. The provisional approval can be used to move the projects for technical vetting and sanction by designated officers. Tendering, arrangement of work and payment can be made only after the final DPC approval. This will save time spent waiting for the DPC meeting to take place.

Since the last quarter of the financial year will be less cramped in the proposed alternative methodology, the LGs can try and complete plan formulation stages for the forthcoming year towards the end of the current year. This will open up the possibility of integrating local plans with LG budgets.

Once the DPC approval is granted, the LGs should be free to start implementing the plan. They can start implementing the simple projects first. More complex projects may take more time for technical sanction. Their implementation can wait till the TS are obtained. The TS shall be delegated to the assigned officers who also own up the responsibility. If TS is delayed on account bureaucratic apathy, there should be an alternative mechanism to issue the TS, provided the project is found technically sound.

The TAG, as a participatory forum for experts who volunteer their services, should not be dispensed with. It can continue to provide the LGs with technical help. They can study project proposals of the LGs, identify strengths, limitations and gaps, and suggest changes to be brought about in the forthcoming years. They can also play a lead role in formulating the district plan. TAGs, and for that matter other participatory space, should not be used for regulatory purposes. The regulatory role, as recent experience show, might tend to dissuade experts, who are driven by voluntarism, while at the same time attracting those who wish to misuse authority.

The difficulty of LGs in making and implementing productive sector projects should be addressed. This, however, should not be an excuse for increasing the limits imposed on infrastructure sector. In projects belonging to goods producing sectors, especially in priority areas, or in the case of activities with benign spill over effects, such as food security, sanitation, or waste disposal, the non-poor or APL producers should not be excluded. But the subsidy rate if any shall be lower. This will help LGs to at least partly overcome their limitation in the goods producing sectors. It will also help broaden participation.

The failure rates in goods producing sectors, especially in industrial activities, should be brought down. For this, the higher tiers should support the LG initiatives to overcome structural constraints

such as scale economies. For instance, major large scale marketing initiatives can be taken up at higher levels. Such changes will help the LGs in conforming to the sectoral allocation guidelines.

The practice of penalising and effecting compensatory cuts for the shortfall in SCP and TSP expenditure from general purpose funds may be discontinued. This will also encourage more broad-based participation. The proportion of SCP and TSP funds devolved to the LGs appear to be on the higher side. The state government departments cannot shirk the responsibility of making effective use of the funds. There are important structural barriers that stand in the way of creating viable projects in the SCP and TSP at the local level. Complementary activities will have to be designed at the higher levels to make SCP and TSP projects more sustainable. TSP and SCP funds cannot be allowed to lapse; unspent funds, if any, should be taken back and used to meet expenditure under the same head in the state departments.

An important unfulfilled goal of the Kerala experiment is preparation of the district plans. The district plan should be developed as a means to achieve integration of development plans undertaken by various tiers of government at the district level. The idea should be to ensure that various development agencies operate in a complementary manner so that the district as whole progresses in the desired direction. The district plan, on the basis of detailed assessment of development sectors on the one hand, and an in-depth review of development interventions by various agencies on the other, should be able to set development goals for the district and matching guidelines to be followed by various development agencies in making their projects and plans.

Government orders are not the best of vehicles of capacity development. Government orders and circulars shall use precise language to pre-empt loose interpretation and unnecessary audit objection. Separate handbooks or pamphlets may be used for capacity building.

A major proportion of the government orders related to LGs are supposed to be dealing with subsidy norms. Frequent changes in the norms, especially deviations from the standards followed by the line departments, are a source of confusion. Wherever possible, the LGs may be allowed to follow the same subsidy norms as the line departments. Common subsidy norms would simplify administration and save time. This holds for other norms and rate schedules.

There should be an urgent overhauling of the process of collection and storage of data on LGs and local level planning. Data collection should facilitate planning and should not be allowed to be a cause of delay. Forms should be made simpler. State government agencies should start publishing data on LGs on a regular basis to aid policy making and research.

The argument to have separate and independent public services at the local level with respect to important areas of services would go against the norms of specialisation, scale economies, and hence, efficiency. Line departments of national or regional (state) governments are better suited to hold together administrative services and professional groups such as those related to public works, public health, irrigation,

drinking water, geology, etc. Splitting the line departments into hundreds of separate and independent units would amount to dismembering of professional groups in government. Line departments should be able to serve lower tiers of government without compromising their responsibility to the higher tiers.

These suggestions are confined to the process of plan formulation and leave out, by and large, the question of implementation. Even with respect to plan formulation, these suggestions do not add up to an exhaustive set. However, they suggest a clear direction of the changes required.

This study is best concluded by reiterating the importance of both participation as well as struggle. People's movements in Kerala with a few minor exceptions, did not hesitate to engage the State and participate in its activities for fear of co-option. But, they have been aware of the danger of co-option. The struggle against the system was the major source of immunity against the threat of incorporation. Democracy, in whatever forms it exists in the state, with all its gains as well as pains, is the product of that long drawn out process marked by participation and struggle. In the long history of the democratisation movement in the state, there were forward movements as well as reversals. The current advantage that the bureaucracy has in people's planning therefore cannot but be transitory. The fight for democracy will continue.

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K.N.Harilal is Associate Professor, Centre for Development Studies, Trivandrum, and Co-ordinator of the Research Unit on Local Self Governments. His main areas of interest include International Economics, Planning and Local Governments, and Kerala Studies.

E-mail contact: harilal@cds.ac.in

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