

## **Local Planning: The Kerala Experiment**

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In 1996 India's Kerala State embarked on a remarkable experiment in local planning. At the time it was known as the "People's Campaign for the Ninth Plan." "The Ninth Plan" referred to India's Ninth Five-Year Plan in which each state within the national federation draws up its own annual plan. The "People's" part referred to the decision to devolve 35% of the state development budget down from a centralized bureaucracy to local communities where local people could determine and implement their own priorities.<sup>1</sup> Later known as the People's Plan Campaign (PPC), Kerala's experiment radically improved the delivery of public services, brought about greater caste and ethnic equality, facilitated the entry of women into public life at a much greater pace and enhanced democratic practice. By the third year the Campaign began to generate local employment utilizing and improving upon the famous Grameen Bank micro credit idea to bring households above the poverty level.<sup>2</sup> Following the 2001 electoral defeat of the Left Democratic Front (LDF) that had initiated the PPC, the Congress Party Ministry undercut many features of the project but local planning survived and is

now being stimulated again by the LDF ministry elected in 2006. In this brief overview I propose to summarize the historical roots of the PPC, the main elements and outcomes, and some of the most important failures or shortcomings.

### **Historical Background**

Kerala's People's Plan Campaign was not inspired by Parecon theories or writings but grew instead out of Kerala's general left history. Starting in the late 19th century as opposition to the caste system, the left movement grew alongside and within the Indian independence movement and the trade union movement of the 1920s and 1930s, as well as the land reform movement of the peasants. A key moment in the growth of the left movement in Kerala was the 1957 election victory of the Communist Party of India in the state assembly elections. The 1957 Communist Ministry advanced many programs for the poorest sections of society. In the following decades several left coalition ministries have been elected including the LDF Ministry in power from 1996 to 2001 and the present LDF Ministry elected in 2006. After many reforms and programs to redistribute wealth, progressive activists by the 1990s came to the conclusion that the energy and creativity of local democracy might be tools to advance a development agenda independent of corporate dominated globalization. Their agenda had to be consistent with both Marxist goals of egalitarianism and Gandhian ideas of local autonomy and maximum self-sufficiency within the constraints of the international capitalist system. Already in the 1980s an LDF Ministry had experimented with local initiatives in cooperative farming, environmental projects, local planning assemblies and elected District Councils to try to

decentralize the bureaucratic State government and bring political power to more local levels. The PPC was an enormous “going to scale” of these local experiments.<sup>3</sup>

### **The Campaign Begins**

The PPC unfolded as a sequence of assemblies, seminars, task forces, local council meetings, implementation and monitoring committees and the like. The first stage was to hold local assemblies in each of Kerala's 14,149 village wards and urban neighborhoods. Each assembly had 1,500 to 2,000 voting age members (age 16 and above). In the first year average attendance was 159 persons or an estimated 11% of voters. Attendance increased somewhat in the second and third years but fell off slightly in the fourth and fifth years.

The local assemblies were held on Sunday afternoons to make it easier for workers to attend. Schools were the main venue – every Kerala village and urban neighborhood has several – and they facilitated the structure of the meetings. Politicians were banned from taking more than 30 minutes for speeches and the main business was to break down into small groups in individual classrooms to focus on particular areas for planning such as agriculture, safe drinking water, animal husbandry, improving the status of women and former untouchable caste members, industry, health services and the like. These discussion groups were intended to bring out the felt needs of the people attending. The small groups reported back to the plenary session later in the day.

The local assemblies were guided by facilitators trained in a massive education program in which more than 100,000 people learned how to run

meetings, how to ask questions to keep the discussions as focused as possible and how to encourage the maximum number of people to participate. In later stages, these “resource persons” received training in how to help local councils draft project reports, estimate budgets and hire contractors where appropriate. The training program was a key element of the major successes achieved by the PPC.

At the end of the local assemblies small teams were elected to take on the next phase: data gathering. Each team had to have at least one male and one female. Over the next several weeks these teams visited local government offices to collect information, carried out “transect walks” where they would draw a line on a map of the community and walk through as many different ecological and social areas as possible, and make notes. The data gathering led to the next stage – writing a local community self-report. These reports run from 75 to more than 200 pages.<sup>4</sup>

The self study reports were the basis for the development seminar, attended at the all village level – about 10 wards per village or urban neighborhood – where task forces were elected to begin to draft project proposals based on the felt needs expressed in the first round of local assemblies. The task forces worked for several more weeks before presenting a list of projects to the elected village and urban councils. The elected representatives made the final priorities: in the first year of the PPC 150,000 projects emerged from the local communities of which about 68,000 were implemented. A key feature at the last stage of planning was that about 4,000 retired engineers, doctors and other experts volunteered to assist at no pay in making technical evaluations needed in many of the projects.

## **From the Bottom Up**

In terms of Parecon theory, an interesting aspect of the PPC is the relations that emerged among the various levels of government. In Kerala local communities are grouped into “blocks,” sets of 2 to 13 communities recognized by the Indian national government for delivery of certain project funds. The 152 blocks group into taluks or subdistricts and into 14 districts. With the PPC came the idea that the higher levels of government exist to serve and support the lower levels – a fairly revolutionary concept in some ways. In recent development theory this idea has become known as the “principle of subsidiarity” – “...decisions should be made at the lowest level of government authority competent to deal with them” ...leading to the consequence that...”Decisions should constantly move closer to the people most affected by them.”<sup>5</sup> In the Kerala PPC this worked out in practice that as each lower level sent up its plans to a higher level, the higher level assembly attempted to iron out inconsistencies, fill in gaps, and thus make the local plans more effective. This created the possibility of making public services function more effectively by assigning each level responsibilities most appropriate for it. Several local communities for example improved the supply of medicines at the local Primary Health Center (PHC). This made it possible for the taluk level hospitals to spend more of their allotments on fixing up the surgery rooms or adding MRI machines or outpatient public health projects requiring greater resources than a village or urban neighborhood could provide.<sup>6</sup>

Some communities pushed the limits of local power through creative and unexpected projects. One village constructed a bridge to facilitate foot and bicycle traffic over a major river where people had been demanding the Public Works Department do it for years.<sup>7</sup> One town developed an innovative suicide prevention program while another linked up with a team of local scientists to create one of the most promising biological mosquito control projects anywhere internationally.<sup>8</sup> Several communities developed highly efficient techniques for social auditing by which decisions about beneficiaries were made publicly thus helping to prevent corruption and favoritism. One village created an innovative “labor bank” system for regularizing employment of farm laborers and for smoothing out work patterns over the farming year.<sup>9</sup> In an example of higher levels of government serving the lower levels, the Kerala State Planning Board organized numerous seminars and regional meetings where activists could learn from each others’ experiences. This process culminated in May of 2000 with the International Conference on Democratic Decentralization where over 700 local activists and elected representatives shared presentations on their communities’ problems and achievements. The proceedings were published in six volumes in Malayalam, the language of Kerala. Some materials are also available in English.<sup>10</sup>

### **From Public Services to Cooperative Employment**

The first few years of the PPC focused on training facilitators, mobilizing popular participation and improving the delivery of public services via the government development budget that was being devolved. By the third year of the

Campaign local activists were putting together Neighborhood Groups (NHGs) of about 40 households. These groups evolved from meetings to discuss local problems to rotating credit associations – called “thrift collection” in Kerala – to nuclei from which small-scale micro-credit cooperative businesses could be launched. Using the thrift funds as startup capital, local cooperative banks would issue credit to groups of ten to twenty households, usually represented by an adult female, to manufacture soap, school supplies, umbrellas, some electrical equipment and processed foods. According to the current LDF Minister for Local Self-Government Institutions, Paloli Mohammed Kutty, as of 2006 across Kerala 3.2 million households (possibly 40% of all households – RWF) belonged to 179,000 neighborhood associations.<sup>11</sup> Many of these NHGs have grown into production cooperatives that are bringing thousands of households above the poverty line. The logic of organizing the coops through adult women is that women are usually the least employed so that their coop income has the greatest strategic impact on the household's income. Increased women's empowerment is an anticipated by-product of the program but no evidence appears to be available to indicate whether this is occurring. Recent research indicates that the Kerala unemployment rate has dropped from 19% to 9%.<sup>12</sup> It seems likely that the micro-credit businesses that emerged from the PPC have played a large role in this dramatic improvement.<sup>13</sup>

### **Why Cooperatives?**

Why use local participatory democracy to create institutions that generate local private businesses owned by their workers? Kerala's local democracy

advocates have never spelled out a formal theoretical explication of their strategy but we can make some educated guesses. Firstly, cooperatives are inherently more egalitarian than conventional private firms and therefore hold out more promise of development with social justice. Simply improving government services to assist regular capitalist development runs the risk of reproducing inequality and intensified accumulation on the part of a few. Secondly, cooperatives are a historic feature of Kerala's long history of leftwing activism – people are familiar with them as goals to be achieved. Thirdly, cooperatives by their nature create an ethic of solidarity that can be used to amplify their effects throughout the community. While there is no guarantee coops will see their role in the community as similar to the role of each worker in the coop, when coops grow up together as part of a local planning process, inter-coop cooperation can be attempted. This has occurred especially in one part of Kerala where an ambitious local-regional plan is being built up from the local communities to integrate cooperatives producing coconut, coconut products, fish, vegetables, recycling, coconut fiber (coir) spinning and mat making, soap production and several other undertakings to generate a mostly egalitarian and environmentally sustainable regional economy where local resources, local labor, and local consumer markets will automatically provide some resistance against the predations of multinational corporate globalization.<sup>14</sup>

### **Shortcomings and Failures**

Kerala's remarkable achievements in launching a process of local participatory planning should not blind us to many weaknesses in the project.



From the outset in 1996 many on the left were skeptical of the revolutionary credentials of such a program and some activists played less of a role than they might have. Physicians, engineers and many other technically needed persons sat on the sidelines or even worked to undermine the new program. Organizers discovered too late that many local communities were not sufficiently versed in cost benefit analysis or simple budgeting skills to draft effective project proposals. All kinds of glitches and delays occurred, some of them with serious consequences such as the mistaken decision by many communities to purchase animals on the open market at the same time for distribution to poor families. This drove up the price of the animals and created disillusionment among many activists. Most importantly, by the second and third years many middle class persons came to view the entire PPC as exclusively a poor people's activity. They withdrew from the local assemblies, taking their opinions and their skills with them. Many of them may have provided the vote shift that pushed the LDF government from power in the 2001 elections.

The 2006 LDF comeback, however, has brought new energy to local democratic planning. While not being carried out in campaign mode, the new project is attempting to build on the successes and avoid the failures of its original run.

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<sup>1</sup> The other 65% was kept for large scale projects such as port dredging and major electrification.

<sup>2</sup> Detailed accounts of the PPC and its aftermath can be found in T. M. Thomas Isaac and Richard W. Franke 2002. *Local Democracy and Development: The Kerala People's Campaign for Decentralized Planning*. Lanham, MD: Rowman and Littlefield and New Delhi: Leftword Books; Joy Elamon, Richard W. Franke and B. Ekbal. 2004. Decentralization of Health Services: The Kerala People's Campaign. *International Journal of Health Services* 34(4):681–708; Srikumar

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Chattopadhyay and Richard W. Franke. 2006. *Striving for Sustainability: Environmental Stress and Democratic Initiatives in Kerala*. New Delhi: Concept Publishing Company. Additional materials and links can be found on my website at: <http://chss.montclair.edu/anthro/franke.html>

<sup>3</sup> For the theoretical origins and local experiment examples see Thomas Isaac and Franke, chapter 2. For local initiatives coming out of the PPC, see Chattopadhyay and Franke chapter 10.

<sup>4</sup> Details in Thomas Isaac and Franke, chapter 3

<sup>5</sup> John Cavanagh and Jerry Mander, editors. 2004. *Alternatives to Economic Globalization: A Better World Is Possible*. San Francisco: Berrett-Koehler. Chapter 6 – quotes from page 149.

<sup>6</sup> Details and examples in Elamon, Franke and Ekbal. See note 2 above for full references.

<sup>7</sup> Richard W. Franke and Barbara H. Chasin. 1998. Power to the (Malayalee) People. *Z Magazine* 11(2):16-20. February 1998.

<sup>8</sup> The Chapparappadavu People's Bridge in Thomas Isaac and Franke chapter 10; the Koyilandy Mosquito Control Project in Elamon, Franke and Ekbal and at <http://chss.montclair.edu/anthro/Koyilandi.htm>

<sup>9</sup> Thomas Isaac and Franke chapter 10

<sup>10</sup> For information in Malayalam and English, go to <http://chss.montclair.edu/anthro/frankemayconference2000.htm>

<sup>11</sup> [http://www.kerala.gov.in/1year\\_img/lsgi.pdf](http://www.kerala.gov.in/1year_img/lsgi.pdf) . See also: <http://www.keralaplanningboard.org/html/Economic%20Review%202006/Chap/Chapter14.pdf> esp. page 364 for previous year's figures.

<sup>12</sup> <http://www.hindu.com/2007/09/18/stories/2007091850030100.htm>

<sup>13</sup> <http://www.keralaplanningboard.org/html/Economic%20Review%202006/Chap/Chapter14.pdf> esp. pages 362 *et seq.*

<sup>14</sup> Details in Chattopadhyay and Franke chapter 10.