

Chapter 5

Community Participation and Women's Empowerment: The Kerala Experience of Participatory Planning and Budgeting

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Abstract This chapter provides a brief account of Kerala state's decentralization process and its achievements, particularly in relation to participatory budgeting and women's empowerment. The chapter describes the process of development as expanding people's capabilities, and strengthening of local government by devolving functions and finances. With efforts to actively involve people in local governance at every stage, and embed women's empowerment and poverty reduction in the system, the powers and functions of the *grama sabha* are actually embedded in the people. Using case studies of women's empowerment, this chapter highlights the lessons learnt from these reformed structures and processes.

Keywords People's participation · Women's empowerment · Participatory budgeting · Governance · *Panchayat* system

5.1 Introduction

In India, a key strategy for achieving sustainable human development is the development of a good local governance system. Interventions for development, particularly poverty alleviation, are considered more effective when they are initiated through local governments (CDS 1980). The Government of India's commitment to decentralization was explicitly stated with the 73rd (for rural area) and 74th (for urban area) Amendments to the Constitution in 1992 (Government of India 1992a, b). These made local government institutions constitutionally mandatory. State governments were required to take steps to create *panchayats* and municipalities and endow them with powers and authority to enable them to function as institutions of self-government. Thus, *panchayats* in rural areas and municipalities in urban areas came into existence with elected bodies to govern them.

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The constitution stipulates that elections to these bodies must be conducted every five years, *grama sabha*/ward *sabhas* (citizen's forums) must be constituted for people's participation, and a proportion of seats must be set aside for disadvantaged groups, commonly known as Scheduled Castes/Scheduled Tribes. Such democratic decentralization and participatory planning also encompasses women's empowerment, where one third of seats in the elected bodies and 50 % of the seats in local governing bodies are reserved for women. In addition, 10 % of the total development fund of local bodies is earmarked for projects directly benefiting women.

This chapter provides a brief account of Kerala state's decentralization process and its achievements, particularly in relation to participatory budgeting and women's empowerment. Beginning with a detailed account of participatory planning and budgeting in local government bodies, the chapter describes the process of development as expanding people's capabilities. It discusses how local governments in Kerala are strengthened by devolving functions and finances, and the democratic process deepened by entrusting decision making to elected representatives. Concerted efforts are made to actively involve people in local governance at every stage, and embed women's empowerment and poverty reduction in the system. Expanding capabilities of the poor and marginalized allows them to participate in mainstream local economic development activities. After introducing the local government system and the powers and functions of the *grama sabha*, this chapter explains the participatory planning and budget process with case studies showing women's empowerment. It concludes by charting the elements of success, including the lessons learnt from these reformed structures and processes.

5.2 Local Government in Kerala

Kerala, India's southernmost state, strengthened its local governance system by legislating the Kerala *Panchayat Raj* Act 1994 (for local bodies in rural areas) and the Kerala Municipality Act 1994 (for local bodies in urban areas) (Government of Kerala 1994a, b). The state's powers, functions and financial resources were transferred to these local bodies so they could function as institutions of governance. Planning for economic development and social justice became the responsibility of local governments. About one-third of the Kerala government's development fund was distributed among local governments based on pre-determined criteria. The functional areas of local governments were expanded by transferring agricultural offices, animal husbandry and fisheries offices, health centres (ayurveda, allopathy, homeopathy), schools and *anganawadis* (women and child care centres) to local bodies. A committee system was introduced at all levels

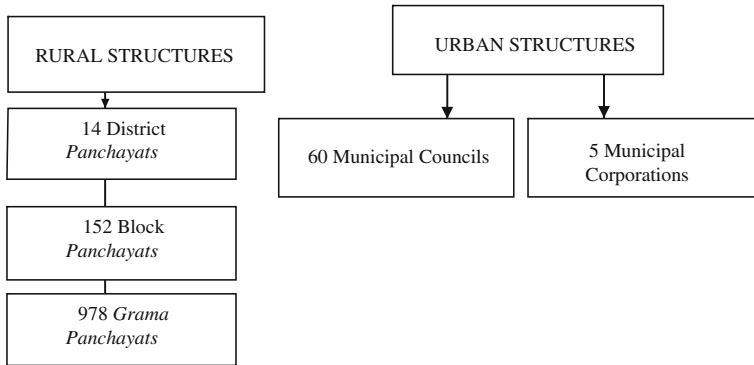


Fig. 5.1 Distribution of LSGIs in Kerala. *Source* The author

within local bodies to expand opportunities for participation. Thus, local institutions,¹ and their officials, under line departments (agriculture, animal husbandry, fisheries, etc.) were transferred to local bodies.

Structure of local self-government institutions: In line with the Constitutional (Seventy Third Amendment) Act, 1992, the Kerala *Panchayat Raj* (KPR) System has a three-tier structure made up of Village, Block and District *panchayats*. Kerala has 1,209 local self-government institutions (LSGIs) (Government of Kerala 2011). Their distribution and a broad structure of the *panchayat raj* system in Kerala are provided in Fig. 5.1.

Grama (village) panchayat: The village *panchayats* have their own sources of income and also receive a reasonable amount as grants and shared taxes. They have also been provided with the major share of planning funds.

Block panchayat: Kerala has 152 Block *panchayats*. Each consists of (a) members directly elected by the people and (b) Presidents of the *grama panchayats*, within each Block *panchayat* area. The President and Vice-President of the block *panchayat* are elected from among the elected members of the concerned village *panchayats*. At present, a block *panchayat* obtains support from two Standing Committees, one on matters of finance and planning and the other on welfare.

Apart from the 24 sectoral functions, the block *panchayats* must pool technical expertise from both governmental and non-governmental agencies at the Block level, to provide technical services to the village *panchayat* to avoid duplication and provide appropriate linkages. Block *panchayats* have no taxation powers. However, they collect fees and avail of loans for financing development programmes. The planning fund is also shared with block *panchayats*.

District panchayat: Kerala has 14 district *panchayats*. The district *panchayat* consists of members directly elected by the people and the presidents of block

¹Local bodies are elected bodies, whereas local institutions are government departments, which are part of the bureaucratic and technocratic system.

panchayats within the territorial limits of the district *panchayat*. The President and the Vice-President of the district *panchayat* are elected from among the elected members of the concerned block *panchayats*. The district *panchayats* are entrusted with plan integration and mobilization of technical expertise in addition to other sectoral functions.

District *panchayats* have no taxation powers. However, they collect fees and avail of loans for financing development programmes. District *panchayats* can also issue revenue bonds and raise money for financing developmental work. The state government provides grants to district *panchayats*. Furthermore, a portion of the state planning fund is distributed among district *panchayats*.

Committee system: Within the *panchayat*, decisions are based on majority votes by members. At least one *panchayat* meeting must be held every 30 days. To ensure further decentralization within the *panchayat*, standing committees are constituted from among the members. Each *panchayat* member must be part of one standing committee such as Finance, Development and Welfare. To co-ordinate the functioning of the Standing Committees and to avoid conflicting decisions on related issues by different Standing Committees, each *panchayat* has a Steering Committee headed by the president of the *panchayat*.

Grama sabha (Citizens' Forum): The *grama sabha* is the soul of the *panchayat raj* system in the state and its functions and responsibilities have been strengthened further by the KPR Act. In fact, it has become one of the important institutions involved in decentralized planning in the state. The *grama sabha* consists of all persons included in the electoral roll of a ward (constituency) of a *grama panchayat*. The *grama panchayat* member representing the constituency is the Convenor of that *grama sabha*, the meetings of which have to be presided by the president of the *grama panchayat*.

The village *panchayat* must place before the *grama sabha* reports on the developmental programmes of the constituency during the previous year and those proposed to be undertaken during the current year. This includes the expenditure, the annual statement of accounts and the administration of the preceding year. The *grama sabha* must approve the selection of individual beneficiaries for various schemes.

The *grama sabha* is responsible for compiling information and identifying priorities for development plans, helping in their implementation, identifying beneficiaries for various programmes and investigating their eligibility, mobilizing labour and funds for relevant programmes, providing assistance on matters related to public facilities, generating awareness on matters of public interest, organizing cultural activities, providing feedback on various schemes and plans, cooperating with other *grama panchayats* as and where necessary and performing other functions as may be prescribed from time to time. Most *grama sabha* participants are women. This is mainly due to the empowerment of women by means of poverty reduction through the *Kudumbashree* programme which will be discussed in the next section. In other states, where women's empowerment programmes are not as successful, women's participation in local governance has been minimal. In Kerala, women are vigilant and keen to be involved in development activities.

5.3 The Principles of Governance

The decentralization process in Kerala can be better understood by means of the following six principles within the governance process:

Autonomy: Autonomy has three dimensions: administrative, financial and functional. The administrative autonomy of local bodies is guaranteed by limiting state government supervision to obligatory and regulatory functions and making elected bodies—*grama panchayats* (lowest tier in rural areas), block *panchayats* (intermediary tier in rural areas), district *panchayats* (highest tier in rural areas), Municipalities and Corporations—administratively independent units. With the objective of financial autonomy, financial resources are shared, keeping in mind functional responsibilities and as per certain pre-determined criteria, including size of population and area, agricultural patterns and poverty levels based on the nature of employment of the people. These criteria ensure that each local body has a meaningful share considering its requirements, poverty level and potential.

Subsidiarity: This principle governs the division of functions among different tiers of LSGIs. Subsidiarity implies that what can be done best at a particular level should be accomplished at that level and only residual functions should be reserved for higher levels. This principle is strictly followed while transferring institutions under line departments to local bodies. Thirteen departments have transferred institutions and their functionaries to local bodies.

Complementarity: Integration is perhaps the most important task in decentralized planning. The entire system has to work with unity of vision and diversity of means. Overlap and repetition must be avoided while integrating the various functions. Activities at higher administrative levels should thus complement those at lower levels and programmes implemented by all agencies in a given local body should be consistent with local needs and priorities which will, in turn, converge into an integrated local plan.

Uniformity: The principle of uniformity stipulates that norms and criteria for selection of beneficiaries, identification of sites, prioritization of activities and pattern of assistance within a given local body should be the same for a particular programme irrespective of the agency sponsoring it. This helps formulate a standardized criteria for decision making, which could be shared with the public so that transparency can easily be ensured.

Participation of people: In decentralized governance, people's participation is envisaged by empowering them to take their own decisions after they analyse their problems themselves. In fact, local self-government provides an institutional framework for participatory democracy. People's participation is expected at all stages of a development programme including identifying needs, formulating activities and implementing, monitoring and evaluating them.

Transparency and accountability: LSGIs are primarily accountable to the people. This calls for a social audit system to examine the performance of LSGIs. *Grama sabhas* perform this audit by examining the activities of development programmes in the respective areas. Every decision has to be based on certain

predetermined norms and criteria that result from social consensus, with the rationale behind each decision being made public.

Based on these principles, Kerala has made democratic decentralization a means of devolving powers and functions to LSGIs on the one hand and introducing decentralized planning on the other.

5.4 Planning from Below

The most important and visible part of Kerala's decentralization is the decentralized planning system, popularly known as the People's Plan (Isaac 1996, 1997, 1999). Extensive participation of the people in every phase of the process is the hallmark of the new system (Isaac/Harilal 1997). All individual beneficiaries are selected by the *grama sabha*, or the Neighbourhood Groups (NHGs) which are further downstream. Thus, the planning process starts from the lowest units in the local governance system. In 1996, the Kerala government initiated the planning process by earmarking one third of the Plan Grant-in-Aid to local bodies annually, for their 'planning for economic development and social justice' (Government of Kerala 1996). Every year, local bodies are asked to prepare their plans (Government of Kerala 2007). Training and capacity building has been an important aspect of this process. Decentralized planning in Kerala has five stages (George/Balan 2011; George/Neunecker 2013).

Stage I—grama sabha: The decentralized planning begins with a special *grama sabha* meeting to understand the needs of people and identify potential areas of intervention. After a brief introductory session, group discussions are conducted and points are reported in plenary sessions. The suggestions of the *sabha* are forwarded to the *grama panchayat*, the lowest tier.

Stage II—development seminar: The second stage in decentralized planning is a Development Seminar at the local body level. The needs, problems and opportunities highlighted in the first stage have to be subjected to analysis given existing resources and materials. Such an exercise results in the publication of a *panchayat/municipality Development Report*. A draft of this report is used as background material for the Development Seminar attended by elected representatives, officials, experts and representatives nominated by *grama sabhas*. The Seminar discusses and suggests strategies and identifies projects to be undertaken for the development of the region. The Development Report is published to ensure wider dissemination of information. All 1,215 local bodies in Kerala have their own published development report.

Stage III—preparation of projects: At this stage, the development strategy is transformed into projects. This is done by Task Forces comprising elected representatives, officials and experts. Working Groups are constituted for important sectors such as Watershed Management; Local Economic Development; Poverty Reduction; Development of Scheduled Castes; Development of Women and Children; Health, Water Supply and Sanitation; Infrastructure and Social Security.

Details on each project include specific objectives, expected cost, resources, contribution from beneficiaries, contribution from the public, mode of execution, mechanism for monitoring and time frame.

Stage IV—preparation of plan document: At this stage, local bodies finalize their plan document. It is not just a compilation of the projects prepared at the ward level. These projects have to be prioritized within resource limits and with a long-term perspective. Unlike in the past, when grant-in-aid was divided ward-wide, allocations are now based on priorities set for the overall development of the region. The elected body democratically decides priority projects to be included in the published Plan Document.

Stage V—plan approval by district planning committee: Every Local Government's Plan has to be approved by the District Planning Committee (DPC), which examines each project of the local body with the assistance of a Technical Advisory Group (TAG) constituted at the Block (intermediate) and district levels. The TAG, consisting of official and non-official experts, examines the technical viability of projects and recommends them for DPC approval. In case of technical imperfections, the local body has to make changes, but the TAG neither rejects nor changes the priority of the project.

Stage VI—implementation, monitoring and evaluation: Each project is implemented under the supervision and control of local bodies. Projects can be implemented by beneficiary committees, the local body, transferred institutions, accredited agencies and through contracts. A Monitoring Committee oversees the progress of the work. The *Grama Sabha* has the right to examine the progress and other details of a project. All individual beneficiaries are selected by the *Grama Sabha* using predetermined criteria provided by the local body. Local bodies do not have the authority to change the priorities set by the *Grama Sabha*. The following section discusses a particular programme emerging from such devolution of responsibility.

5.5 Kudumbashree—The Poverty-Reduction Programme for Women's Empowerment

In Malayalam (Kerala's local language), *Kudumbashree* means prosperity for the family and is the name given to a participatory poverty-eradication programme in Kerala. It is a community initiative using women's agency and empowerment with legal backing, implemented as part of the *Panchayati Raj* System (both rural and urban). *Kudumbashree* has an economic base of its own (through micro savings by members) which guarantees autonomy and sustainability. The project is implemented through neighbourhood groups of poor women.

Kudumbashree differs significantly from conventional poverty-alleviation programmes in the identification of the poor in that it undertakes surveys based on nine indicators of risk factors. The risk factors are: (1) poor housing quality; (2) lack of

access to drinking water; (3) lack of access to sanitary latrines; (4) number of illiterate adults in the family; (5) single-income households; (6) number of individuals getting barely two meals a day or less; (7) number of children in the family below the age of five; (8) number of cases of alcoholism or drug addiction in the family; and (9) scheduled caste or scheduled tribe status. Households with four out of nine factors are considered poor.

Kudumbashree has a three-tier system. The lowest level are NHGs of 15–40 adult women, one each from identified risk families. Area Development Societies (ADS) are formed at the mid-level by federating the NHGs within a ward of a local body. At the local body level, Community Development Societies (CDS) federate the ADS in the local body. A major function of *Kudumbashree* is to act as an informal bank for the poor. Women pool their savings at the weekly NHG meetings, while the ADS are authorized to open bank accounts to deposit the savings.

Kudumbashree plays an important role in the decentralized planning process. An NHG prepares a micro plan based on surveys and discussions. The concerned ADS then puts together micro plans and prepares a mini plan for the ward. A Monitoring and Advisory Committee is formed under the chairmanship of the elected member of the village *panchayat* or municipality representing that ward. The CDS is co-terminus with the village *panchayat* or municipality and prepares development plans at the local level by consolidating the plans prepared by the ADS. The case study below further elaborates the issues raised, particularly pertaining to women's empowerment.

5.6 A Case Study of Pazhayannur Village *Panchayat*

Pazhayannur *Grama Panchayat* was established in 1954. With an area of 59.03 km², Pazhayannur falls in Thrissur district under the Alathur Lok Sabha constituency and the Chelakkara Assembly constituency. Its population of 43,325 (men: 21,005 and women: 22,320) boasts a literacy rate of 85 %.

Administration: The *grama panchayat* is governed by the *panchayat* committee headed by a president. The committee has 22 members elected from 22 wards; of these, ten members are women (50 % seats are reserved for women in local governments in Kerala). Four Standing Committees have been formed by dividing the 22 members into four groups: (1) Finance; (2) Development; (3) Welfare and (4) Health and Education.

Impact of devolution of finance: As noted earlier, from 1996–1997, the village financial position improved substantially as a result of the introduction of the 'People's Campaign for the Ninth Plan', which was initiated to strengthen local government. One-third of the total Development Fund of the state government is distributed among local governments for 'planning for economic development and social justice'. In 1990–1991, the budget was Rs. 1,599,000, increasing marginally each year.

The income of the Pazhayannur *grama panchayat* rose from Rs. 1,599,000 (Rs. 1.6 million) in 1991 to Rs. 3,231,000 (3.2 million) in 1996–1997. The flow of funds to Pazhayannur increased substantially following decentralization and devolution of finance. The *grama panchayat*'s financial resources increased to Rs. 17,124,080 (17.1 million) in 1997–1998, an increase of more than five times from the previous year. It stayed around this range till 2002–2003, and began rising steadily after that, with an increase of almost Rs. 10 million each year. In 2011–2012, the budget was Rs. 100,570,509. Most of the *panchayat*'s financial resources came from the state government and from other agencies with about 22 % of the total funds being mobilized by the local body through village-level tax collection.

Transferred institutions: Along with financial devolution, institutions are also transferred to local bodies in Kerala. Several institutions were transferred to Pazhayannur *grama panchayat* including Krishi Bhavan (agricultural centre), veterinary dispensary, primary health centre, Ayurveda dispensary, homeo dispensary, lower primary, upper primary and high schools, and a diary development office. In addition seven health sub-centres and 38 *anganwadis* were also transferred.

Working group for participatory budgeting and planning: Ten working groups were constituted in the *panchayat* for participatory budgeting and planning. The Chairperson of the working group is an elected representative while the Convener is the official head of the concerned sector. These working groups consolidate discussions at the *grama sabha* and transform the aspirations of the people into implementable projects.

5.6.1 Achievements

Participatory planning projects: A project is the smallest unit of implementation in the Plan. The Pazhayannur *grama panchayat* had 116 projects in 2013–2014. These included all sectors and targeted the poor and marginalized in society, helping them to build their capabilities and allowing them to live with dignity.

Pazhayannur *grama panchayat* has 16 Agriculture Production Units under *Kudumbashree*. Each unit cultivates vegetables in an area of about an acre and has 10–15 persons, most of them women, as self-employed members. The units have local marketing outlets and sell their products mainly among the people in the area. Excess output is sold to the Vegetable and Fruit Promotion Council Keralam (VFPCCK), a state organization for the promotion of agriculture and horticulture. Members own cows and produce organic vegetables using dung as fertilizer. They earn Rs. 300 to Rs. 350 per day.

The *panchayat* has two garment-making units that stitch school uniforms. The other units are engaged in notebook binding, assembling umbrellas and manufacturing bags for ladies. Some of the units market their products through schools as their production is based on demand from schools in the surrounding area. On average, members of these units earn Rs. 4,000 to Rs. 5,000 per month.

Box 5.1: Case Study 1: Initiatives Directly Benefiting Women

The Pazhayannur village *panchayat* has several activities aimed at empowering women. Ten per cent of the local government's Development Fund is earmarked for activities directly contributing to women's empowerment. In 2013–2014, seven development projects were implemented at a cost of Rs. 3 million. These included Joint Farming, Women's Labour Bank (*Mahila Kisan Sasaktikaran Paryojana* or MKSP), Housing for Widows, *Kudumbashree* Goat Farming, Support for Women and Child Care Workers, Financial Support for Scheduled Caste Women and Food for *Anganwadis* (women and child care centres). Under the financial support programme for SC weddings, Rs. 1.8 million was distributed (Rs. 50,000 per head). Under the Housing for Widows initiative, ten women were given Rs. 200,000 each. Besides such disbursement of funds, the local government also organized seminars and discussions to sensitize people about women's empowerment.

Box 5.2: Case Study 2: From Weaving Threads to Contesting Panchayat Elections

Surya is a self-help group under the *Kudumbashree* programme, producing thread from cotton. Women workers employed in *Surya* were provided training which was organized by the *panchayat* and conducted by the Khadi and Village Industries Board. The total investment for the unit was Rs. 200,000, 50 % of which was subsidized by the Khadi; the other 50 % was a bank loan. On average, *Surya* makes 400 cotton units in a month. Each worker takes home wages of Rs. 1,000 per month and Rs. 2,400 as a share of income. Marketing is not a problem as their entire production is purchased by the Khadi and Village Industries Board. Further, the Board pays each unit member Rs. 1,200 for their children's needs. The machines used to make the thread are installed in the homes of members. They run on electricity and women manage the machine along with their regular household activities.

Sujatha Narayanankutty (34) is a member of the *Surya* Cotton Thread Making Unit in Pazhayannur *grama panchayat*. She has two school-going children. Her husband is a labourer. She has been working in the unit for the past six years, and earns about Rs. 4,000 per month. It helped her build a good relationship within the community, which has increased her self-esteem. Sujatha's association with the programme also brought about banking literacy, which contributed substantially to her saving habits and orientation towards entrepreneurship. She contested in the *panchayat* elections, and although she did not win, she gained popularity in the local community. Now she feels that her social status has increased.

Box 5.3: Case Study 3: Tailor Becomes Panchayat President

Devi Durga *Kudumbashree* Tailoring Unit, Neernamukku, was established in 1999 in Ward 1 of the Pazhayannur *grama panchayat*. It has 17 members and purchased 1,340 sq. ft. of land at a cost of Rs. 14,000 and constructed a building with a loan. Of the 17 members, five work in the Tailoring Unit to manufacture clothing for women and children. They also train other women. Each member earns Rs. 3,000 to Rs. 3,500 per month. To meet capital costs, they procured a loan of Rs. 400,000 from the State Bank of Travancore, a nationalized bank.

Rema Radhakrishnan, a member of the Devi Durga Tailoring Unit, is the former *panchayat* president. Her family has about 1,600 sq. ft. of land and a small house. She has two college-going children and her husband is a daily wage labourer. She has been able to support her children with sustainable income from the tailoring unit. Rema became popular in the local community after joining *Kudumbashree* and eventually was elected as the president of the *panchayat*. She says that her leadership qualities, capabilities and courage were acquired from her experience as a *Kudumbashree* member.

Box 5.4: Case Study 4: Household Entrepreneurship to Leadership

Santhakumary (43) and her husband produce and market semi-processed food, specifically for preparing popular local breakfast items such as *puttu*, *dosa* and *idli*. She credits her experience in community involvement at Krishna *Kudumbashree*, and believes that she could become a *panchayat* member only because of the exposure she received as a member of *Kudumbashree*. She took a loan of Rs. 259,000 from the Service Cooperative Society to cover the capital cost of the four machines needed for her business. Santhakumary employs ten people who process about 100 kg of rice and produce 300 packets for sale every day. Interestingly, Santhakumary's husband, formerly a house painter, now markets the products. She credits all her achievements to her *Kudumbashree* affiliation: becoming a *panchayat* member, gaining banking literacy, earning regular income for her family, developing contacts with the local community and improving her social status.

5.7 Conclusion: Lessons from Participatory Planning and Budgeting in Kerala

The development of a society depends, to a great extent, on the development of social capital. Social capital is the networking that helps create links which, in turn, forge rules, conventions and norms governing the development process. When a society undergoes change, certain institutional factors that have a spiralling effect on deepening democracy could gain ground if the unleashed energy of people is consciously consolidated. Decentralization in Kerala led to the conscientization of the masses coupled with the support of numerous activists who worked beyond the interests of their political affiliation/inclination (Friere 1970). Democratic principles gained ground and decisions relating to the public had to be taken democratically in line with social justice principles. As a result, ordinary people, including women, have come to understand the importance of human development and, to some extent, the concept of sustainable development. In sum, the net result of decentralization was sustainable human development and women's empowerment in Kerala.

Our attempts at evaluating the performance of this process, by means of a rapid appraisal, identified the following elements of success: (i) empowerment of women; (ii) local-level democratic self-governance; (iii) efficacy; (iv) attitude change among staff; (v) participation; (vi) equitable prioritization.

Empowerment of women: Perhaps the most significant aspect of participatory planning and budgeting is the participation of women in local governance and the development process, leading to a substantial transformation in the social development of the people in Kerala. When women became leaders in the governing bodies of local governments, priority automatically shifted towards improving the capabilities of the people. Women leaders and activists took the initiative to provide health care for women during pregnancy, children were taken care of at *anganawadis* (women and child care centres), children were given education in schools and supported with special tuition facilities, and special nutritional support was arranged for adolescent girls. Through *Kudumbashree* and its participatory approach to women's leadership, the institutional framework was built to provide for the sensitization and organization of development for poor women. Even the beneficiaries are identified by the women themselves.

Local-level democratic self-governance: Kerala has experienced a significant improvement in economic development and social change with the strengthening of local governments. Formerly, these development processes were administered by officials in government departments with no involvement of either the people or their representatives. Local governments in Kerala, both rural and urban, were in existence but their involvement was limited as they lacked power, function and financial resources. With the introduction of participatory planning and budgeting along with the devolution of functions and finances, the quality of activities undertaken under development projects has improved substantially. This structural change also affected the nature of development activities. When the role of the local

governments changed from merely implementation to participatory planning and budgeting, local bodies began to formulate ideas, identify projects and implement, monitor and evaluate them.

Efficacy: Time-bound implementation of projects is an important achievement; it also reduces expenses. Every year, each local body has to prepare a planning document that contains the details of projects to be implemented in the year. In addition to budgeting for the current year, local bodies also prepare a plan for the ensuing year that can be revised later. Further, they prepare a five-year plan document that contains major development activities to be undertaken during the next five years.

Attitudinal change among staff: When local governments became autonomous, the efficiency level of officials improved. With empowered elected representatives governing, officials began to be recognized by the governing body. Officers work to their full potential when their professional performance is appreciated, acknowledged and supported. For example, in health centres, lack of resources resulted in a shortage of medicine and doctors were merely handing out prescriptions. When the health centre became part of a local government governed by elected local representatives, there were fewer delays. Now, in case of a shortage of medicine, medical officers can instantly inform the local government and decisions for purchasing medicine can be taken immediately. Doctors are happier as patients obtain treatment, not just prescriptions.

Level of participation: Before decentralization, people's participation in development activities was minimal, limited to electing representatives to local governments, which was an irregular process. Now, elections to local governments are conducted every five years. Fifty per cent of the seats in the governing body are reserved for women. Even the governance of the local body is decentralized by dividing responsibilities among standing committees within it. Every elected representative must be a member of one (and only one) such standing committee. Every elected representative represents one *Grama Sabha* in the governing council.

The participatory planning and budgeting process opens up immense opportunities for people's and women's involvement in development activities. Ideas for development activities germinate from the *Grama Sabha* and are transformed into implementable projects with help from the people who support the local governments voluntarily. Identified projects are implemented with the involvement of the people, often through beneficiary committees.

Equitable prioritization: The change in the process of decision making is another key achievement. Before decentralization, every activity was centrally identified and the role of local governments was limited to implementation. Currently, all decisions relating to development activities are made by the local bodies, who decide on the activities to be undertaken, prioritize these activities and identify beneficiaries, including individuals. All these processes have an underlying fundamental question of equity. With the introduction of participatory planning and

budgeting, attention has focused on lower-income groups. Now, the first priority is accorded to the destitute; each local government is mandated to support the destitute and provide them with food, accommodation, clothing and medicine.

Although it is premature to evaluate the experimental decentralized planning, considered a pioneering attempt globally, certain impressions may be gathered from the experience. The achievements registered so far have attracted worldwide attention and acceptance as a new methodology in decentralized planning. Justice Krishna Iyer, renowned social activist and thinker, noted: “The people’s campaign marks the beginning of a social revolution in Kerala. The failure of democracy in India consists in the failure to share power with the people. In Kerala today political power is in the hands of the people” (Iyer 1998).

In summary, the overarching achievement of Kerala’s decentralized governance is its acceptance by all sections of society, including various political parties. In a multi-party parliamentary democracy, it is rare for all political parties to support decentralization and participatory planning. In fact, they are competing to strengthen local governments. Such an approach is undoubtedly beneficial to the people of Kerala and could prove equally important in other Indian states and other countries as a model for achieving equitable social development along with women’s empowerment.

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