

**Deepening Decentralised Governance in Rural India: Lessons from the
People's Plan Initiative of Kerala**

M.A. Oommen

Working paper No.11

December 2004

**Centre for Socio-economic & Environmental Studies
Khadi Federation Building, NH By-Pass, Padivattom, Kochi – 682 024,
Kerala, India, Tel: 0484-2805107, 2805108 Email: cses@dataone.in
URL: csesindia.org**

Deepening Decentralised Governance in Rural India: Lessons from the People's Plan Initiative of Kerala

M.A. Oommen*

ABSTRACT

Despite over more than half a century of the Indian republic, governance in rural India has failed to improve the quality of life of the average villager. He/She continues to live as the victims of innumerable unfreedoms. That Kerala has out distanced the rest of India in terms of its social and human development attainments is now fairly well acknowledged in the development literature and among policy makers throughout the world. The 73rd Constitutional Amendment is a great initiative to establish 'institutions of local self government' with the task to prepare and implement 'plans for economic development and social justice'. Responding to this amendment Kerala has launched in mid-1996 a unique decentralized planning experiment to enhance participatory democracy and quality of life of the local people. This paper is a critique of this experiment to draw lessons for the other Indian states (which still lag way behind Kerala) and for Kerala State itself to put decentralization and democratic practices on a sound and stable footing.

* **Prof. M.A. Oommen**, Malcolm Adiseshiah Chair Professor, Institute of Social Sciences, New Delhi and Visiting Faculty, Centre for Socio-economic and Environmental Studies, Kochi is an economist of repute with a rich collection of professional papers and twenty books to his credit. A postdoctoral scholar of the Rockefeller Foundation and a Visiting Fellow at the Yale University, he was also a Senior Fulbrighter. He has taught in the University of Kerala, Calicut and Botswana over a span of more than three decades, and was Director, Institute of Management in Government besides serving several important commissions and committees in India and abroad.

Deepening Decentralised Governance in Rural India: Lessons from the People's Plan Initiative of Kerala*

Panchayat is a nomenclature associated with rural life in India from time immemorial. It continued to survive with bureaucratic support in the colonial period, but with very little power, authority and activity. The several efforts to bring it back to the democratic process of the country after the inauguration the Indian republic in 1950 did not take firm root. However, since 1992, following the 73rd constitutional amendment Panchayats have acquired a new meaning as “institutions of local self-government”¹ with the specific task to prepare and implement “plans for economic development and social justice” [See Article 243G of the Indian Constitution]. Many have perceived this new constitutional change as heralding a third stratum of government in Indian federal polity.

Given the title of this paper, the term ‘governance’ needs to be clarified. This is particularly important because some of the international institutions (e.g. World Bank) have defined the scope of ‘good governance’ and endeavour to equate good governance with promotion of institutions supporting competitive capitalism and “includes the provision of sound macro economic policies that create a stable environment for market activity” [World Bank (2002): 99]. For our purpose, governance may be understood as the act or manner of governing. And this has meaning only along with the question, governance for whom and for what? Good governance for those who wield resource power may be bad governance for a large sections in a society comprising predominantly poor people. “Admittedly the most important rationale of decentralized governance is the provision of certain basic services and infrastructures of standard quality at the local level. No citizen should suffer because of her /his choice of location of residence. To deprive a citizen of adequate level of schooling, drinking water, primary health care and other basic services because of her/his choice of location is an injustice” [Oommen (2000): 412]. In short, evaluation of governance of any institution has to be normative and for our purpose means deepening democratic values and improving their operational significance by enhancing the quality of citizenship. Improving the quality of services and delivery mechanisms through people’s participation assumes great significance here.

Local governments have no relevance if they are not responsive, transparent, participatory and accountable to the people and in the Indian context, the most deprived sections of society such as the dalits, tribals, fisher folk and women. Quite often, it is said that ‘politics is about power’. Yes, but democratic politics is and should be about bringing power down to the people or empowering them. Decentralisation therefore may be defined as the empowerment of the local population through the empowerment of local governments, (LGs) [See Oommen (2004)]. It is here that the politics of democratic decentralization assumes relevance. Kerala has been widely acknowledged as a state that has progressed in promoting local democracy and decentralized planning far outdistancing all other Indian states. The purpose of this paper is to examine what lessons, positive and

* A revised version of the paper presented at the Third Annual LPD (Local Politics of Decentralisation in Developing Countries) conference held at OSLO, September 24-26, 2004.

¹ The term self-government is not defined in the Constitution. It does not refer to an autonomous government empowered to make laws, but refers largely to the limited space of the functional and financial domains assigned to local governments.

negative, that can be drawn from the experience of Kerala's local democratic experiment called 'People's Plan' by the Left Democratic Front (LDF) government and prosaically rechristened later as Kerala Development Plan by the United Democratic Front (UDF) government.

Democratic governance and Panchayat amendment: A review

This section seeks to review the 73rd Constitutional Amendment, which we may call Panchayat amendment under three sub-heads: (a) Salient features of the 73rd Constitutional Amendment (CA); (b) A critical review of the state conformity acts passed by all the State Assemblies and which seek to implement the constitutional mandate; and (c) A brief evaluation of decentralized planning and local democracy in Kerala. In all these reviews, *interalia* answering the following questions are given importance. How far can the Panchayats succeed in institutionalizing local democracy? Are the LGs empowered, responsive, participatory, transparent and accountable? How far has decentralisation helped to reduce poverty understood in the broad sense of "capability deprivation"²?

The Panchayat Amendment: A critique of its salient features

Some important features of the Panchayat amendment are given below:

- A key role is assigned to the gram sabha, 'the assembly of the citizen voters' as a deliberative and deciding body. In this manner an element of direct democracy is introduced at the lowest level. That is one way to broaden downward accountability as well.
- An uniform three-tier structure across the country with the Village, Block (intermediate) and District as appropriate levels.
- Direct election at all levels is made regular and mandatory. An independent State Election Commission is established for superintendence, direction and control of the electoral process and preparation of electoral rolls as well as to conduct five yearly elections.
- In all the *Panchayats*, seats are to be reserved for SCs and STs (Scheduled Castes or Dalits and Scheduled Tribes) in proportion to their population. One third of the total seats is to be reserved for women. One-third positions of presidents of Panchayats at all levels also will be reserved for women. Obviously these are ways to empower the under privileged.
- For assigning expenditure responsibilities to the Panchayati Raj Institutions (PRIs) an illustrative list of 29 subjects are mentioned in the XIth schedule of the constitution. This list of functional assignments is prepared to identify the areas for planning for economic development and social justice. Each state legislature is required to make, not only functional devolutions keeping the list as illustrative guidelines, but also to provide adequate power and authority to the PRIs to enable them to function as 'institutions of local self-government'.
- Setting up of a State Finance Commission once in five years to review the financial position of the local governments and to make suitable recommendations to the state on the distribution of funds among Panchayats.

² For an elaboration of this concept, See Amartya Sen (1981,1999)

These and several other features derived from the Panchayat amendment have the potential to alter the character of the two-tier federal polity of India significantly. The constitution defines Panchayats as “institutions of self-government” [Article 243 (d)] and requires the state legislature to create such institutions. Tremendous political opportunities emerge from the extension of participatory democracy through the institutions of village Panchayat, Gram sabha, affirmative provisions for dalits, adivasis (tribals), women and so on. Real improvement in the self-esteem of the vulnerable sections of society can come only through a process of meaningful participation. The nature of the accountability arrangements is also expected to move downward to the people rather than to the bureaucratic superior officers. The efficient use of local resources through decentralized spatial planning mandated in the constitution is an important means to promote economic development. Enhancing the quality of public service delivery, be it primary school, primary health care, drinking water supply, sanitation and so on can be ensured only through citizen’s involvement and participation. This is an important means to promote horizontal equity in a country known for its widespread disparities in the level of endowment and development.

The potential for democratizing development and governance in rural India depends not only on the historical background of the state, the political will and approach towards decentralization, but also on the details of the conformity legislation enacted and the manner in which it is sought to be implemented by each state. One of the serious mistakes of the 73rd and 74th Amendments has been the wide discretion given in the Constitution to each state legislature in shaping the conformity act and rules thereof. Considerable latitude has been given in regard to the revenue and expenditure assignments of local governments. The most prominent is the discretion given to the states to “endow the *Panchayats* with such powers and authority as may be necessary to enable them to function as institutions of self-government” (emphasis added). On this and several other vital aspects regarding planning, maintenance of accounts, and their audit, and so on, ‘may’ predominates in the constitution. The diversity and weakness in the content and character of the conformity legislations in the country could be traced to this ‘original sin’ committed in the two Amendments. Moving the 73rd Amendment in the Lok Sabha on December 1, 1992, the then Minister of State for Rural Development said: “The Constitution Amendment Bill casts a duty on the Centre as well as the states to establish and nourish the village Panchayats so as to make them effective self governing institutions”. Indeed, the public discourse on democratic decentralization in India today after over a decade of this Act should keep posing the question whether the village Panchayats in India are self-governing institutions or not? Have the Centre and States worked sincerely “to establish and nourish the village Panchayats”? This is what we try to answer in what follows.

A brief evaluation of the Conformity Acts and their working

Democratic decentralization is neither deconcentration nor delegation. It is *devolution*. A Task Force on Decentralization of the government of India (GOI) defines devolution thus:

*“Devolution in the context of the Panchayats, means that when the authority in respect of a specific activity is transferred from the state to the local governments, the latter should have the prerogative of taking decisions in respect of planning and implementation of such activity. In fact functions, funds and functionaries are complementary to one another in the process of devolution of responsibilities and powers upon the Panchayats”.*GOI (2001): 5).

Here local governance is seen as an integral element of the federal system and involves devolution of functions, funds and functionaries to Panchayats. A perusal of the Conformity Acts of the major states in India leads one to the firm conclusion that no state except Kerala has devolved powers and resources. Actually several state conformity acts use languages such as the 'state may by notification' or 'subject to such rules as may be made from time to time', 'the government may alter' and the like. These undoubtedly are overriding powers that will render ineffective the process of building self-governing democratic institutions at the sub-state level. A few specific comments based on the conformity Acts are noted below.

One, for devolution to happen the three F's - functions, funds and functionaries should be transferred simultaneously as explicitly noted in the Government of India definition cited above. With the exception of Kerala, the progress made has been halting, piecemeal and in several cases retrograde. Even in Kerala, the progress in regard to administrative autonomy leaves many things to be desired. Creating an efficient bureaucracy or administrative set up responsive to the rural society is an issue that is sidelined by all states.

There is very little autonomy statutorily because functional assignments are permissive. Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Orissa, Punjab and Uttar Pradesh are prominent examples. Even in West Bengal widely hailed as a good case of decentralisation, the PRIs (Panchayati Raj Institutions) function more as agents of the state government than as autonomous institutions. Although Bihar's Panchayat Act, 1993 is generous in assigning several functions to the PRIs, it is "subject to such conditions as may be prescribed from time to time". Moreover the Bihar Act defines the Zilla Parishad as a superior body over the Gram Panchayats (GPs) endowed with power to suspend the executive orders of GPs. Even Gujarat with a long tradition of PR system "has not been very successful in providing to its village level institutions, the functional and financial autonomy which is integral to self governance" [P.N.Sheth (2000) in G.Mathew (ed) (2000): 104]. While erosion of autonomy is bad enough, the worst cases are those states where the PRIs continue to be dominated by MPs (Members of Parliament) and MLAs (members of legislative assembly).

Two, the GPs in several states are not adequately strengthened financially and technically to deliver even some of the basic services not to speak of the developmental responsibilities under the new dispensation. In some states civic services which traditionally belonged to the Panchayats like street lighting, provision of drinking water supply, sanitation and drainage, primary health care and the like have not been entrusted to them. Instead, some of these services are provided by the state departments [Subrahmanyam (2002): 133]. In Haryana, GPs practically deal with only drinking water and construction and maintenance of roads to the exclusion of all others. [See Choudhury et al (2000): 61].

Three, because almost all the 29 subjects assigned to PRIs are state-concurrent, there is need for role clarity to avoid duplication and over-lapping. While any effort to strengthen the reach and quality of basic services through GPs is to be welcomed, unless there is clear role clarity as between the state on the one hand and the three-tiers on the other in regard to functional assignments, decentralisation can only result in more confusion, delay in implementation and add to the difficulties in evolving an efficient transfer system. Several states have repeated the 29 subjects mentioned in the Panchayat amendment as functions of all the three tiers. Only a few states like Andhra Pradesh, Kerala, Gujarat and Madhya Pradesh (MP) have broken the 29 subjects into

activities and sub-activities. Clear functional mapping is a necessary condition to ensure efficient decentralisation.

Four, PRIs in most states have ignored the constitutional mandate to plan for 'economic development and social justice'. Kerala, Himachal Pradesh, Madhya Pradesh, Bihar and West Bengal have statutorily recognized this. But in no state except in Kerala this important mandate has been made into a detailed bottom up planning process. In Madhya Pradesh, the task of planning and implementation of schemes for economic development and social justice has been given to 'district governments' created by delegating various powers and responsibilities of the state to District Planning Committees (DPCs) and calling them subordinate agencies of the government for this purpose. It is difficult to consider this process as bottom up planning. In Bihar, the statute gives powers to the Zilla Parishad to plan for economic development and social justice. But this power remains only in the statute books. West Bengal assigns the Gram Sansad the responsibility to guide GP in regard to planning for economic development and social justice. But in reality, West Bengal too has very little bottom up planning. In Karnataka, PRI planning continues to be "essentially a top down process".[Satish Chandran in Mathew, ed., (2000): 144].

Five, there are multiple channels of transferring resources to PRIs. Some of them work as parallel agencies (e.g. District. Rural Development Agency) transgressing the functional domain of PRIs. According to the Planning Commission (2001), the share of Centrally Sponsored Schemes (CSSs) in the plan budget of Central Ministries has currently increased to 70 percent against 30 percent in the early 1980s. In addition to the CSSs, there are 26 sectoral programmes falling under the 29 subjects of the XIth schedule which the Central Ministries handle [See Planning Commission (2001)]. The state governments are also equally guilty of this transgression game. The Janmabhoomi, the Village Education Committee, Economic Restructuring Project and the like handled by the Andhra Pradesh Government, have virtually marginalized the PR regime of the state. The Gram Vikas Samitis of Haryana, the Joint Forest Management Committees of Gujarat, Rajasthan's Watershed Programme, the Water Use Groups and Site Implementation Committees of Uttar Pradesh and the District Government in Madhya Pradesh are other cases to be specially mentioned in this context. Multiple channels of resource flow can only lead to inefficient planning, duplication, corruption and waste of resources, besides undermining the effectiveness of democratic decentralisation.

Six, turning to tax assignments, the pattern of pre - 73rd Amendment regime has been repeated in a large number of states. No state seems to have anticipated the expanding needs of decentralized governance and made appropriate changes in the revenue assignments to local bodies. The intermediate and district Panchayats are not given substantial taxing powers [See Oommen (2004a) for details]. Only GPs are endowed with taxing powers. The number of taxes assigned to GPs ranges from two in Tamil Nadu to twelve in Andhra Pradesh and Gujarat. By and large, the tax base covers property, persons and business. The taxes assigned to GPs generally are not elastic or productive. Even where several taxes are assigned, the autonomy of the PRIs in exercising them is considerably restricted by rules, restrictions and conditions.

Seven, probably the most important aspect in deepening local democracy relates to strengthening the Gram Sabha. Most legislations authorise the Gram Sabha only to "consider" "examine" "discuss" the budgets, audited reports etc. States like Andhra Pradesh, Karnataka and Madhya Pradesh authorize gram sabha to review

programmes of work current or new. The Kerala Panchayat (Amendment) Act, 1999 has empowered Gram Sabhas (every ward has a gram sabha) in regard to planning, selection of schemes and beneficiaries and so on, besides giving authority to “scrutinize” budget, accounts and the like. Quarterly meetings of gram sabhas are mandatory in Kerala. The gram sabhas are not made the kingpin of local democracy in most other states.

In brief, the statutory framework created for local democracy in India leaves many things to be desired. Kerala stands head and shoulders above all other states in creating a proper legal framework with enabling provisions for local democracy and decentralization to function. [For more details see section 1.3]. The above criticisms, however should not make us to ignore the fact that the 73rd Amendment has endeavoured to fill a major institutional vacuum in rural governance in India. How the opportunities provided are made use of is a matter of democratic practice as well. In the country as a whole, there are 231,630 gram Panchayats, with over 2.4 million elected representatives. In 77,210 Gram Panchayats women are presidents. At the intermediate level, there are 5912 Block Panchayats with 1970 women heads. Of the 594 Zilla Parishads or district level Panchayats, about 200 have women presidents. Including the urban local bodies, there are about three million elected representatives out of which one million women occupy positions as members or heads – a unique world record. The SC/ST functionaries are over 6,60,000. It is important to note that several micro studies conducted in different parts of India show that women representatives belong to the lower socio-economic strata. Although the number of local level representatives is large, the women and SC/ST representatives face formidable objections from the upper castes and vested interests throughout the country. The pages of the *Panchayati Raj Update* of the Institute of Social Sciences which has been reporting monthly the progress in every state during the last decade are replete with stories of atrocities against and killings of dalits, adivasis and women who got elected in the two Panchayat elections. According to one study “Illiteracy, poverty, the hostility of caste Hindus and above all non-cooperative and extremely unsympathetic government officials counter effective dalit participation in Panchayati raj institutions” [Umakanth (2004)]. It is also important to note that redistributive land reforms which is a necessary condition for social equity and meaningful participation has failed in India except in Kerala and West Bengal. Despite the innumerable constraints, the situation is not definitely hopeless. While there are ‘proxy’ Panchayat women presidents, there are all women Panchayats as well. There are innumerable cases where the traditionally disadvantaged groups assume the responsibility for supervising as well as implementing the programmes relating to health, education, shelter, anti-poverty programmes etc, besides fighting evils like alcoholism, violence against women and local crimes [See Buch (2000), Baviskar, (2004), Mohanty *et al* (2004), Poornima and Vinod Vyasalu (1999) among others].

As regards the linkage between decentralized government and poverty reduction, the correlation is not automatic. Several studies point out that there has been rapid decline in rural poverty in West Bengal due to the PRIs which have created a production-friendly environment in agriculture and cooperation in implementing the anti-poverty programmes of the Central and State government and so on³. Providing security of tenure to 4 million assets-poor households through land reforms is something to write home about. Even so, it is important to point out that the performance of West Bengal in building the capabilities of rural people leave many things to be desired especially in the matter of elementary education and primary health care. [See Dreze and Sen

³ For a rich documentation on this, see Dreze and Sen (2002).

(2002)]. West Bengal also failed to provide autonomous space to Panchayats via clear functional mapping, untied funds and independent tax assignments. In short, we can say from the West Bengal's experience that PRIs bear potential for poverty reduction but the linkage is not automatic. The nature and magnitude of this depends a great deal on the empowering process and policy initiatives of the state government concerned. Indian democracy can succeed only by removing the powerlessness of the common people through bottom up participatory planning. Support guidelines and policy initiatives by the higher level of governments should be complementary to help this process.

Salient Features of Decentralised planning and local democracy in Kerala

The real watershed in Kerala's decentralisation process and planning begins from mid-1996 when the Left Democratic Front Government that came to power in May 1996 took several landmark initiatives and measures to transform the relations between local government and society. They took to a campaign mode called the People's Plan Campaign (PPC) for the ninth Five-Year Plan. The United Democratic Front (UDF) government which came to power in May 2001 abandoned the campaign mode. We may outline the salient features of the decentralisation planning framework that has evolved since mid-1996 in the state.

1. The Left Democratic Front Government which came to power in May 1996, took the momentous decision to devolve 35-40 percent of the State Plan funds to the local bodies as against 2.35 percent during the Eighth Plan. This massive fiscal decentralisation is characterized as a 'big bang' approach. Each local body was required to prepare a comprehensive area plan before it could lay claim to this plan fund. [See item 5 below]. The underlying objective of the people's plan initiative was to rally behind the local governments, the bureaucracy, the technocracy and the people.

2. The decision to devolve a big plan share of plan funds to LSGs was followed up by a series of legislative amendments to the Kerala Panchayat Act, 1994 and Kerala Municipal Act 1994 and institutional reforms (most of them recommended by the Committee on Decentralisation of Powers, popularly called Sen Committee) that virtually sought to provide functions, finance and functionaries – along with autonomy and powers to the local government. In the words of the Sen Committee:

“Local self-government is essentially the empowerment of the people by giving them not only the voice, but the power of choice as well, in order to shape the development they feel is appropriate to their situation. It implies maximum decentralisation of powers to the elected bodies to function as autonomous units with adequate power, authority and resources to discharge the basic responsibility of bringing about 'economic development and social justice'”.

Based on the principle of subsidiarity, Kerala has divided the functions of the various tiers of the rural and urban local governments into activities and sub activities. Compared to other states this is an important milestone in the progress of decentralisation process in the country in ensuring role clarity and functional autonomy.

3. All the expenditure responsibilities dealing with poverty alleviation and all state-sponsored and centrally-sponsored schemes for poverty alleviation are transferred to the newly created three-tiered PRIs, notably to the village Panchayats. The state government's role is now limited to monitoring and capacity-building. This is not the case in the other states in India.

4. Planning was used as an “instrument of social mobilization” during the People’s Plan Campaign. [Isaac (2000)]. This is very much in the public action tradition of Kerala.

5. The plan entitlement of each local government is decided according to a formula with sixty percentage weightage on population, and a one third weightage to backwardness to bring in an equalization element besides some incentive for tax efforts. All grants are provided in a separate document called Appendix IV of the State Budget passed by the State Assembly. Theoretically, the departmental heads have very little power.

6. A detailed methodology of decentralized planning, from needs identification by the Gram Sabha to final approval by the District Planning Committee needed for administrative sanction in implementing projects, had been drawn up by the State Planning Board. Local planning in Kerala involves a multi-stage process that has broadened the avenues of people’s participation. Obviously, the intent in creating a multi-stage process is to provide participatory spaces for the citizens, local elected representatives and officials to discuss the development projects. The key institutions involved in local planning besides the local government are the gram sabhas, development seminars, and the task forces. The process begins in the gram sabhas – specially called for the purpose – which deliberate and determine local development needs and priorities. Based on the priorities of the gram sabhas and based on the analysis of the primary and secondary data collected, a detailed development report is prepared for each gram Panchayat. A development seminar is organized at the Panchayat level in which experts, elected members, representatives of gram sabha, and wider public participate. The development seminar helps to concretise further the problems and needs of the Panchayat. On the basis of this, duly constituted Task Forces prepare projects with the help of experts and the bureaucracy. The local plan is prepared incorporating these projects. The size of the plan depends on the local resources which the local body can raise (own source revenue, beneficiary contribution, voluntary contribution etc) and the plan grants from the state and the Centre (by way of Centrally Sponsored Schemes). The plans thus formulated are consolidated with the higher-level plans (block and district level) during which all projects are vetted for technical and financial viability.

For purposes of implementing projects without leakages and corruption, committees of beneficiaries with representation for women and scheduled castes are sought to be created. The process is important not only because of the wide opportunities provided for people’s participation, but also for reducing the power and domination of an entrenched bureaucracy which generally support the rent-seeking interests rather than improving the community’s welfare. It may be noted that all other institutional innovations created such as the right to information, citizen’s charter, transparency guarantees, Ombudsman, Appellate Tribunal, Performance Audit and so on are also designed to deepen democracy and accountability to the people. Right to information is made a statutory right. This is a powerful step against corruption. Every Panchayat has to draw up as per the statutes a citizen’s charter specifying the quality of services a citizen is entitled to from the Panchayat. This is another important measure to ensure downward accountability. The Ombudsman created to hear complaints from panchayats and people and without whose approval no action against a Panchayat by the state government is possible helps to promote local democracy.

Besides strengthening the traditional audit system through Local Fund Audit Department, a special concurrent audit system called Performance Audit system has been instituted to serve as a mid-course corrective and guiding mechanism to put the fledging systems of local governments in proper place. As part of PPC, considerable attention was given to what has come to be called social audit. Basically, social audit as it came to be experimented in Kerala refers to the evaluation of the quality, fund utilization, punctuality in observing time schedule and general performance of the project works of local governments through beneficiary committees and further by the Gram Sabha.

Criteria-based selection of beneficiaries is another significant feature of Kerala's decentralisation. This is ensured through clear enunciation of eligibility and prioritization criteria, application in writing, awarding of marks to each criterion, reading out of marks in Gram Sabha/Ward Sabha meetings and so on.

7. The devolution of over one-third of state plan funds to local governments as untied grant gives them considerable autonomy. But it is subject to the condition that 40 percent of the Plan allocation is spent on productive sectors, 10 percent for women-related projects called Women Component Plan (WCP) and that no more than 30 percent be spent on infrastructure. The emphasis on building the production base especially of the agricultural sector is particularly important, given the longstanding stagnation the agricultural sector of Kerala. The plan allocation specially earmarked for scheduled castes and tribes [called Special Component Plan (SCP) and Tribal Sub Plan (TSP)] administered by bureaucracy are now passed on to the local self-governments and involve SC/ST representatives.

8. The village Panchayats which interact with the Gram Sabha and which alone have revenue-raising powers among the rural local bodies are given more functions and resources (70% of rural share of plan as against 15% each to the block and district Panchayats). The gram sabha is strengthened and empowered legally. It is mandated that the GS meets at least four times a year. Every ward has a gram sabha whose functions range from expressing the local needs and fixing plan priorities to supervising projects. For the first time in India, the Gram Panchayats have started to make their own plans and that too with considerable involvement of the people.

9. A massive capacity-building exercise in a cascading fashion (involving 600 Key Resources Persons (KRPs) at the state level, 10,000 District Resource Persons (DRPs) at the district/block level and 100,000 resources persons at the local level (LRPs)) has been launched under the Kerala Institute of Local Administration (KILA). With the abolition of the campaign process, this corps also disappeared.

10. Availability of internal resources is one of the basic conditions for successful decentralized governance and autonomy. Relatively speaking, Kerala has a strong own resource base. That Kerala Panchayats on an average raise a per capita own revenue (taxes and non-tax revenue) of Rs.57 (1998-99) compared to less than one rupee in Uttar Pradesh (1997-98) and Rs.16 (2000-01) in Karnataka where decentralisation ostensibly made headway. This shows that Kerala has considerable local choice. Given the fact that only 40 percent of the tax potential of Kerala is tapped, [Oommen (2004)] there is immense scope for local choice in Kerala and expanding the plan size.

11. The active association of local governments with Kudumbasree⁴, the State Poverty Eradication Mission, which is a poor women-oriented self-help group initiative against poverty has taken the antipoverty efforts from a project approach to a holistic process approach. Apart from the women-oriented Community Based Organisations (CBOs) associated with the Kudumbashree, as part of the People's Plan initiative, CBOs including all households (poor as well as non-poor) have been started in some GPs as part of its social mobilization and social auditing effort. They were formed in order to get involved in the selection of beneficiaries, cultural activities, projects like education, health, drinking water and promotion of village level unity and so on.

Decentralised planning: A critical evaluation.

It is clear from the above discussion that Kerala's decentralized planning and decentralization initiatives have features that foster democracy definitely way ahead of the other Indian states. But what has been the progress on the ground? We adduce below certain macro and micro level evidences that help to answer this question.

One of the reasons for the larger devolution of plan funds to the PRIs (over Rs.5400 million during 1997-2002) and the insistence by the State Planning Board to devote a minimum of 40 percent of them to productive sectors was largely to remove the stagnation in agriculture and help to build the material base of the economy⁵. Table 1 of Appendix A gives the trends in net state domestic product, per capita income, and sectoral incomes from 1992-93 the first year of Eight Plan to 2001-02, the last year of the Ninth Plan. It also gives the trend in sectoral composition during the same period. Table 1 (a) of Appendix A gives the average annual rate of growth of all these variables. Some important observations from these two tables are noted below. During the Eighth Plan, the contribution of the agricultural sector stayed around 32 percent. But during the ninth plan which coincides with the decentralised plan regime, agricultural sector's contribution which includes fishing and animal husbandry has declined sharply. This is not to be interpreted as the normal outcome of an expanding economy where generally tertiary sector makes a higher rate of growth. This is because of the decline in the rate of production and productivity in the agricultural sector as well. It may not be wide of the mark to observe that more persistent and more focused productivity-based interventions would have produced better outcomes in the agricultural sector as could be inferred from some of the field reports discussed below.

As could be noted from Table 1 (a), (Appendix A) the rate of growth of the agricultural sector declined to a very low 2 percent during the Ninth Plan as against 19 percent during the Eighth Plan. The fall in the prices of several important cash crops of Kerala like pepper, rubber, cardamom, tea, coffee and the like have apparently affected the growth. Moreover, there was also a decline in the output of milk and eggs in the Ninth Plan. During the Ninth Plan period, the growth rate of the dairy sector fell to 3.78 percent per annum as against a rate

⁴ Kudumbashree is the new variant of the Community Development Society (CDS), a federation of women self help groups called Neighbourhood groups (NHGs) a group of 15-40 poor families identified with the help of a nine-point poverty criteria. It emerged out of the successful outcome of the Urban Basic Services for the Poor (UBSP) first adopted in the Alappuzha Municipality and later on in all the municipalities of the state in 1994 and recently introduced in the majority of the village panchayats.

⁵ The campaign managers visualized the people's planning campaign as "an important political response to Kerala's development crisis" [Isaac (2000): 4].

of growth of 4.42 percent during 1990-91 to 2000-01. The growth rate of egg production was a negative (-) 0.22 percent during 1996-97 to 2001-02. [See GoK (2004): 69].

Prima facie, a larger devolution to the local governments, especially to the Gram Panchayats (70 percent of rural share) should increase the output of the agricultural and allied sectors more than the others. The performance of SDP, per capita income and the sectoral incomes given in Tables 1 and 1(a) of Appendix A shows a sharp decline during the ninth plan compared to the eighth plan. Both SDP and per capita income have registered sharp fall. Obviously it is not correct to attribute this wholly to the decentralization project. Even so the failure to create a critical impact also cannot be ignored.

We may now turn to some micro level field evidences. John and Chathukulam (2003) examine how far the productive sector in the local areas have triggered economic growth. Empirical evidences adduced by the authors show that the Panchayats they studied followed more a re-distributive strategy than a productivity-based intervention. Several other field studies also corroborated this. Nair (2000) who makes a field investigation of the progress and performance of decentralized planning under the PPC in two village Panchayats in the Thiruvananthapuram district, mentions of widespread misutilisation of the benefits distributed under individual beneficiary programmes and the unproductiveness of a substantial part of investment made in the production sector.

K.N Jayan's study which covers 18 agricultural projects implemented during the period from 1998-99 through 2000-01 in the Vaikkom Gram Panchayat (Kottayam district) is important because it examines each project proposal, the process of decision-making, implementation and the final outcome. Categorising the productive sector projects as (a) individual – based (target beneficiaries are individuals), (b) institution - based (target beneficiaries are a group of persons) and (c) common property resource-based (target is improvement /maintenance of a common property resource), the author brings out the great chasm between the objectives (quite often unduly exaggerated) and final outcome. The Task Force on Agriculture formulating ambitious or ill-conceived projects, the voluntary technical personnel making indifferent scrutiny, the direct beneficiaries turning inactive, the officialdom which is supposed to provide quality inputs and timely advice becoming unresponsive and the people's representatives not monitoring, a wide gap between objectives and outcome was observed. What the author concludes about the project on equipment for fishermen groups is relevant for several others as well. "The objective of the project was vaguely written 'to increase fish production' and 'to reduce poverty among fishermen'. Panchayat took no initiative in detecting whether the objectives are fulfilled or not". [Jayan (undated): 51].

Another evaluative study on selected agricultural projects in 1998-99 by Prema (undated) in three Panchayats in the Malappuram district (Amarambalam in Nilambur Block, Thirurangadi in Thirurangadi block and Kottakkal in Malappuram block) reports that most of the agricultural projects related to paddy cultivation, vegetable gardening, coconut improvement, banana cultivation and soil conservation. 83 percent of the beneficiaries interviewed by the author reports that due to the implementation of the projects under people's plan, they could bring more area under cultivation and could take to double cropping (e.g. the vegetable production schemes of the Panchayats utilized the paddy summer fallows; irrigation and drainage projects indirectly helped in bringing hitherto uncultivated / abandoned land under cultivation). While the farmers in Amarambalam were unanimous

in saying that the area under paddy has not increased in their Panchayat, they all agreed that productivity has increased. The farmers in all the three GPs reported that the lack of technical services and timely supply of inputs have affected the farming operations significantly. After examining all the crop sector projects from 1997-2000 the author concludes that the majority of the projects were individual beneficiary centred. One of the important lacunae reported is that most of the projects had no forward and backward linkages. [A. Prema]. Even though there were several projects under the People's Plan, 75 percent of the sample farmers have rated them as 'good' and 17 percent 'very good' with none reporting them 'bad'. The social rate of participation defined as those who have attended all the gram sabha meetings ranges from 45.9 percent in Amarambalam to 67.7 percent in Kottakkal.

The study of Nalini Nayak *et al* (2000) on the wetland resources of Madayi, Mattool, Cherukunnu, Ezhome and Kunhimangalam Panchayats of Northern Kerala shows that PRIs were not involved in the innumerable problems faced by those engaged in farming, fishing and mat-making. Construction of ponds and reclamation of wetlands for establishing modern farms have not only encroached the common property resources but have created havoc through bringing about massive land use changes as well. Introduction of modern shrimp farms raises the question of local land use priorities which alter the land use patterns in the long run, apart from alienating the local population from the life support system of the area. The decline in the extent of mangroves and the changes of shoreline environments have not attracted the attention of the Panchayats in the area despite "the people's participation" in local planning.

Nair and Kumar (2004) hypothesise that beneficiaries' participation is a crucial determinant in the sustainability of the development projects implemented under the PPC and verifies this hypothesis by selecting 20 projects from a sample frame of 45 projects implemented in 15 GPs and 5 BPs (Block Panchayats) in the Thiruvananthapuram district. The sample frame was fixed after eliminating all minor projects costing less than Rs. 200,000 in GPs and Rs.300,000 in BPs and construction projects like roads, bridges, school building etc as well as unfinished projects. Only 15 out of the 20 sample projects had "some participation by the beneficiaries at some activity stage or other". [Nair, Kumar (2004): 38]. Beneficiary participation in none of the 15 projects fulfilled the three-fold criteria of genuine participation measurement used by the authors viz. exercising some decision-making authority, realizing some empowerment and enjoying a limited sense of ownership. Of the 15 participatory projects, beneficiaries' participation was genuine and active only in six. In seven other projects participation was mostly passive and mobilized by the Panchayats after formulating the projects. In two other cases participation was only notional. Not only that there were serious lapses in some of the sample projects, the productive outcome too was equally unsatisfactory. Based on "unrealistic and highly exaggerated" estimates, a project costing Rs.1.3 million ended with no outcome at all. Besides corruption and indifferent cooperation by the beneficiaries, outright thefts were also reported. Out of five irrigation projects, only two succeeded in producing concrete results. As the authors conclude:

"Faulty formation of projects, dependency syndrome, interference on political or parochial interests, and Panchayat's decision to blindly follow the governmental guidelines without proper investigation about its appropriateness and feasibility are among the major causes for this sad state of affairs. We conclude that in a majority of the social development projects taken up under the people's planning in Kerala, there was no genuine or effective participation by the beneficiaries. The sustainability of the projects would have improved with genuine or effective participation" [Nair, Kumar (2004): 40].

The field reports cited above relate to the productive sectors and people's participation. As regards the impact of decentralisation on poverty, there are some reported evidence which affirms that the overall impact of decentralisation on poverty has been positive. S.M Vijayanad a former Local Administration secretary and currently planning secretary is highly positive about the linkage between decentralisation and poverty when he says:

"The experience of the first few years of decentralisation has proved that in providing basic minimum needs, infrastructure like housing, water supply, sanitation and connectivity, the local governments have performed creditably. The speed and extent of coverage as well as efficiency in providing minimum needs has been superior to that of the state government. It is pertinent to note that funds spent on poverty reduction programmes by local governments significantly exceed earlier investments. This is suggestive of the higher priority given to antipoverty programmes by local governments. The spread of this investment is also much broader and generally more equitable"[Vijayanand (2002)].

Although this is an official view, the observation that the local governments have been more efficient than the state government in poverty alleviation is something to be taken note of. By and large, official statistics suggest that the infrastructural facilities of government schools, Anganwadis, hospitals, rural libraries etc. have improved. In places where the beneficiary committees worked well, they have effectively helped to conserve resources and improve the quality of services to the people. [See Pillai *et al* (2000), Chathukulam and John (2002)]. Another major area of achievement is in regard to housing. The official records show that nearly 4,98,000 new houses were constructed (this does not include 1,88,000 houses repaired) and that over 31 percent of these had gone to SC and ST categories. [See Government of Kerala (GoK) (2003)⁶ and Rashmi Sharma (2003)]. The projects relating to women (women component plan) according to several observers leave many things to be desired [See Chathukulam and John (2002)]. A KSSP publication notes: "most of the projects coming under the women component plan were silly and make a mockery of the concept behind it" [KSSP (2002):22]. Actually the best part of the people's campaign is that it promoted a development culture where the scheduled castes, scheduled tribes and women have turned from being recipients of beneficiaries to people engaged in the shaping of their lives. [See KSSP (2002), Mohan Kumar (2002)]. The claim that the People's Plan Campaign has led to a development culture above partisan consideration however, has been strongly contested. [See Veron (2001), Chathukulam and John (2002) Olle Tornquist 2002, 2004 and Michael Tharakan (2004)]. According to Rene Veron, "Local development reports and plans may make the prioritization process more transparent, but are no guarantee against favouritism and nepotism" [Veron (2001): 612].

As regards the question of social mobilization, given the socio-political situations relating to associational civil life in contemporary Kerala, "decentralisation with mass involvement" of the campaigners was bound to fail as a sustainable democratic alternative. Clientelism has enveloped civil life and all political parties, left as well as right. Under such a regime, rationality suffers because people take to partisan rhetoric and positions. Purposeful collective choice becomes very difficult. An average Keralite is a member of several organisations, social, cultural, religious, political, economic and so on. More than half the population can be said to be actively involved in organized civic life [Isaac (2001):4]. But the moot question is how far this social fragmentation has hampered Kerala's decentralised development? To quote Tharakan (who was the Director of Kerala Institute of

⁶ It may be noted that the official statistics on the progress of decentralized planning is quite often exaggerated as they are aggregation of reports submitted by the implementing officers. Generally we have not relied on them.

Local Administration under the PPC regime): “It is evident that Kerala society has deep fissures created by clientelistic party affiliations while there are also reports that caste and community interests are reappearing in manifold ways. In Kerala society, polarized by clientelistic party coalitions, it is difficult for local level organizations by themselves to rise above divisive interests” [Tharakan M (2004): 104]. Tornquist who notes a great political deficit in the substantial decentralisation of Kerala recommends, even a ‘repoliticisation’ of the democratic politics of the state. Indeed, there are serious problems in meaningfully embedding decentralisation in Kerala in the emerging social setting of the state.

Lessons from Kerala

What lessons do the democratic decentralisation and bottom up planning offer for other states in India or for other countries in the world? Some general observations are given below.

One, *devolution* is the keyword in creating ‘institutions of local self-government’. The review of the conformity legislations shows how the various state Panchayat acts have failed to provide effective devolution of functions, funds and authority to the PRIs. Kerala’s amendment to its Panchayat act in 1999 provides the statutory framework for creating functional, financial and administrative autonomy at the level of the third stratum of government. Without creating such a necessary condition, no state in India can move forward on the road to decentralized governance.

Two, democratic decentralisation should not be a partisan or narrow political agenda. For it to succeed, both the ruling and opposition parties should own it. Despite the rhetoric of support which the UDF government which came to power in 2001 gave to decentralisation, some of their actions were not giving the right signals to democratic decentralisation. The increase in the cabinet strength from 14 to 20, the creation of separate ministries for local administration and rural development, the introduction of the MLA’s local area development fund, several executive orders which virtually killed the beneficiary committee system (which was an innovative way to fight corruption and improve the quality of public works) the abandonment of the voluntary expert scrutiny system and so on have given a wrong signal to the officials and the public. The gram sabha meetings have been considerably weakened. When the meetings are routinised or not held as required and the preparation of minutes are stereotyped and attendance register fudged⁷, one feels frustrated at the manner in which local democracy unfolds in Kerala. Several other institutional arrangements have been weakened and in some cases even vulgarized. The real question is what a political scientist (Olle Tornquist) has raised: how to overcome the political deficit of substantial democratization? Not only Kerala, the country as a whole will have to take this question for reflection and action.

Three, Kerala, banking on its public action tradition took to a ‘big bang’ approach. It was actually a ‘learning by doing’ programme. While several arguments can be said in favour of this, it is a fact that Kerala’s administrative and technical capabilities also have been severely strained due to the sudden and swift actions and arrangements involved. The multi-stage process involving transect walk, data collection, preparation of development projects with the help of sectoral Task Force teams associating technical and non technical volunteers and so on did not become a sustained operation. If it failed in Kerala, it can never be easier in the other parts of the country. Making exaggerated estimates of costs, setting unrealistic targets, indifferent monitoring by the Panchayat committee members, holding development seminars in a routine fashion and above

⁷ The author has verified minute books and gram sabha records in several gram panchayats.

all deliberately neglecting or vulgarizing the vital organ of gram sabhas – all these provide the need for better participation of people and modifying the existing institutional arrangements.

Four, clientelist politics can deeply undermine the possibility of building participatory democracy. Kerala has all the ingredient for enhancing democratic values and democratic practice such as right to information, citizen's charter, quarterly gram sabha, Ombudsman and so on. But none of this can work effectively in an atmosphere of partisan and patronage politics. The way the beneficiary committee system is allowed to die without any protest from any quarters (The evaluation of A.R.V Pillai et al of 500 beneficiary committees during the people's plan campaign found that 25 percent of them worked well despite the heavy odds they had to fight against the rentier class lobby) does not speak highly of the emerging democratic practice in Kerala.

Five, given the development tasks mandated by the constitution PRIs have an important role in improving agricultural production and productivity. PRIs of Kerala did pay attention to this. The outcomes reported show a mixed result. There is tremendous scope for improvement. But the state and the local sector should try to pull together in a spirit of meaningful division of labour.

Six, the nature of fiscal decentralisation determines the extent of freedom and autonomy of a local government significantly. The operational autonomy of a local government that does not have taxing powers, and spending powers will be very limited. Kerala's local choice is considerably enhanced because of the higher proportion of own source revenue of the gram Panchayats. Even in Kerala 60 percent of the potential remains untapped. A citizen who pays tax will be more interested in scrutinizing and evaluating the working of the Panchayat than one who has no such obligations.

In this context the nature of the transfer system assumes great significance. In India horizontal equity can be considerably enhanced through an appropriate system of intergovernmental transfers. Untied grants, matching grants, specific grants and other transfer arrangements can be made purposive through meaningfully designing the transfer system for the promotion of democratic decentralisation. The State Finance Commission has a critical role in ensuring equity, efficiency and democracy at the local level. But most of them have failed in this mission.

Seven, the constitutional mandate to create participatory democracy, through creating 'institutions of self-government' and preparing and implementing plans for "economic development and social justice" need an altogether different paradigm of politics, development and culture. The few success stories of social audit that happened in Kerala show that given the right leadership and institutions, the nature and character of democracy and local development can be significantly changed for the better. Actually, there is a "lack of a scholarly public discourse on the politics of popular democratization" in Kerala (Tornquist (2004): 185) and probably much more in India.

Eight, the proven outcome of the effective linkage between the Kudumbashree, the local governments and the community-based organizations of the poor women show that, unless the poor are fostered as the agents of their development, the linkage between decentralization and poverty reduction could not be firmly established. In this pattern, the local government acts as the facilitator of the self-help initiatives of the poor. Being located

nearest to the people, the local government has a comparative advantage in developing a synergistic relationship between the government and the community-based organizations for strengthening poverty alleviation efforts. The conventional poverty approach perceiving the poor as the object of development should not be the dominant approach in seeking to establish a viable linkage between poverty reduction and decentralization.

To conclude, the Panchayat amendment is a radical effort to transform rural life via the creation of 'institutions of local self-government'. This obviously requires a radical reorientation of the existing paradigm of rural governance, politics and development. This paper has adduced some evidence to show that the necessary conditions for devolution have not been created in most states. Any one studying the conformity legislations of the various states will be impressed by Kerala's efforts towards functional mapping, fiscal decentralisation and deployment of functionaries. The strengthening of gram sabha, enabling provisions for social auditing, transparency guarantees, right to information, the mandate to produce a citizen's charter by every local body, the office of the Ombudsman and the like are milestones towards deepening participatory democracy in Kerala and offer excellent examples for other states as well. But the growing hiatus between the formal structures and democratic practices in Kerala also needs to be studied. The task of redirecting resources from 'rent' to development remains a distant goal. It is not enough to create the necessary conditions. Sufficient conditions also need be fulfilled to make decentralisation a viable project of rural governance.

Appendix A

Table 1

Trends in SDP, Per Capita Income and Sectoral Composition During the Eighth and Ninth Plan Periods

<i>Year</i>	<i>SDP (Rs. In Crores)</i>	<i>Per capita Income (Rs)</i>	⁽¹⁾ <i>Agriculture SDP (Rs. in Crores)</i>	<i>Agriculture Contribution to SDP (%)</i>	<i>Secondary Sector (Rs. in Crores)</i>	<i>Secondary Sector Contribution to SDP (%)</i>	<i>Tertiary Sector (Rs. in Crores)</i>	<i>Tertiary sector Contribution to SDP (%)</i>
1992-93	15081.7	5065	4654.93	-	-	-	-	-
1993-94	23851.1	7938	7637.92	32.00	4845.39	20.3	11317.66	47.4
1994-95	29022.4	9539	9327.41	32.20	6091.00	20.9	13546.06	46.7
1995-96	35330.3	11469	11355.42	32.10	7486.42	21.2	16424.76	46.5
1996-97	40698.7	13050	12824.92	31.50	8488.22	20.8	19324.15	47.5
1997-98	44883.5	14231	12709.1	28.30	9694.20	21.6	22409.5	49.9
1998-99	51061	16029	13294.97	26.00	11503.54	22.5	26166.11	51.2
1999-2000	56926	17709	14789.42	25.90	11804.00	20.7	30220.13	53.1
2000-2001	63715.1	19951	13996.8	22.00	13925.84	21.8	35634.95	55.9
2001-2002	73049	22668	13872.41	19.00	17295.83	23.7	41690.24	57.1

**Table 1 (a)
Average Growth Rate**

	SDP	Per Capita	Agriculture sector	Secondary Sector	Tertiary Sector
8 th Plan (1992-93-1996-97)	20	18	19	21	20
9 th Plan (1997-98-2001-02)	13	12	2	14	17

[⁽¹⁾ Primary Sector minus mining and quarrying]

References

- Baviskar B.S** (2004), "Including the Excluded, Empowering the powerless: Case studies of Maharashtra" Mimeo, Institute of Social Sciences, New Delhi.
- Bird, Richard M** (2000), *Inter Governmental Fiscal Relations: Universal Principles, Local Applications*, Andrew Young School, Georgia State University.
- Buch, Nirmala** (2000), "Panchayats and Women" in G. Mathew, ed, (2000).
- Chathukulam Jose and M.S John** (2002) "Building social capital through state initiative: participatory planning in Kerala" *Economic and Political Weekly*, May 18.
- Chathukulam Jose and M.S John** (2002) "Five years of participatory planning in Kerala: Rhetoric and Reality", *Economic and Political Weekly*, December 7.
- Choudhury RC and K. Sivasubramanyam** (2000) *Functional and Financial Devolution on PRIs: A study across selected states* Vol. 1, NIRD, Hyderabad.
- Deaton, Angus and Jean Dreze** (2002) "Poverty and inequality in India: A reexamination" *Economic and Political Weekly*. 38 (36).
- Dreze Jean and Amartya Sen** (2002), *India: Development and Participation*. Oxford University Press, New Delhi.
- Government of India** (1978), *Report of the Committee on Panchayati Raj Institutions* Ministry of Agriculture & Irrigation, New Delhi.
- _____ (2001), *Report of the Task Force on Decentralisation of Powers and functions upon Panchayati Raj Institutions*, Krishi Bhavan, New Delhi.
- Government of Kerala**, (2004), *Economic Review 2003*, State Planning Board, Thiruvananthapuram.
- Harris John, Kristian Stokke, Olle Tornquist** (eds) (2004), *Politicising Democracy: Local politics and Democratization in Developing Countries*, Palgrave Mac Millan, London.
- Isaac Thomas with Richard Franke** (2000), *Local Democracy and Development: People's Plan Campaign for Decentralised Planning for Kerala*, Left word, New Delhi.
- Jayan K.N** (undated) *An assessment of productive sector projects under people's planning: Study in the Gram Panchayats of Vaikom block, Kottayam district*, (under publication by KRPLLD).
- John M.S and Jose Chathukulam** (2003) "Decentralised Planning in the productive sectors", *Review of Development and Change* Vol. VIII No.1 January – June.
- King, David** (1984), *Fiscal Tiers – The Economics of Multi-level Government*, George Allen and Unwin.
- KSSP** (2002), *People's Planning: Experience and immediate Tasks* (Malayalam), Kochi.
- Kurian NJ** (2000) "Widening regional disparities in India" *Economic and Political Weekly* 12, February.
- Lieten G.K and R. Srivastava** (1999), *Unequal Partners: Power relations and Devolution in Uttar Pradesh*, Sage, New Delhi.
- Mathew George**, ed., (2000), *Status of Panchayati Raj in the States and Union Territories of India*, Institute of Social Sciences and Concept Publishing Company, New Delhi.
- Mohan Kumar S** (2002), "From People's Plan to plan sans people" *Economic and Political Weekly*. April 20.

Mohanty Bidyut and Vandana Mahajan (2004), Women's empowerment in the context of the Seventy third and seventy fourth Constitutional Amendment Acts. (Mimeo) Institute of Social Sciences, New Delhi.

Mulgan Richard (1997) "The process of accountability", *Australian Journal of Public Administration*, Vol. (56) (1 March 1997).

Nair, Gopinathan ND (2000) *People's Planning in Kerala* Discussion Paper No.16 KRPLLD, Thiruvananthapuram.

Nair Gopinathan N.D, P.K. Krishnakumar (2004) *Public participation and sustainability of community Assets created under the people's Planning Programme in Kerala. Selected case studies.* DP No. 60. KRPLLD.

Nayak Nalini et al (2000) *Wetland resources of Northern Kerala: A case study of Pazhayangadi and Kunhimangalam in Kannur District.* DP. No. 15, KRPLLD.

Oates Wallace E (1972), *Fiscal Federalism*, Harcourt Brace Jovanovich Inc.

Oommen M A (2000), "Panchayat Raj Institutions, Eleventh Finance Commission and working towards a new fiscal federalism" in D.K.Srivastava (2000) ed.

_____ (2004), *India: Fiscal Decentralisation to Rural Governments Vol.IV Kerala.* Rural unit South Asia unit World Bank.

_____ (2004a), *Basic Services, Functional Assignments and own revenue of panchayats*, ISS Occasional Paper series-33. Institute of Social Sciences, New Delhi.

Pillai A R V (2000) *Beneficiary committees: An experiment under people's planning*, Paper presented at the International Seminar on Democratic Decentralisation, Thiruvananthapuram, May 23-27, 2000.

Planning Commission (2001), *Draft Approach paper to the Tenth Five Year Plan.* Government of India, New Delhi.

Poornima and Vinod Vysalu (1999), "Women in Panchayati Raj: Grassroots Democracy in Malgudi", *Economic and Political Weekly* December 25.

Patnaik P (2004), "A theoretical Note on Kerala – style Decentralised Planning Macro Scan, An alternative economic web centre.

Pravin Sheth (2000) "Gujarat" in G.Mathew, (2000), ed.

Prema.A (undated), *Evaluation of Agricultural projects under People's Plan Campaign in Malappuram District* (Unpublished by KRPLLD).

Sathish Chandran T.R (2000) "Karnataka" in G. Mathew, ed., *Status of Panchayati Raj in the States and Union Territories of India*, Institute of Social Sciences and Concept Publishing Company, New Delhi.

Sen Amartya (1981), *Poverty and Famines.* Clarendon Press, Oxford.

_____ (1999), *Development as Freedom.* Oxford University Press, New Delhi.

Sharma R (2003) "Kerala's Decentralisation: Idea in practice" *Economic and Political Weekly*, September 6.

Siva Subrahmanyam K (2002), "Second Generation Amends to Panchayati Raj: A suggested framework", *The Administrator* Vol. 45, December.

Srivastava .D.K (2000) ed, *Fiscal Federalism in India: Contemporary challenges.* National Institute of Public Finance and Policy, New Delhi.

Tharakan Michael (2004) "Historical hurdles in the course of the people's planning campaign in Kerala, India" in Harris, Stokke and Tornquist, ed, (2004)

Tornquist Olle (2002) *Popular Development and Democracy: Case studies with Rural Dimensions in the Philippines, Indonesia and Kerala*, University of Oslo in cooperation with UNRISD.

_____ (2004), "The political deficit of substantial democratization in Harris, et al., ed, (2004)

Umakanth, (2004), "Democracy for the powerful" *Central Chronicle*, August 10, 2004.
<http://www.centralchronicle.com>.

Veron R (2001) "The "New" Kerala Model: Lessons for sustainable Development" *World Development* Vol. 29 No.4.

Vijayanand S M (2002), "Poverty reduction through Decentralisation – Lessons from the experience of Kerala State" *Poverty Net Work Home Page*.

World Bank (2002) *World Development Report 2002 Building Institutions for Market*, Oxford University Press, New Delhi.

