

Case Study

# Participatory Planning to Strengthen Decentralisation

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## Executive Summary

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments gave the much needed national recognition to Indian government's decentralised approach for governance and development that had already gained widespread popularity before independence. In order to institutionalise participatory democracy and decentralised planning, Article 243G of the 73<sup>rd</sup> Amendment Act sought to leverage the role of *panchayats* in bringing about 'economic development and social justice' in the villages while Article 243-ZD endorsed the strategy of spatial planning. Further, the Eleventh Five Year Plan emphasised the importance of local community's participation in local development. Consequently, the idea of decentralisation has enjoyed much currency in India.

However, despite the euphoria surrounding the idea, not many states in the country have given adequate attention to decentralised governance. Kerala, under the Left Democratic Front (LDF) government, put forth a prominent exception to this in 1996 with the launch of the People's Plan Campaign (PPC) that offered a pro-active methodology for decentralised planning with local people's direct participation. This methodology involved empowerment of elected local bodies to work out their own planning and project proposals for implementation, bringing about decentralisation of governance. This was done by a transparent formulation and selection of schemes at the *gram sabha*, the bottom-most democratic body. Groups of villages made up 'blocks', units through which certain central government development schemes were implemented. Blocks of one to thirteen village(s) or urban units were assigned the task of coordinating the local plans with national schemes and ensuring that local plans did not clash with one another. The block units were also responsible for trying to fill in gaps in local plans. Local body plans now form a major part of the total state plans.

The PPC was the single largest experiment in local democracy and local community empowerment at the time of its launch. It directly impacted nearly 31 million people in the state of Karnataka. Several landmark mass programmes have come out of the PPC. These include the country's largest women-centric poverty alleviation programme, Kudumbasree, the EMS Housing Scheme and the Kerala Food Security Programme.

## Methodology

The People's Plan Campaign has been in operation for approximately a decade and half in the state of Kerala. Its innovative approach, sustainability and large-scale impact have suggested its suitability as a best practice in governance and public service delivery. A unique set of features and benefits of the PPC were identified through extensive desk-based research. The Governance Knowledge Centre research team focused on studying the erstwhile governance mechanisms in place for planning and implementation of projects, the historical context of Kerala and its mass movements, and the progress of PPC through the years.

Due to difficulties in scheduling interviews with Kerala State Planning Board officials, this documentation is based solely on secondary research utilising government resources as much as possible. However, this has limited the inclusion of sufficient information on the current status of PPC.

## Background

The three-tier system of administration came into formal existence in India with the 73<sup>rd</sup> and 74<sup>th</sup> Amendments to the Constitution. In Kerala, decentralised planning that followed the Amendments and other enabling enactments in the state in 1994 started off as the People's Plan Campaign (PPC) and progressed with institutionalisation at different levels. Currently, Kerala has 978 *gram panchayats*, 152 block *panchayats*, 14 district *panchayats*, 60 municipalities and 5 corporations.

The decentralisation efforts of the LDF government in Kerala assumed immense importance in the context of the erstwhile crisis of the state's development model. In particular, the sustained poor growth performance of productive sectors of Kerala's economy was in need of urgent attention. The crisis in the productive sectors was manifested in the virtual manifestation of the agricultural sector, deplorably lower levels of productivity of important crops, growing apathy among cultivators, structural decay of the industrial sector dominated by the ailing traditional industries, rapid deterioration of the power situation, overburdening of the fragile economy and such like. The threats faced by other aspects of social life were equally severe. For instance, the deterioration in the quality of services offered crucial service sectors, such as education, public health, public distribution and transport were major problems. The stagnation of the productive sectors worsened the fiscal situation of the state and made it incapable of any meaningful intervention. More significantly, the crisis worked to strengthen the neo-liberal arguments that blame the people, their organisations and culture of collective intervention for the ailments of the economy. For a socialist set up, it was a major setback.

Apart from the macro level challenges to development in Kerala, persisting pockets of poverty and deprivation among people such as dalits and fisher folk had to be urgently tackled. Improvements in education and health had not ensured gender justice. Work participation of women in the state remained one of the lowest in the country. Destruction of the ecosystem, depletion of resources and pollution could no longer be ignored. There was a general consensus in policy circles that such challenges can be tackled effectively only through local level initiatives with people's participation and mobilisation of local resources. The 'Kerala Model'<sup>1</sup> was made possible with the help of mass movements that focused on the question of equity in distribution of wealth and income. However, it was soon recognised that even the pursuit of equity cannot be sustained in the absence of economic growth. The urgent question became whether the organised strength of mass movements and the democratic consciousness they had generated could be utilised to accelerate economic growth.

Against this background, the PPC for Ninth Plan represented an initiative that made use of the legacy of collective social intervention and the strength of mass movements to meet the erstwhile crisis of development. PPC was launched in Kannur district of Kerala in August 1996 with multi-pronged socio-political mobilisation and sensitisation of people with effective participation of organisations like Kerala Sasthra Sahitya Parishad (KSSP). This was to be associated with institution building at different tiers and levels of administration. The main objectives of the campaign were to develop and sustain a participatory methodology for local level planning with mass participation, and to generate a new civic culture in favour of grassroots democracy. It also aimed to bring attitudinal changes among all actors related to LSGs, such as elected representatives, officials, non official experts and people at large towards development and grassroots democracy. The driving idea behind PPC was that local bodies plan for themselves, identify the felt needs of the people, analyse the development problems, assess the local resources, make feasible development schemes, and prioritise and integrate them into a local Five Year Plan document.

Certain landmark events led up to the launching of the PPC. The transfer of powers, functions, institutions and staff to local governments was initiated in October 1995, under the Ninth Five Year Plan, and completed by July 2000. The transferred officials were given a dual

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<sup>1</sup> According to Richard Franke and Barbara Chasin (1999), the 'Kerala model' refers to a set of high material quality of life indicators coinciding with low per capita incomes, both distributed neatly across the entire population of Kerala; a set of wealth and resource distribution programmes that have largely brought about the high material quality of life indicators; high levels of political participation and activism among ordinary people along with substantial numbers of dedicated leaders at all levels. Kerala's mass activism and committed cadre were able to function within a largely democratic structure, which their activism has served to reinforce.

responsibility and accountability to both the PRIs and the line Departments for execution of their respective Plan programmes. Since February 1996, a separate budget document was adopted exclusively for the Local Self Governments (LSGs). The decision to devolve 35 to 40 percent of the plan funds to local governments was announced in July 1996. Approximately 90 percent of this was devolved with the condition that at least 30 per cent should be spent on productive sectors, not more than 30 percent should be invested on infrastructure and at least 10 percent should be earmarked for development programmes for women.

A variety of participatory institutional systems and practices were developed to attain these objectives. These include macro level institutions like district and block level expert committees for plan appraisal and approval; micro level participatory institutions like Task Forces for plan formulation and Beneficiary Committees for plan implementation. Neighbourhood groups and Self Help Groups were also promoted as part of the People's Planning Campaign. The constitutional entity of *gram sabha* was innovatively employed as a tool for mass mobilization in the democratic process during the PPC period in Kerala. It was expected that these institutions would play a key role in the process of mobilization of different strata of people towards participatory plan formulation and implementation. To start with, the process of planning from below was divided into five phases. Each phase was preceded by a preparatory stage, most important component of which was the training of resource persons at various levels. An appropriate environment was sought to be created through a mass publicity and conscientisation programme. A total communication programme for the PPC was designed by the Centre for Development of Imaging Technology (C-DIT), an autonomous media centre sponsored by the government of Kerala. Apart from the electronic and press media, other audio-visual methods such as folk arts, street theatre etc., which were more sensitive to the local cultural milieu and participatory in nature were also employed.

The PPC continued till 2001 under its name. In the 2001 elections the LDF government (which led the campaign) was replaced by the United Democratic Front (UDF). Their attempt was to institutionalize the decentralization process, rather than continue the campaign model. They renamed the programme as Kerala Development Programme. Notwithstanding this, the institutions created by PPC continued in one form or the other also in the KDP phase. In 2006, the LDF came back to power, giving PPC the much needed boost.

The decentralisation process in Kerala has entered its sixteenth year since PPC. The institutions created by PPC continued after the campaign phase. Institutions are intended to orient the actions of people towards particular goal and to bring changes in their behavioural pattern.

## Objective

The aim of the People's Planning Campaign was to achieve a sustainable model of development; local empowerment and environmental protection through people's participation in the planning and implementation process, based on the belief that the people know best what is good for them.

## Programme Design

The first annual plan (1997-1998) of the Ninth Five Year Plan (1997-2002) was the result of a year long planning process that comprised of six stages. The Kerala State Planning Board (KSPB) played a pivotal role in helping local governments to formulate the plan with people's participation. In order to educate and build the capacity of people's representatives, officials, voluntary activists and experts for the same, the KSPB organised several training programmes that, in all, covered nearly 50,000 participants.

The six stages of the People's Plan comprised of *gram sabha* meetings, development seminars, task forces, plan document, block and district *panchayat* plans, and District Planning Committees.

### *Stage One: Gram Sabha Meetings*

The first stage was to hold local assemblies in each of Kerala's erstwhile 14,149 village wards and urban neighbourhoods. In these assemblies, people's representatives and voluntary activists were provided training in organising *gram sabhas* and ward *sabhas* (in municipalities) to discuss developmental issues by forming difference sectoral groups. Practical and contextualized solutions often emerged out of these meetings.

### *Stage Two: Development Seminars*

Once community members discussed their development-related problems and solutions for them, the local self governments prepared detailed development reports that analysed local development issues and resources available. Development seminars were held at the *panchayat*/municipality level to discuss the report and the suggestions of the *gram sabhas*. Local level plans and project ideas were formulated in these seminars.

### *Stage Three: Task Forces*

In this stage, task forces were created that consisted of experts selected at the development seminars. The task forces were responsible for preparation of detailed project proposals for the annual plan.

## *Stage Four: Plan Document*

The local self government institutions held their council meetings in which annual plan document for the local bodies were finalised by prioritising the projects based on the funds devolved from the state government and locally available resources.

## *Stage Five: Block and District Panchayat Plans*

The block and district *panchayat samitis* finalised the annual plans by integrating and supplementing the project proposals from the grassroots.

## *Stage Six: District Planning Committees*

District Planning Committees (DPC) are statutory bodies formed under the Constitution. These were responsible for examining the plan proposals of each local body in the district, duly recommended by the technical expert groups in various sectors, and gave approval to the plans that fulfilled the guidelines. Funds for development of the projects were made available only after approval by the DPCs.

The implementation of plan projects was also organised in different stages similar to the stages involved in the process of project planning. These included selection of beneficiaries in the *gram sabha* meetings, formation of local beneficiary committees for implementation and monitoring committees for supervision of the project. All of these measures were aimed at ensuring people's participation and transparency in the development process.

## **Funding**

PPC is directly funded by the national and state governments' development budget.

## **Impact**

People's Plan represents the voices of common citizens who are dissatisfied and concerned with the quality of public service delivery. It gives people a chance to talk about health, education, irrigation, sanitation, drinking water supply and issues that are of urgent concern to people. Furthermore, these issues vary in magnitude and nature from one village to another. Therefore, uniform policies to address the same are bound to fail.

## *Incorporation of local concerns in planning*

The present system of planning in India is based on the preparation of sectoral plans by different departments. There is a lack of convergence in these plans, leading to duplication of



efforts and wastage of resources. On the other hand, in decentralised participatory planning, as encouraged by People's Plan, the objective is to arrive at an integrated, participative, coordinated idea of development of a local area. The Planning Commission of India has formally recognised that unless the planning process is decentralised and owned by the local communities themselves, the programme implementation will suffer.

### *Development of the principle of subsidiarity*

An interesting aspect of the PPC was the development of unique relations among different levels of the government. With the PPC came the idea that higher, more centralised agencies of government exist to support those at the lower levels. This is now formally recognised as the principle of subsidiarity- an essential concept in policy circles and academic work on public administration theories. It implies that decisions should constantly move closer to the people most affected by them. Theoretically as well as practically, this is a major contribution of PPC to the way governance is carried out in India.

In a bid to enhance the capacity of the lower levels of administration, the KSPB organised numerous seminars and regional meetings where activists could learn from each others' experiences.

### *Enhanced effectiveness of local plans*

Under decentralisation, plans move from the lowest level to the higher. In the Kerala PPC, this approach worked out well in practice since as each lower level sent its plans up to a higher level, the higher level assembly attempted to iron out inconsistencies, covering the loopholes and potential gaps, thus making the plan more effective in practice. Further, this created the possibility of making public services function more effectively by assigning them tasks and responsibilities best suited to their capacities. For instance, several local communities improved the supply of medicines at the local Primary Health Centre (PHC), making it possible for the *taluka* level hospitals to spend more of their allotments on fixing up the surgery rooms or adding MRI machines or outpatient public health projects requiring greater resources than a village or urban neighbourhood could provide.<sup>2</sup>

### *Innovation in planning*

PPC worked to empower the local communities and arm them with a sense of ownership over solutions to their immediate problems. Some communities pushed the limits of local power

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<sup>2</sup> Franke, Richard W. *Local Planning: The Kerala Experiment*. September. 2007

through creative projects. Various such instances have been recorded- construction of a bridge to facilitate foot and bicycle traffic over a major river where people had been demanding for years for the Public Works Department to construct it, development of an innovative suicide prevention programme, creation of a promising biological mosquito control project, development of highly efficient techniques for social auditing by which decisions about beneficiaries were made publicly, creation of an innovative 'labour bank' system for regularising employment of farm labourers and for smoothing out work patterns over the farming year, and such like.<sup>3</sup>

### *Empowerment of women*

It empowered women significantly by ensuring allotment of 10 percent of plan funds particularly for the inclusion of a gender aspect in the plans of local bodies. The Kudumbasree poverty alleviation programme was started under the PPC in 1998 for wiping out absolute poverty from the entire state through community action. It is one of the largest projects in the country to have put women at the centre of its operations, empowering them in an unprecedented manner. The programme has 37 lakh members and covers more than 50 percent households in the state. The three critical components of the programme are micro credit, entrepreneurship and empowerment. The initiative has today succeeded in addressing the basic needs of the less privileged women, providing them a more dignified life and a better future.

## Conclusion

The People's Planning Campaign made a seminal contribution to the development of infrastructure, improvement of the quality of services in school education and public health sectors and rejuvenation of production sectors in the local bodies across Kerala. Women's role in decision making at various levels was greatly enhanced. New initiatives like the food security programme that aimed at making Kerala self sufficient in food production and the EMS housing programme that sought to provide houses to all the landless and homeless people in the state prove to be path-breaking programmes through the years.

In India, PPC is the largest decentralisation programme at the state level. At the time of its launch, it was the largest such programme in the world. It represented the first time that

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<sup>3</sup> Ibid.

devolution of financial resources and powers was carried out up to the lowest level of government.

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