Chapter 1

INTRODUCTION

1.1. Background

Decentralization has become one of the significant trends for political reforms and development in the Indian polity for past two decades. It is widely recognized that the commitment and enthusiasm of policy makers towards decentralization and their reform efforts produced transformation in the structural setting of the polity and in the dynamics of the political process at the local level. Decentralization opened up new avenues for the sub-national and sub-state governments to exercise more political authority, financial and human resources and to initiate citizen-centric development. While Manor (1999) called it “a fashion of our time”, Campbell (1995) refers to “The Quiet Revolution”.

Most of the literature on decentralization focuses on economics, political science, public choice and applied policy, which attempts to draw lessons on the efficacy of decentralization from particular country or regional experience, or increasingly cross-country surveys (Paul, 2002:8-9). In order to make local governance and development more participatory, inclusive, accountable and responsive to the choice of the people, Government of India through the 73rd and 74th constitutional amendments mandated local governments to usher a new era of participatory democracy. These two constitutional amendments provided a strong legal foundation for the public management of local governments and initiated some institutional innovations for deepening and broadening local democracy. But the extent and efficacy of decentralization is uneven in the states in India. Kerala is much ahead in decentralization reforms and has become the trend setter of democratic decentralization and strengthening local governments in India.
Kerala, the tiny state in the southernmost tip of India, has been widely acclaimed as the path breaker of genuine decentralization and democratization of local governments for the whole country during the last two decades. The initiative of the Left Democratic Front Government (LDF) in 1996 to strengthen grassroots level planning and to make developmental local governments has produced significant changes in the social, political, administrative and economic life of the people. It has also produced remarkable changes in the institutional setting of local governments and ushered a new era of democratic governance at the local level. In terms of quality of life and basic infrastructure facilities Kerala ranked first among Indian states and is acclaimed as a model state. But in terms of democratization of the socio-political life Kerala’s achievements were not so significant until initiating the decentralization process in 1996 (Rajesh, 2013:2). The democratic decentralization process initiated in Kerala and the moving force of People’s Plan Campaign (PPC), in fact reinvented a new political and developmental culture. The new avenues for community participation and developmental discourse opened up by the PPC produced new political questions and new lessons on democratization process at the local level. As a result, Kerala became a new laboratory in democratic decentralization and public management of local governments.

This study is primarily focused on the effect of decentralization on citizen’s participation in development planning and local governance. Citizen participation and local governance in a decentralized system is becoming one of the critical areas of current development discourse, in which new concepts of citizenship and new approaches to democracy are emerging. How can decentralization provide a facilitating political environment, create favorable institutional structures for citizen centric local governance and contribute to democratic social change? Within this central question, a series of related sub-themes are to be discussed to deepen this debate. Do the local governments
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enable citizens to meaningfully participate in development planning and implementation? To what extent the democratic space opened up as part of decentralization is effectively utilized by women and other marginalized social groups for social inclusion? To what extent the local governance is transparent, accountable and responsive to the citizen and the community? What is the relationship between elected representatives and officials in the public management of local government organization? Are the capacity building programmes are effective to translate the ideals of democratic local governance and development in to practice? What are the barriers and shortcomings of democratic decentralization to democratize local development and governance and the policy options to resolve these challenges?

1.2. Background of the Study and Review of Literature

This study is about the effect of decentralization on democratizing local governance and development process in Kerala during the last two decades. Decentralization facilitate to emerge a new political order, based on notions of political participation, inclusiveness, accountability, transparency, responsiveness and capacity building of key functionaries and also to evolve a new political culture. These opportunities produce changes in the social and political life of the people and in the development process at the grass roots level. Decentralization also produces changes in the quality of democratic practices at the local level. In today’s globalized world, there is growing emphasis on, and recognition of, the importance of the quality of democracy at the local level (IDEA, 2013:13). No doubt the level of political organization accessible to the common people is local governments and they can freely interact with each other and exert pressure on the political system near to their door step. Therefore, the local level is the level closest to the citizens and the space where citizens experience the practice of democracy on a daily basis as they interact with democratic institutions and processes, try to earn a living and stay safe from harm, take care of their families and communities, and access
basic services such as health care, housing and education (Ibid.). Local
governments provide meaningful entry points to the people to get in contact
with the democratic political process and to enhance the quality of democratic
deliberations. Democratic decentralization in Kerala and the opportunities of
participation created by different micro level institutional structures increased
the accessibility of citizens in development planning and local governance
process.

Decentralization facilitates deliberative democracy and provide
platforms for different stake holders, including the civil society organizations
to participate in the decision making process. As a result the representative
system transform in to the form of participatory democracy and people take
part in local governance directly. Decentralization also produces changes in the
traditional power relations that exist in a society, by promoting an equal
distribution of power and influence between and among various social
sections\textsuperscript{1}. The way in which diversity is managed within a democratic context
is also a good indicator of the health of a democracy (IDEA,2013:14).
Decentralized system of governance at the local level positively contribute to
the dynamics of power relations between men and women and between the
privileged and the deprived social sections. This has its reflection on the
development process and promoting a more inclusive policy to consider the
choice of the marginalized social groups at the local level. The different
institutional structures innovated as part of decentralized planning and
governance in Kerala deliberately attempted to change the local power
relations favorable to the excluded social groups and the poor sections of
society.

\textsuperscript{1} Interview with Dr.M.P.Parmeswaran, Leader of the KSSP at Trissur on 16-02-2014.
Decentralization also opens up the avenues of new institutions, processes and practices for an accountable, transparent and responsive system of government at the local level. This has to be definitely helpful for people to exert popular control over the elected representatives and public officials and to influence the decision making process with high degree of political commitment and ownership. The new avenues of participation and accountability system increase the relevance of formulating people-centric development policy and its implementation. For the vast majority of poor people, sub-national democratic institutions constitute one of the most important avenues for participation in governance and decision-making process directly relevant to their lives and livelihoods (UNDP, 2010:23). Large number of measures have been taken as part of democratic decentralization in Kerala to strengthen systems of accountability, transparency and responsiveness in development planning and local governance.

Decentralization has close relationship with the public management reforms implemented in developing countries of the world since the early 1960’s. There was pressing demand on the part of people to make public administration more effective and efficient and to strengthen better interface between elected representatives and public officials to enhance the quality of delivery of services. The institutional devices innovated as part of decentralization support community participation, accountability, inclusiveness, empowerment and improved service delivery outcome. Strengthening the internal management system of local government organizations enhance the capability of local governments to carry out their public management functions more efficiently and effectively. Strengthening the internal management system also play a key role to co-ordinate different actors in local governance and to produce better outcome in development

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2 Interview with Dr. M.A. Oommen, Former State Finance Commission Chairman at Trivandrum on 5-02-2014.
planning and local governance. Public administration and local governments can play a key role in their efforts to improve state-society relationships and share up the institutional capacity of the state on long-term basis, provided that the policies implemented remain mindful of local governance dynamics, foster inclusion, civil responsibility, empowerment and participation (UNDP, 2010:5). The introduction of new Information Communication Technology (ICT) application and E-governance had also certain direct bearing and positive impact on the public management of local governments and lead them towards democratic governance and development. ICT application and E-governance make large amount of information accessible to the people and help them to participate in the process of informed decision making. Accessible and relevant information and the means and ability to communicate are important for enabling people to participate in policy making process and the decisions that affect their lives (Ibid.:18). The new avenues opened up by decentralization increase the interaction between local governments and citizens and open new channels of communication which have a direct bearing on articulating their choice in development and governance policy formulation. Meaningful efforts have been made in Kerala as part of democratic decentralization to strengthen the internal democratic practices in the management of local government organizations and to strengthen co-ordination between different actors through the ICT application and E-governance.

Democratic governance at the state, sub-state and local level need increased capacity and human resource skills to ensure participation, accountability and to achieve the intrinsic goals of development. Requisite capacity is also needed to maintain rule of law and public trust in governance. A range of evidence indicates that participatory democracies have long run growth rates that are more predictable, produce greater short term stability,

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3 Interview with Dr. Jose Chathukkulam, Director, Centre for Rural Management at Kottayam on 12-02-2014.
handle diverse shocks better, and deliver better distributional outcomes (UNDP, 2010: 17). It is therefore, widely argued that increased capacity has positive outcome on the delivery of public goods and services managed by local governments. In a transformed system of decentralized governance the different stakeholders have to play a changing role and to translate the intrinsic values of participatory democracy into practice. The massive efforts for capacity building undertaken as part of democratic decentralization in Kerala has attained wide attention at the national and international level to strengthen the individual and organizational level capacity of different actors in local governance and development. The capacity building strategy adopted in Kerala supportive to a big bang decentralization and the cascading approach for training implementation produced new experiences in the capacity building history of decentralization and local governance in India.

1.2.1 Decentralization and Democratic Governance

This section attempts to go through the relevant literatures on the area of decentralization and democratization of local governance and development, through which the problem of the study has been focused. Literature review is summarized into six areas: conceptual meaning of decentralization, decentralization and democratization, measuring democratic performance of local governments, public management of local governance, democratic decentralization and decentralized planning in Kerala, and Evaluation Study Reports of Governments.

The debate on democracy has shifted from the study of transitions to formal democratic rule, to the study of democratic deepening (Linz and Stepan, 1996). The conceptual meaning, different dimensions and foundational knowledge of decentralization have emerged from the policy documents

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4 Interview with T. Gangadharan, President, All India People’s Science Network at Trissur on 07-02-2014.
produced by major international development actors with the contribution of eminent academic scholars in different universities. Most of the scholarly works on decentralization established that decentralization is a key component of good governance and development. It includes research by World Bank, United Nations Development Programme (UNDP), Department for International Development (DFID), Swiss Agency for Development and Co-operation (SDC), United Nations Centre for Human Settlement (UNCHS), United Nations Department of Economic and Social Affairs (UNDESA), United States Agency for International Development (USAID), European Commission, Commonwealth Secretariat, Commonwealth Local Government Forum (CLGF) etc. These agencies mostly linked decentralization reforms in developing countries of the world with granting aid and increasingly promoting evidence in granting aid to these countries. These agencies also made efforts to assess the performance of sub-national and local governments in different areas such as, community participation, poverty reduction, fiscal improvement, curbing corruption, enhancing quality of delivery of public services, gender and development, social inclusion, transparency, accountability, grievance redressel, capacity development etc. Large number of research and massive amount of literature has been published over the last two decades to explore the conceptual meaning of decentralization and impact of decentralization on local governance and development by other national and international scholars. Most related theories reviewed have something to explain the concept and potential of decentralization on democratizing local governance and development.

The principles and values of democratic governance are discussed in detail by some studies. The process of democratic governance is based on certain universally accepted principles. These principles mainly include, participation, accountability, transparency, rule of law, separation of powers, access to justice to the excluded social groups, subsidiarity, equality and
freedom of the press (Salwa Tobbala, 2012). The principles and institutional design of empowered deliberative democracy are: practical orientation, bottom-up participation, and deliberative solution generation (Fung and Wright, 2000: 14-20). Decentralization creates new institutional structures to make a different style of political life and to make changes in the distribution of political power and resources. James March and Johan Olsen summarize this theory and the effect of institutions:

The organization of political life makes a difference, and institutions affect the flow of history. Actions taken within and by political institutions change the distribution of political interests, resources and rules by creating new actors and identities, by providing actors with criteria of success and failure, by constructing rules for appropriate behaviour and by endowing some individuals, rather than others, with authority and other type of resources. Institutions affect the ways in which individuals and groups became motivated within and outside established institutions, the level of trust among citizens and leaders, the common aspirations of political community, the shared language, understanding and norms of the community, and the meaning of concepts like, democracy, justice, liberty and equality (March and Olsen, 1989).

The publication of “Guidelines on Decentralization and the Strengthening of Local Authorities” in 2007 was a major step forward in this direction. This Guidelines recognized that sustainable development is made possible by the effective decentralization of responsibilities, policy management, decision-making authority and sufficient resources to local authorities closest to, and most representative of, their constituencies (UNHABITAT, 2007). The universal principles of decentralized governance and development are all based on the principle of subsidiarity. The other important principles listed in the guidelines are: capacity building for strengthening of local authorities and exercise their functions, participation
through inclusiveness and empowerment of citizens, recognition of the role of civil society in the progressive development of their communities, collaboration between national, regional and local governments and civil society organizations, participation of citizens in all stages of the policy process, new forms of participation such as neighborhood groups, participatory budgeting, e-democracy, availability of information to the citizens etc.

The Centre for Democracy and Governance, Washington has produced good number of research reports on the effect of decentralization on local democracy as part of its agenda to support public policy making on decentralization all over the world (Decentralization and Democratic Local Governance Programme Handbook, 2000). This document clearly explains the theoretical proposition of how decentralization promotes democracy and to bring government closer to citizens, how decentralization allows people to participate more effectively in local affairs and how local leaders are held increasingly accountable for decisions that affect citizen’s lives and how citizens and their elected leaders gain experience in the practice of democracy. The noticeable advantages of decentralization explains by this handbook are; dispersion of central government power, increased opportunities for responsible leaders or previously marginalized groups to enter politics, increased attention to local concerns and local needs, allocation of scarce resources with greater efficiency and efficient public service provisioning. Taken together these changes improve local government performance and enhance the legitimacy of the democratic system.

In another study (Baiochi, 2000) it is established that decentralization has succeeded to advocate for new democracies and revitalize local civic involvement in many parts of the world on the basis of the experience of participatory budgeting in Porto Alegre, Brazil. This study came to the conclusion that the net result of decentralization in the developing world is still
not clear, but the literature is replete with success stories involving specific instances of local reform that not only improve the delivery of services but turn municipal agencies into instruments of genuine redistribution of resources and of revitalizing local civic involvement. The changes in government associated with decentralization are thought to hold the potential to deepen democracy, make for more accountable and efficient institutions, increase citizen input, and foster co-operation across the public-private divide (Campbell, 1997; Peterson, 1997; Castaneda, 1993).

Another study (Diana, 2008) expressed increasing concern about the quality of democracy and opportunities for citizen’s participation. However, research in this area, raises doubts about the capacity of these policies to have a significant impact on the quantity and quality of participation and the change in the balance of power between citizens and the state towards attaining the goal of deepening democracy. The concept of deepening democracy has attained significant attention in the international development literature over the last one and half decades. Amartya Sen has rightly claimed that “democratization’ was the most important achievement of the twentieth century (Sen, 1999). There have been increasing concerns about the quality of democracy in many countries, and the term ‘deepening democracy’ has been coined to describe measures to address these concerns. The main justification for introducing local democracy was that it would ensure that local governments become “responsive” (Sharpe, 1984; Smith, 1985). According to Smith (1985) democratic systems are particularly responsive because development priorities are identified by decision - makers who both have intimate knowledge of local affairs and are engaged in open- minded, two-way communication with their electorate. In operationalizing responsiveness, this research draws some of the indicators applied by Crook and Manor (1995). They measure responsiveness as (1) congruence between actual spending priorities and main popular preferences (2) popular perception of quantity and quality of services and (3) responsiveness towards vulnerable social groups.
1.2.2. Democracy and Development

Large number of studies carried out by UNDP suggest that democratic governance and its focus on participation and accountability is a developmental goal and the core of democratic thinking is fostering inclusive participation and strengthening responsive state capacity (UNDP, 2000). Generally it is taken for granted that democracy has positive impact on development, but this relationship has proven less clear in the case of developing societies, particularly in the context of decentralized system of democratic governance. Some cross country studies find that democracy has a positive effect on public goods provisioning and efficient delivery of services. The decentralized levels of democratic government are more responsive because they are presumed to have better information about the “particular preferences and circumstances of their constituencies and are thus able to more efficiently provide goods and services resulting in “increases economic welfare above all which results from the more uniform levels of such services that are likely under national provision (Oates, 1999). The emergence of a civic culture has been argued by some to explain the responsiveness and effectiveness of democratic governance (Almond and Verba, 1993; Putnam, 1993). Other studies indicate that better democratization stimulates economic growth where the rule of law is strong and participatory democracies deliver better distributional outcomes (UNDP, 2000).

Participatory democratic theories viewed grassroots democracy as an attempt to take democracy beyond plain representation and established the rights of the citizens in the decision making process. Going beyond the traditional focus on electoral participation, increased attention has been directed toward the importance of direct participation- that is, direct forms of engagement with public decision making entities and processes in determining the quality and depth of democratic institutions (Heller, Harilal and Chaudhuri, 2007). Participatory democratic theories explained that citizens
should have an influential role in the decision making process, rather than confining their role to mere participation in elections, most often only as voters (Pateman, 1999). In the developing world, participation is seen as critical to increasing the overall capabilities of citizens (Dreze and Sen, 1995). Participation of people strengthen fragile democracies, improving the quality of governance, and countering the influence of organized and powerful dominant groups (Avritzer, 2002).

Another body of research examines the role of decentralization in influencing governance, including public participation and inclusion, transparency, accountability, democratization and democratic stability and priority for resource allocation. A number of studies only focus on governance, while others are much broader and discuss the relationship of governance with other aspects of decentralization. Some of the literature considers governance outcomes as ends in themselves, others as intermediate outcomes. A very few empirical studies look at a range of governance issues and the effect of decentralization on transparency and accountability. Almost all early theoretical literature implicitly assumed that transparency and accountability will emerge once decision making power is devolved. The recent conceptual work in this issue acknowledge that this cannot be taken for granted and require specific institutional arrangement and policies (Bratton, 2012). The finding of this study clearly indicates great variability across countries, partly due to variations in social characteristics, attitudes and behaviors. A number of studies examined the rationale of the institutional mechanisms for local transparency and accountability. The vast majority of studies focus on downward accountability to citizens- directly or indirectly through elected local councils. Upward accountability is rarely addressed or explicitly seen as supporting local autonomy. De Grauwe found that weak accountability is a major obstacle to improving decentralized education in sub-saharan Africa (De Grauwe et al., 2005). Eckardt documents greater political accountability of local
governments results in improved services in Indonesia (Eckardt, 2008). Another set of studies pointed out that the success of decentralization reforms is the result of the capacity of the local level democratic process to hold local governments accountable (Munawwar and Andrew, 2006). It is widely acknowledged that in Central and Eastern Europe in the early 1990’s there was a real demand from the local level for local democratic control and autonomy, as a reaction to the failures of the centralized state over the previous four decades (Coulson, 1995; Sootla and Gran, 2005). Similarly in several countries in Latin America, the return to democratic government in the early 1980’s and 1990’s generated demand for local democratic control (Menocal, 2004; Nickson, 1995).

The success of decentralization and democratic governance is determined by several factors. It has been pointed out that successful decentralization requires certain preconditions such as an appropriate legal and administrative framework, a local information base, capacity building programmes, and civic culture (Isaac and Franke, 2000). In order to overcome the challenges of powerful political and bureaucratic vested interests to weaken decentralization, these pre-conditions are of utmost importance. Capacity development of citizens and their associations help them to directly intervene, deliberate and decide on issues in the governance and development process.

1.2.3. Assessment of Democratic Performance

The USAID’s Center for Democracy and Governance, Washington DC published large number of literature as practical guide to USAID officers who are engaged with the task of developing programme activities in the area of decentralization and democratic local governance. These literature have focused mainly on providing technical and intellectual expertise needed to support democratic development in different countries of the world (USAID, 1998: Handbook of Democracy and Governance Programme
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Indicators; USAID,1999:Conducting a DG Assessment: A Framework for Strategy Development; USAID, 1999:Democracy and Governance: A Conceptual Framework;USAID, 2000: Local Decentralization and Democratic Governance Programming Handbook,2000). These documents are practical guide books to design and implement programme activities in the areas of decentralization and democratic local governance. These documents provide valuable knowledge to broaden the conceptual understanding on decentralization and local governance and to assess the democratic performance of local governments with certain useful indicators. These documents also discuss the key lessons learned and future programming issues in decentralization and strengthening of democratic local governance.

1.2.4. Public Management of Local Governments

Local governments play a constructive role in a society as an agent of change and development. The Governance and Institutional Development Division of the Commonwealth Secretariat (GIDD) support decentralization policies of the member nations through a range of activities. Strengthening sub-national and sub-state is an integral component of the New Public Management (NPM) policy and to promote development and democracy is the objective of the Commonwealth Secretariat. The strategic objective in this area is to promote democratic principles, and inculcate efficiency, responsiveness and participation in sub-national institutional capacities (Munawwar and Andrew, 2006).

1.2.5. Decentralization and Participatory Planning in Kerala

The basic philosophy and objectives of democratic decentralization in Kerala and the process and methodology of decentralized planning are discussed in detail in the book authored by Thomas Isaac, one of the leading moving force and practitioner of the decentralization movement in Kerala along with Richard Franke entitled Local Democracy and Development:
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People’s Campaign for Decentralized Planning in Kerala (2000). The significance of Kerala experiment of decentralization, the politics of decentralization in democratization, the rationale behind the methodology of grass root level planning, the different phases of the decentralized planning process, the practical issues faced during the different phases of the campaign and during the time of implementing the plan and the challenges before the state and local governments to institutionalize democratic decentralization are discussed in detail. This book also gives an interim assessment of the achievements and the shortcomings of decentralized planning in Kerala. In another research paper authored by Thomas Isaac (2000) entitled Campaign for Democratic Decentralization in Kerala clearly pointed out the democratic rationale of decentralization and argued that effort for democratic decentralization is a struggle for democratization of the political process at the local level. In this paper also the author very well documented the major achievements and shortcomings of decentralization in Kerala based on the experience during the initial years of its implementation.

Thomas Isaac and Patrick Heller authored another paper entitled Democracy and Development: Decentralized Planning in Kerala (2003) and discussed the limitations of representative democracy and techno- bureaucratic administration and its inability to address the challenges of just and equitable development. In this paper they have also discussed the rationale of decentralized and democratic forms of governance. They have also described and evaluated the functioning of key micro level institutions and processes innovated in Kerala as part of decentralized planning. They have also made a detailed account of how decentralized planning has been conceived and practiced to transform the character and scope of participation and the nature of interest mediation by the community. Along with the positive outcomes of decentralized planning they have made a detailed mapping of its critical challenges and shortcomings. In another paper Jose and John jointly authored
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and published in the Economic and Political Weekly (EPW) in 2002 and analyzed the achievements of decentralized planning in Kerala. They have also discussed the issue of social mobilization and arrived at the point that the success of participatory planning was the result of social mobilization of the people in the implementation of the Ninth Plan. They argued that problems that arose during the course of the implementation of plan was from the absence of clear understanding and perspective about decentralization. The question of sustainability of decentralized planning was also discussed in this paper and made it clear that the change of government and its changing policies adversely affected decentralized planning.

The role of civil society groups, particularly the Kerala Sastra Sahitya Parishad (KSSP) to empower people towards participatory planning and governance is discussed by M.P. Parameswaran in his work entitled Democracy by the People: The Elusive Kerala Experience (2008). A detailed account of the contributions made by KSSP to educate and sensitize Kerala society on participatory planning and the methodology of decentralized planning innovated by the KSSP in selected panchayats and the intrinsic value of neighborhood democracy are discussed in detail in this book. In another work by the same author entitled “Empowering People: Insights from a Local Experiment in Participatory Planning” the author discusses the efforts made by KSSP in experimenting the participatory planning techniques in some panchayats in Kerala. Before the launching of the People’s Plan Campaign (PPC), as part of the project for Sustainable, Participatory, Panchayat- Level Development Planning (PLDP) the KSSP started an action research programme under the Kerala Research Programme on Local Level Development (KRPLLD) in selected Panchayats in Kerala. The experience of this programme on local development is well documented (Parameswaran, 2005).
The operational and practical issues of decentralized administrative system in Kerala was systematically analysed by the Swiss Agency for Development and Co-operation (SDC) supported Capacity Development for Decentralization in Kerala (CapDecK) and Kerala Institute of Local Administration (KILA). It was the first attempt in Kerala to make a comprehensive assessment of the operational issues of decentralized planning and decentralized governance system in Kerala with the participation of the key stakeholders of local governments. The members of the policy making team of Government of Kerala and leaders of various Local Government Associations participated and expressed greater ownership in this study. The focus of this analysis was mapping of the operational level issues, identify the reasons of these issues, strategy to resolve these problems and who has to do at what level (KILA and CapDecK, 2002).

Another noticeable study was carried out by the CapDecK entitled Empowering Panchayati Raj (2007). This study focused on the critical constraints and the strategy needed to fine-tune, strengthen and institutionalize the Panchayati Raj system in Kerala. This study was specifically carried out as part of developing a comprehensive capacity development strategy for local governments in Kerala and to suggest intervention strategies to promote people-centered development and decentralized democratic governance. The study mainly focused on the lacunae and limitations of the Panchayati Raj system in Kerala, so as to develop an intervention strategy for rectification and fine tuning. The different areas covered in this study are the changing roles and responsibilities of PRIs, transparency and accountability, gender in decentralization, issues related to weaker sections and the scope of non-governmental support system.
K.N. Harilal (2012) on *Planning as an Instrument of Politics: Rethinking the Methodology of Local Level Participatory Planning in Kerala* argued that during the Tenth Plan period people’s planning has been under threat of bureaucratic capture. In this paper he pointed out that the directions in the form of Government Orders and the Guidelines issued by the state government appear to have subdued the process of participatory planning. His argument in this paper is that the gains of decentralized planning and deepening democracy has already lost and corrective measures are to be taken to put the experiment back on track. He emphasized the need to restore the goal of democratization and strengthening the participatory spaces built in to the process of planning. He had clearly pointed out that the need of de-bureaucratizing the planning process and making it simple and transparent as possible. This paper very well discussed the erosion of the spirit of democratization that has been deliberately built during the Ninth Plan in the decentralized planning process in Kerala and cautioned the efforts on the part of the state political system for bureaucratic capture in the name of institutionalization.

A good number of research papers have been published by scholars and practitioners in the area of decentralization analysing the success and shortcomings of decentralized planning in Kerala during the initial years of its launching. Rashmi Sharma (2003) made an attempt to conduct a case study of Palakkad district to assess the achievements and limitations of the planning and implementation process as part of decentralization. She had remarked that Kerala’s socio-economic context and political culture have significantly contributed to realize the goal of democratic decentralization and the rich social capital of Kerala made remarkable contribution for social mobilization in the decentralized planning campaign. In this article the researcher discussed the implementation problems faced by local governments and assessed the reasons for the shortcomings during the time of plan implementation. The important
among them are impact of political affiliations, staffing issues, and lack of technical expertise on the course of plan implementation. This paper argues that the discourse on decentralization and the lessons of decentralization in Kerala also has relevance for the whole country, as the people’s campaign has offered a new paradigm for participatory planning. The researcher discussed in detail on what needs to be done to disseminate the learning of Kerala decentralization and to implement in other states.

Another significant empirical study on decentralized planning in Kerala was on the institutions and practices during the People’s Planning Campaign (PPC) and the Kerala Development Programme (KDP) phase (Rajesh, 2013). This study attempts to analyse the dynamics of different participatory institutions introduced in Kerala as part of democratic decentralization. This study found that the sustainability of these participatory institutions is a major challenge and during the last years of the PPC and during the KDP phase the participatory institutions became weakened and decentralization became bureaucratized to a very great extent. The study concludes that withdrawal of voluntary resource persons from the planning process and degeneration of the collective deliberative process and withdrawal of the middle classes from the public forums and political change at the state and local level are the reasons for the weakening of these participatory forums.

1.2.6. Evaluation Study Reports of Governments

Government of India (GoI) and Government of Kerala (GoK) have made several attempts to evaluate the decentralization experience of Kerala during the course of the implementation of Ninth and Tenth Five Year Plans. As part of the International Conference of Democratic Decentralization the State Planning Board (SPB) prepared a basic document on decentralization in Kerala entitled Status of Panchayati Raj in Kerala (SPB, 2000). This document gives a clear picture on the vision, basic philosophy and objectives of
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decentralization in Kerala, basic principles of local governance system, legal framework and functional domain of the Panchayati Raj system and the innovative administrative measures and institutional arrangements for the effective functioning of PRIs in Kerala.

During the Tenth Plan period Government of Kerala have taken some efforts to institutionalize the gains of decentralization as part of the People’s Plan Campaign. One of the important initiatives was the launching of the Decentralization Support Programme (DSP) with the support of the Royal Netherland Embassy (RNE) in 2002. The most important objectives of the DSP were to document the experience and learning of decentralization process in Kerala during the Ninth Plan, to identify the critical areas of importance and to prioritize them for strengthening and institutionalizing the decentralization process during the Tenth Plan and to design a sound strategy, programme and policy for institutionalization of decentralized planning and local governance in Kerala. The Status Report and Project Proposals of the Kerala Decentralization Support Programme Phase-1 (DSP,2002) and the Final Report and Projects of the Decentralization Support Programme (DSP, 2005) substantially helped Government of Kerala to re-engineering and fine tuning decentralization process during the subsequent years.

One of the significant initiatives of Government of India was the study commissioned by the Planning Commission in 2006. The Programme Evaluation Organization of the National Planning Commission took up the evaluation of the Kerala Model of decentralized planning and published the report entitled Evaluation Report on Experience of Kerala (National Planning Commission,2006). The important issues considered in this evaluation were efficacy of the process followed (vis-s-vis Guidelines) for demand articulation, plan formulation, implementation and monitoring, constraints and catalysts in effective decentralization, success stories of decentralization and factors behind success and, lessons from Kerala model of decentralized planning, which are to
be transferred to the rest of the country. This evaluation study also illustrated some of the major shortcomings of Kerala decentralization such as, lack of co-ordination between different tiers of local governments, lack of a meaningful effort for formulation of an integrated district plan, lack of adequate efforts for capacity building of PRI members and other stakeholders and lack of appropriate guidelines for use of allocated funds.

The Sixth Report of the Second Administrative Reforms Commission appointed by Government of India specifically looked into the issues relating to local governance in India with a macro perspective. This report focused mainly on the strategy needed for strengthening real democratic decentralization in the country and to usher in genuine grassroots democracy as envisaged by the founding fathers of India and the provisions mandated by the Constitution (ARC, 2007). This report discussed the basic principles of democratic local governance vis-a-vis the operational level issues of both rural and urban local governance in India and suggested the measures to be taken for a participatory, transparent, rule-driven, responsive, equitable, accountable and effective local governance system for the country as a whole. Another important initiative taken by the Ministry of Panchayati Raj, Government of India was the effort to do an independent assessment of the state of Panchayati Raj in India with the support of the Institute of Rural Management, Anand (IRMA) in 2007. This independent assessment presents a critical assessment of the progress of Panchayats as institutions of self-government, and the role played by them in attaining the goals of economic growth and social justice. This assessment also identifies mechanisms through which Panchayats can contribute towards the goal of inclusive growth as envisaged in the Eleventh Five Year Plan (IRMA, 2008).

The Kerala State Planning Board conducted an evaluation study of the functioning of Panchayati Raj Institutions (PRIs) and published the report entitled Ten Years of Panchayati Raj in Kerala: A Rapid Assessment Study in
the year 2006. This study addressed some of the key issues of decentralization in Kerala. Such as, enhancing the autonomy and freedom of PRIs, simplifying the framework of planning process, exploring the potential of District Planning Committees more effective, strengthening Grama sabhas, effective auditing and accounting of local government funds etc. This study has made several suggestions for strengthening PRIs and decentralization in Kerala.

Another important evaluation study on decentralized planning and local governance in Kerala was conducted by the committee headed by M.A. Oommen and published the report entitled *Report of the Committee for Evaluation of Decentralized Planning and Development* in 2009. The Oommen Committee have made a detailed evaluation of the decentralized planning during Ninth and Tenth Five Year Plan period and assessed the operational issues of local development and governance in Kerala. The Committee has also mandated to evaluate the methodology of decentralized planning and suggest measures for improving the quality of planning and implementation, examine the issues relating to capacity development. The Oommen Committee also looked into the practical issues of decentralized governance and recommended the steps to be taken to make it more transparent, responsive and efficient. The Oommen Committee report provided several valuable inputs on the operational level issues of decentralized planning and governance in Kerala.

There is little documented evidence on the effect of decentralization and the space provided for civic engagement on democratization of local governance and development except the empirical research paper authored by Patrick Heller, K.N.Harilal, and Shubham Chaudhuri in 2007 based on the survey data collected from 72 randomly selected panchayats in Kerala. The focus of this empirical evaluation was to assess the general impact and development impact of the decentralized planning campaign, to make an in-depth discussion on the quality and process of participation, role of civil
society in democratization process at the local level, effect of decentralization reforms in strengthening and deepening local democracy, impact of the newly formed institutions of governance and democracy and the innovative practices of decentralization on the quality, efficacy and inclusiveness of development etc.

The implicit rationale of decentralization is that if a government at the state, sub-state or local level performs closer to the people, the people will get more opportunities for democratic participation, and this in turn, will be more inclusive, accountable, responsive and perform with enhanced efficiency than its centralized counterpart. Although democratic decentralization in Kerala receives much international attention, systematic practical knowledge and empirical evidence about the practice of decentralization and its effect on democratic local governance is limited. Still, disparities exist between the theoretical rationale for decentralization and what is actually gained in practice are gaping. The present study examines the practice of decentralization in Kerala during the last two decades and to assess the democratic performance of local governments with useful information from real life situation in the field. The present study therefore, contributes to the extent of disparity between the theoretical rationale and the actual practice of decentralization in Kerala over a period of last two decades with empirical evidence from the field, both positive and negative outcomes.

1.3. Defining the Research Problem

The researcher himself is an interested and participant observer of democratic decentralization process in Kerala during the last two decades and got opportunity to work with the State Planning Board, Government of Kerala as an expert member of the campaign cell of People’s Plan Campaign during the Ninth Plan period. Thereafter, associated with the capacity building initiatives of Kerala Institute of Local Administration (KILA), the designated
nodal institution for the capacity building of local governments in Kerala, in various capacities. The researcher’s association with State Planning Board and KILA provided ample opportunity to experience with the operational level problems of local governments. The researcher has had enormous opportunity to interact and has worked with the members of the policy making team of decentralization in Kerala, leaders of Local Government Associations of different levels, elected representatives, officials and voluntary experts and members of the state and district level capacity building team etc. and established close relationship with some of them. This long association profoundly contributed to enrich my understanding on the concept of democratic decentralization and the practice of the principles of local democratic governance in Kerala. Therefore, this thesis is prepared on the basis of the personal experience with local governments and the field level research in the selected 28 local governments and interviews with leaders of the policy making team of decentralization and local government system in Kerala.

During the last two decades (1994-2014), across four changes of governments in Kerala under the Left Democratic Front (LDF) and United Democratic Front (UDF), in spite of severe fiscal stress the state government consistently supported decentralization and showed strong commitment in strengthening democratic decentralization and local government system. These state governments, in spite of ideological conflicts never disturbed the legal framework and basic methodology of decentralized plan formulation and implementation. All were theoretically aimed at devolving powers and responsibilities to local governments and strengthening local democracy. The successive state governments headed by different ideological positions have shown their commitment to enhance participation of the people and civic engagement in the formulation and implementation of local plans. The state governments continuously reiterated their commitment to promote social inclusion and development of the disadvantaged sections of society such as,
women, dalits, tribals and the destitutes. They continued to extend support to the initiatives of different capacity building institutions and earmarked requisite amount of financial resources in the direction of strengthening the human resource capability of local governments and delivery of public good and services. In order to strengthen the legal framework of the local government system, large number of legislative measures have been taken and thousands of Government Orders have been issued to operationalize the legal framework without any ambiguity and lack of clarity to different stakeholders who are involved in the process of local development and governance. As a result of these initiatives and concerted efforts, Kerala became the model state in India in administrative, developmental, fiscal and democratic decentralization and the local government system became the most democratic and accountable one and set out the path for genuine decentralization.

With the direction of institutionalizing the gains of decentralized development and governance a comprehensive activity mapping has been completed and clearly demarcated the powers and developmental responsibilities of different tiers of local governments in Kerala, in line with the principle of subsidiarity enunciated by the Committee on Decentralization of Powers (Sen Committee). Massive efforts have been taken to fine tune the local planning methodology and to strengthen the participation of different stakeholders including the civil society organizations in the planning and implementation process. Efforts have been made to strengthen the policy framework of inclusive governance and taken in to consideration of the interests and priorities of the deprived social groups such as, women, dalits, tribals and destitutes. A good number of institutional instruments have been created to maintain transparency, accountability and responsiveness of the local government system and of the key actors of local governments to the people. Along with the big bang approach of decentralization, massive efforts for capacity building of different actors have been carried out during the last two
decades to enhance the operational capacity and outcome of decentralization. The state government maintained continuous facilitative support to local governments in the form of State Level Co-ordination Committee, or help desk system in order to tackle the day to day practical problems of local governments.

However, the literature on the experience of democratic decentralization and local governance in Kerala shows the non-compliance with the above and proved that there are certain critical mismatch existing between theory and practice of democratic decentralization and local governance in Kerala. The democratic deficits that exist in local governance and development have gradually resulted to rolling back the decentralized democratic governance to re-centralization and re-bureaucratization. Despite the positive set of actions in the form of legislative framework, guidelines and policy decisions by the state government to devolve large number of powers and responsibilities, local governments are not adequately capacitated to exercise these powers and developmental functions. As a result, the trust of people in local democratic governance and development considerably eroded during the last few years. In most cases local governments trivialize the situation and expend money without achieving the desired goals or expected outcome of decentralized governance and development.

The ownership and facilitative support of the state government and different administrative and development departments have been gradually weakened and sometimes it turns to hostility towards local governments. The departmental officers who are mandated to work with local governments are not extending meaningful professional support to design and implement local development programmes and they are more interested to implement the

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5 Interview with Adv.V.J.Thankappan, Former LSGD Minister at Nettayattinkara, Trivandrum on 21-01-2014.
flagship programmes designed by the respective administrative department at the state or national level. This is a major constraint faced by local governments in development planning and resulted into poor interface between elected representatives and officials at the local level. The democratic deficiency existing at local level has played a major role to weaken the participation of different stakeholders and different sections of society in decentralized planning and local governance. This decreased level of political participation, in turn has negatively contributed to weaken systems of accountability, transparency and democratization of local governance and development. The political will on the part of state government to extent requisite support to local governments is not adequate enough to overcome these challenges.

The practice of social inclusion and inclusive development policy on the part of local governments is restricted to fulfill the mandatory representation for disadvantaged social groups. The participation and ownership of the marginalized social groups such as, women, dalits, tribals, destitutes etc. in local governance and development process is not at a comfortable level. The allocation of resources by local governments to different development programmes beneficial to these social sections are not based on their felt needs and development priorities. The local governments are not creating sufficient conditions for the effective participation and efficient delivery of services supportive to inclusive development. Ever after ensuring fifty percent of women representation in all elected bodies of decentralized governance, their participation in different institutional structures related to

6 Interview with Sri.T.Gangadharan, President, All India People’s Science Network at Trissur on 07-02-2014.
7 Interview with Dr.M.P.Parameswaran, Leader of the KSSP at Trissur on 16-02-2014.
8 Interview with Sri.S.M.Vijayanand, Secretary, MoPRD, Government of India at Ernakulam on 19-02-2014.
local governance is not effective to produce positive outcomes\(^9\). The developmental priorities of large number of local governments are not gender friendly and even the increased level of representation is not translated in to effective participation in development policy decisions in favour of changing the power relations between men and women at the grassroots level. The legislative and administrative efforts for inclusive governance did not produce systemic changes towards inclusive development in a significant manner.

The participatory institutional structures created as part of decentralized planning are not functioning effectively at the grass roots level. The elected representatives and officials have not yet fully internalized the scope of democratic space opened up by these micro level democratic institutions and the intrinsic values of democratic decentralization\(^{10}\). The decentralized planning still lack comprehensive vision for local development and failed to integrate local plans of different tiers with an objective of regional or area development. The support and technical expertise of professionals voluntary experts and the social capital available with the local community are not meaningfully utilized in local planning and implementation\(^{11}\). This has negatively contributed to the erosion of quality of democratic decentralization and local governance in Kerala. The freedom of local governments to formulate and implement local plans have also been considerably lost due to the rigidity of macro level guidelines issued by the state government and the flagship programmes designed by different administrative and development departments and the strict direction to earmark resources for the same\(^{12}\).

\(^{9}\) Interview with Suhra Mampad, DPC Chairperson, Malappuram District at Changaramkulam on 24-02-2014.
\(^{10}\) Interview with Dr.M.A.Oommen,Former Chairman, State Finance Commission at Trivandrum on 05-02-2014.
\(^{11}\) Interview with Prof.P.K.Raveendran,Director,IRTC Palakkad at Njarakkal on 29-01-2-2014
\(^{12}\) Interview with Dr.K.N.Harilal, Former State Planning Board Member at Trivandrum on 19-01-2014
The internal management system of local governments and the relationship between elected representatives and officials are not so encouraging and comfortable in most of the local governments. In spite of the existence of rules for code of conduct between these two key actors, the interface is not mutually beneficial and supportive to deliver better results. The trust between these two key actors in local governance has considerably been eroded and the concerned administrative departments give wrong signals to these officials and they are not taking a proactive role in planning and implementation with community participation. The ICT application and implementation of E-governance in most of the local governments is not supportive to strengthen the trust of the people in local governance or enhancing participatory and informed decision making.

The capacity building programmes are not designed and implemented to meet the changing needs of local government functionaries or to meet the critical challenges faced by them or to meet their individual and organizational needs. This has adverse implications for the capacity of local governments to perform their assigned functions and responsibilities or to transform local governments to attain the intrinsic values of decentralization or democratic governance. The routinized designing and implementation of capacity building programmes and the lack of requisite capacity of the capacity building institutions do not help local governments to build their requisite capacity to meet the second generation developmental issues and capacity needs of local government functionaries in Kerala. The issue of this knowledge gap existing with elected representatives, officials, voluntary experts and the community has to be resolved to attain the expected benefits of democratic decentralization and local governance.

13 Interview with K.R.Rajan, Former Leader of the Panchayat Employees at Trivandrum on 21-01-2014.
14 Interview with Sri.S.Nazarudeen, Former Secretary, Kerala Grama Panchayat Association at Kollam on 25-2-2014.
1.4. Research Questions

The broad research questions were formulated from the conceptual and practical problems of democratic decentralizations in Kerala. In order to make the research more specific and focused, it was narrowed down to democratic participation in development planning, social inclusion and development of marginalized groups, instruments of democratic accountability, transparency and responsiveness, internal management system and democratic behavior of key actors and capacity building and democratization process. The broad research questions were kept in the mind of the researcher while drafting the detailed questionnaire for collecting data from the field and for interviewing the key actors of the policy making team. The broad research questions and the detailed questionnaire have been tailored several times in consultation with experts and practitioners in the area of decentralized governance and development. This consultation helped the researcher to verify its workability and refine the questionnaire and to collect useful empirical data from the field. The following were the broad research questions that guided the research:

RQ1 # Are the basic objectives of democratic decentralization translated into practice to strengthen democratization of local governance and development? What are the strengths and weaknesses of democratic decentralization in promoting democratization of local governance and development?

RQ2 # How do the different institutional structures designed and implemented as part of development planning efficiently function to ensure democratic participation of the people and other stakeholders, including the civil society organizations and community based organizations?

RQ3 # How enabling is the local governance and development process to promote social inclusion and development of marginalized sections of
society? To what extent the resource allocation as part of development planning is based on the priorities and interests of these marginalized social groups?

RQ 4 # How the instruments of accountability, transparency and responsiveness are to be effectively practiced and to what extent these instruments effect the democratization of local governance and development?

RQ 5 # How do the democratization process operate in the internal management system of local governments and to what extent the rule of law system operates in the inter-relationship between elected representatives and public officials to maintain better interface between them?

RQ 6 # How did the capacity building efforts impact on democratizing local governance and development and to what extent does it enable local governments to effectively exercise the powers and developmental responsibilities of local governments?

RQ 7 # What are the major constraints and barriers and the possible solutions in the form of policy options to the practical problems encountered by local governments and to strengthen democratization of local governance and development? What measures are to be taken to correct the democratic deficits still existing in local governance and development and to provide sufficient space for citizens and the community to meaningfully participate in the decision making process?

1.5. Objectives of the Study

The objectives of the study are twofold. Firstly, to provide new information about the impact of democratic decentralization on development planning and local governance in the context of legislative reforms and practical experience during the last two decades in Kerala. Secondly, to assess the gaps that exist in translating the intrinsic values of decentralization and
democratization in to practice and to suggest measures required to transform local governance and development more democratic and people-centric. These two fold objectives are specifically listed in detail as below:

1. To assess the democratic deficits that exist in local governance and development while translating theory in to practice on the basis the experience of last two decades (1994 -2014) of decentralization in Kerala

2. To examine the evidence related to the extent of democratization in the functioning of institutional instruments of civic engagement and democratic participation in development planning and local governance

3. To examine the evidence related to the effect of democratic decentralization on promoting inclusive development policy and fostering the interest of women, dalits and tribal communities in development planning and local governance

5. To examine the evidence related to the democratic deficit exist in the public management of local governments and strengthening the effective interface between elected representatives and public officials

6. To examine the evidence related to the effect of capacity development to enhance the human resource capacity of key functionaries of local governments so as to translate the intrinsic values of democratic decentralization in to practice
7. To examine the evidence related to the major challenges and constraints faced by local governments in fostering democratic governance and development and to suggest policy measures to be implemented at various levels to make decentralization and local government reforms sustainable.

8. To inform the community on the state of affairs of the democratization at the local level and offers an opportunity for the stakeholders of local governments to take notice of the findings, and more importantly to act upon them.

1.6. Research Methodology

The extensive literature review in the area of democratic decentralization and local governance helped the researcher to conceptualize the topic and framing the research questions. Completing these two foundational tasks directed the rationale of choosing the useful methodology is to be addressed. Equally important is that considering the different factors of availability of time, cost, the scope of the research and the important issues covered in this study. It is felt that cross-section survey with the help of a semi-structured questionnaire and interviews are the most appropriate methods to collect data for undertaking this evidence based policy research. 28 Grama Panchayats have been selected from seven districts, representing all geographical regions of Kerala for intensive study for the purpose of understanding the different manifestations of the research area and the multifarious issues identified in the democratization of local governance and development of Kerala.

The research is all about an assessment of the effect of democratic decentralization on local governance and development, how it goes in actual practice to transform the local government system, and how it translates in to the policy framework in the day to day functioning of local governments in
Kerala. It was considered that this method best fits the intended type of study. Moreover, the cross-section survey method adopted in this study is a multiple cross-section survey method, because of the regional variations, political variations and performance variations exist among the local governments in Kerala. Therefore, multiple case study method is used to do the contextual analysis of democratic performance of local governments in Kerala in this study.

In order to assess democratic performance of local governments, the researcher greatly relied on the qualitative data collected from the key functionaries of local governments through a semi-structured questionnaire (During 2013 September-2013 December) and in-depth interview with key actors of the policy making team of Government of Kerala (During 2014 January – 2014 March) (see Annexure-1 for semi-structured questionnaire) The semi-structured questionnaire mainly focus on the following areas that are critical to the success of democratic governance; democratic participation in development planning, social inclusion and development of marginalized communities, operationalization of instruments of accountability, transparency and responsiveness, democratization in the functioning of internal management of local governments and capacity building and democratization of local governance and development. The questionnaire survey and interviews generate valuable inputs for a systematic analysis of the strengths of democratization process at the local level and also give useful information on the most significant problems in each issue area and help to identify the democratic deficits and gaps exist between theory and practice in the democratic decentralization process of Kerala.
1.6.1. Selection of Local Governments

The present study is confined to the rural local governments and 28 Grama Panchayats have been selected from seven districts as part of the assessment of democratic performance of local governance and development in Kerala. These 28 rural local governments represent the regional, political and performance variations in Kerala. These 28 sample local governments were selected using multiple criteria. The initial criteria was the ranking made by the Panchayat Department score, based on the performance based assessment of local governments in every year. From this data two better performing and two poor performing rural local governments from the selected seven districts have been selected. These seven districts have been selected from four different geographical regions of the state, Kannur, Waynadu and Kozhikkodu from northern part, Thrissur, Ernakulam and Kottayam from the central part and Trivandrum from the southern part. (see Annexure No. 2 for the list of 28 rural local governments)

1.6.2. Selection of Participants

A multi-stakeholder participatory assessment approach is adopted in the present study of democratization of local governance and development in Kerala. This study draws its strength from the perception and practical understanding of the key functionaries of local governments, including elected heads, standing committee chairpersons, elected representatives, secretaries, different categories of staff of local governments, the officers and staff transferred to local governments from different administrative and development departments. The voluntary activists, experts and representatives of non-governmental organizations and community based organizations have also been included in the semi-structured questionnaire survey conducted as part of collecting field-level data. A fairly good number of leaders of the policy making team from multifarious fields including former ministers of
Local –Self Government Department (LSGD), former principal secretary of LSGD, district planning committee chairperson, state performance audit officer of LSGD, former planning board member, researchers, academics, leaders of Local Government Association (LGA), social activists, district planning officer, leaders of non-governmental organizations were interviewed and collected their inputs for this study. (see Annexure No.3 for the details of the leaders of the policy making team who have interviewed). The leaders of the policy making team who have been covered in the interview were also belonged to divergent social and political patterns of Kerala.

1.6.3. Data Collection

The present study employs both qualitative and quantitative methods for data collection. Qualitative data on the experience and perception of different stakeholders of local governments and leaders of the policy making team including the leaders of Local Government Association are collected though a variety of means, including questionnaire survey, in-depth interviews, reflective workshops, conferences and participant observation. Some quantitative data on participation of people in Grama Sabha meetings and plan implementation are also collected which complemented the qualitative approach. Along with the qualitative data collected though multiple cross-section surveys, in-depth interviews, participant observation, reflective workshops etc., the various quantitative data published by the Government of Kerala, and local governments were also used in this study. The researcher has done some documentary analysis of the Local Government Acts and Rules, operational policies, audit reports, official level evaluation reports etc. as part of collecting data for this evaluative policy research.

In developing the question schedule, advice from various experts and practitioners who have long years of experience with decentralization and local governance was sought and piloted this questions with a number of elected and
official functionaries of local governments to verify its operational feasibility in the field. Based on their feedback and suggestions some of the questions were modified and fine tuned the questionnaire. The participant information sheet was also included along with the schedule of questions which allowed the researcher to compare the participant’s responses according to a number of factors such as, local government position, party affiliation, age, educational qualification, experience etc.

The semi-structured questionnaire formulated as part of this field study is a practical resource tool to reflect and share the experience and perception of the key functionaries of local governments and to conduct a self-evaluation of the democratization process in their own local government. This also help them to assess the strengths and weaknesses of the decentralized democratic system and to identify the ways to further consolidate the strengths and rectify the weaknesses. Most of the respondents used this questionnaire as a tool to do an independent and impartial evaluation of participatory development planning and democratic governance based on their real life situation and experiences. The analysis of the qualitative data collected through the question schedule and interviews significantly helped the researcher to formulate policy suggestions and recommendations for further strengthening and deepening the democratization process at local level.

The researcher also conducted a good number of interviews with members of the policy making team and used another set of questions in mind framed on the basis of the reflections and feedback of the respondents who have participated in the questionnaire survey. The interview with these key informants have been recorded and transcribed and circulated to them for correction and changes if they want to do and to minimize the chances of error.
1.6.4. **Data Processing and Analysis**

The secondary sources of data are analyzed and used in drafting the first four chapters and the primary source of data is analyzed and used to draft the fifth and sixth chapter of this thesis. The secondary sources of data are primarily accessed through libraries, local governments, state government offices and Information Kerala Mission under the LSGD and the internet. The primary data are collected mainly through the semi-structured questionnaire, which contains three different types of questions. First set of questions are multiple choice questions which are useful to record the response of the participants on the current situation of decentralized governance and development, second type of questions are multiple option questions to mark the priority or preferential order of the participants which are useful to do a comparative assessment of various issues of democratic governance and the third type of questions are open ended questions which are useful to collect the detailed response of the participants based on their experience related to the practice of democratic governance and to make an assessment of the strengths and weaknesses and to give their suggestions to enhance the quality and sustainability of development planning and democratic governance at the grassroots level. The qualitative data collected through the open ended questions in the semi-structured questionnaire were manually processed by the researcher himself and decoded and consolidated. Attempts have also been made to analyse the qualitative data and to formulate various tables to explain the trends of democratic governance and development in quantitative form.

1.7. **Significance of the Study**

Today there is growing interest in discussing the process of decentralization and its effect on democratic governance. There is a general understanding that decentralization fosters the democratization process in local governance and promotes the choice of the people in development planning
and implementation. The new opportunities created by decentralization increase the trust and sense of ownership of citizens in local governance. Equally important is the role of the state and sub-state level political organizations in protecting the interests of the people and utilizing the resources available with these political organizations based on their priorities of the citizens in the context of globalization. Decentralization definitely, cherish the opportunities of community participation and engaging the civil society in public management of local governments. Decentralization also create and promote opportunities to protect the interest of the marginalized sections of society, including women, dalits and tribal communities.

Decentralization provide new institutional settings for greater transparency, accountability and responsiveness which in turn strengthen democratic governance at local level. The increased capacity acquired by the elected representatives, public officials, civil society organization and other stakeholders enhance the quality of service delivery and this in turn strengthen citizen interface with local governments. UNDP rightly observed “democratic governance should be seen as an important vehicle for our ability to deliver on poverty reduction in a sustainable and equitable manner in addition to democratic governance being an important end in itself (UNDP, 2010 :3)

In the case of democratic decentralization in Kerala, adequate research has not yet been carried out with special focus on the effect of decentralization on democratization of local governance and development. One of the basic objectives of democratic decentralization in Kerala was to reform local governance and the process of development planning with inculcating democratic values and political culture. Since, democratic decentralization was started in Kerala about two decades ago and the fundamental legal framework was laid down within this period, it is now the right time to make an in - depth evidence based study and assess the performance of local governments with
clear indicators of democratization. This empirical study would definitely contribute to guide the future policy track of democratic decentralization and to make local governments more democratic and sustainable.

Large number of reform measures have been taken on the part of the state political system to strengthen the democratic base of local governments and designed good number of institutional mechanisms as part of development planning to strengthen democratic political culture at local level. Decentralization is a necessary condition for democratization, not a sufficient condition. Therefore, it is clear that there are limitations resulting from the practical issues and attitudinal issues of different stakeholders who are associated with local governance and development. The researcher is fully aware and acknowledge that the goals of democratization cannot be translated in to practice within this short span of time.

Most of the research studies conducted in the area of decentralization in Kerala are mainly focused on the conceptual understanding and participatory methodology of decentralized planning. Some studies are focused on the institutions, procedures and process of decentralized planning (Rajesh, 2013). Most of these studies are not empirical studies based on field level qualitative data. A good number of studies came out during the initial years of decentralized planning and based on the experience of Ninth and Tenth Five Year Plans. This empirical research makes an attempt to assess the democratic deficits still exist in development planning and local governance, when translating the democratic objectives of decentralization in to practice based on the experience and perception of key stakeholders of local governments. Therefore, this study has implications for practice and to provide applicable recommendations to further strengthening the democratic base of local governments in Kerala. This effort to foster the bridge between theory and practice would definitely enhance the democratic performance of local
governments and its key functionaries. The researcher is focused on five main issues related to democratic decentralization of Kerala in this study; democratic participation in development planning and implementation, social inclusion and participation of women and marginalized groups, operationalization of democratic accountability, transparency and responsiveness in local governance, internal management system of local government organizations and capacity development and democratization of local governance.

1.8. **Limitations of the Study**

The present study is subject to several limitations and shortcomings applicable to any other research on such a vast topic. This study only aims to highlight the experiences and lessons learned in the area of democratization of development planning and local governance. One important limitation encountered during the course of the study is the availability of voluminous literature and information in the area of decentralization, and making a comprehensive analytical study become very difficult and unmanageable. Indeed each of the five issues covered in this study has potential for extensive independent analysis. The second important limitation of this study is related to the sources of information used. The reflections of the people on decentralization, local governance and development are not collected and the people are not used as a target audience of this study, due to the limitations of time and resources. The perceptions of the people, even though they are the real beneficiaries of decentralization are not used as a data source in this study.

This study also faced various hindrances during the course of its designing and implementation. Because of the gaps in research in the area of democratization of local governance and development in Kerala, it was very difficult to get sufficient secondary data from various sources. Most of the studies were focused on decentralized planning and the theoretical discussion on its methodology. Majority of these studies have been carried out during the
initial years of decentralized planning in Kerala. Very few empirical studies have been carried out in the area of democratic decentralization with the support of qualitative data and these studies were focused on the experience of Ninth and Tenth Plan period. Updating the study of democratic decentralization focusing the issues related to democratization of local governance and development with empirical data was really a complex research process. One of the important constraints faced by the researcher is the collection of field level data from 28 Panchayats representing different regions of Kerala within the stipulated time frame. Most informants were very busy with their duties and responsibilities and some of them were very skeptical when they provide information. One third of the informants were not ready to fill up all the questions that are included in the questionnaire. Some of them avoided the open ended questions not because of constraints of time, but lack of ability to comprehend these questions and to reflect on the various issues of decentralized development planning and democratic local governance.

1.9. Structure of the Study

The research report is presented in a logical sequencing manner and with clear link between each chapter. The literature on democratic decentralization, democracy and local governance, democracy and development and decentralized planning in Kerala has been reviewed in the first chapter as background to both the study and research problem. The first chapter also justifies the background of the study, relevance and objectives of the study and explains the specific research questions related to the major issues discussed in this study. Chapter one also describes the research methods used to collect and analyze the data and identify some of the limitations encountered in undertaking this research.
In chapter II attempts have been made to formulate a conceptual framework of decentralization, democratic decentralization, local governance and assessing the democratic performance of local governance that leads discussions to a goal oriented task.

Chapter III discusses the historical background of decentralization in India and Kerala and the various legislative attempts taken for creating the facilitative environment for strengthening local government system and local democracy, including the failed attempts.

Chapter IV discusses the legal framework and policy initiatives taken in Kerala for designing and implementing the decentralization reform project and transform local governments as institutions of participatory democracy.

Chapter V is the analytical chapter and here the researcher makes an empirical analysis of how the different institutional structures of people’s participation support the democratization process in the development planning process, perceived while designing the programme and the actual practice of the participation of the people and the civil society organizations at the grass roots level.

Chapter VI is another analytical chapter focuses on the different issues related to democratic governance at the local level; social inclusion and development of marginalized social groups, operationalization of the instruments of democratic accountability, transparency and responsiveness, democratization in the internal management system of local government organizations and capacity building and democratization of local governance and development.

Chapter V and VI also analyses the actual results attained as an outcome of the democratic decentralization process implemented during the
Introduction

last two decades in Kerala. These are fact-heavy part of the research with figures and numerical data and testing them vis-a-vis the legal and policy framework, the literature, the research problem statement and the research propositions based on the methods selected.

Chapter VII is the concluding chapter and summarizes the findings of the analytical chapter in terms of their theoretical and practical significance. The whole work of this research come together and synthesizes the findings in relation to all the major issues of decentralized governance and development and it is consolidated in this chapter. Concluding remarks with policy suggestions and recommendations, the lessons learnt relating to various variables are also presented to a possible extent in this chapter. The future areas of research are mapped out and the implication of this research to furthering and strengthening democratization of local governance and development has also been discussed in this chapter.

1.10. Summary

It is clear that the state of Kerala is in the forefront of all other Indian states in designing and implementing decentralized development planning and strengthening local governance system. Kerala has made concerted efforts to lay strong legislative and political foundation for the systems and procedures of decentralized development planning and democratic local governance. Along with this, the necessary conditions for civic participation and citizen centric grass roots governance has been put in place. The sustainability of decentralized development planning and democratic local governance needs continuous facilitative support on the part of national and state governments and greater vigilance on the part of citizens. The focus of attention and development strategy during the institutionalization phase should be designed towards this direction. A systematic assessment of the performance of democratic decentralization and governance shows certain critical gaps
between the rationale and objectives of democratic governance and development and the actual practice at the grass root level during the last two decades. The present study is an effort for an evidence based performance assessment of decentralized development planning and democratic local governance process and this would definitely enable policy makers and practitioners to address the second generation problems faced by local governments and to strengthen participatory development planning and democratic local governance in Kerala.

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