CHAPTER 2

REVIEW OF LITERATURE
This research is concerned with social capital’s influence on democratisation at the grass roots level in the context of decentralisation in Kerala, following the 73rd Amendment to Indian Constitution in 1993. The present chapter presents a review of literature carried out to understand what scholars have to say about social capital, democracy and concepts like civil society and decentralisation: meanings, origins, forms, contents, processes of evolution, influences, advantages and disadvantages, relevance and implications on the policies. A good amount of literature exists on the Indian experience of decentralisation. Kerala’s legacy of decentralisation is an extensively discussed theme in the local literature.

The review was done to broaden and sharpen the understanding on the above themes and a summary of the learnings and insights is given below under separate titles.

2.1. SOCIAL CAPITAL

The perceptions on social capital are not uniform. There is a vast difference of opinion on the origin, causes, effects, impacts and contexts of social capital. Differences also exist in the methodologies of measurement. The concept is new and evolving. The Western scholars initiated thinking on social capital and Indian scholars did a fair amount of empirical studies to explore its relevance and meaning. In Kerala, the concept is yet to come for serious discussions. Very limited amount of literature exist on social capital in Kerala. This section makes a review of the relevant literature on the subject to understand the nuances already developed.

2.1.1. Definition and Features of Social Capital

James S Coleman (1988) in his article ‘Social Capital in the Creation of Human Capital’ illustrates social capital, describes its forms and examines the socio-structural conditions, under which it arises. Coleman defines social
capital by its function. It is not a single entity but a variety of different entities. These different entities consist of some aspects of social structures and they facilitate certain actions of actors within the structure. He adds that social capital, like physical and human capital, is productive, making possible the achievement of certain ends that in its absence would not be possible. According to Coleman, a given form of social capital that is valuable in facilitating certain actions may be useless or even harmful for others. As such, it can be negative or positive depending on the situations.

Coleman explains social capital in terms of density of outstanding obligations, source of information that facilitates action and an effective norm. Coleman’s study of the school drop out children reveals the effect of social capital on the creation of human capital and its existence in the family and in the community (Coleman 2000).

Robert D. Putnam (1993, 2000, John F. Helliwell and Putnam 2000) elaborates Coleman’s notions of social capital in his study of Italian Regional Governments. Putnam conceives social capital in terms of civic engagements. Attitude of and commitment to equality and density of local cultural and recreational associations define civic engagement. Union membership is another indicator of civic-ness. For Putnam, civic community is a secular community. Therefore, civic community excludes clericalism. The character of political participation is important in civic communities. In civic communities, the government works well. The civic community is by no means harmonious and distinctively strife-free. Social capital promotes good governance.

Putnam agrees with James Coleman in defining social capital as norms of reciprocity and networks of civic engagement. It refers to features of social organisation such as trust, norms, and networks that can improve the efficiency of society by facilitating coordinated actions. He establishes that the more the civic context, the better the government. Social capital promotes good governance and economic development.

In a later work in which Putnam (2000) analyzes American social life, he found that the quality of American social life was deteriorating. Few people
took part in team/group activities and programmes as members of some
groups. Putnam established that fewer people were involved in community
groups; fewer citizens turned out to vote; church attendance was down; union
membership was declining. Twenty five percent decline in membership of voluntary associations was observed. According to Putnam, these factors pointed to the decline of social capital in America.

2.1.2. Social Capital: Towards an Integrated View

Ismail Serageldin and Christian Grootaert (2000) of World Bank in their article ‘Defining Social Capital: an Integrating View’ argue that the definitions of social capital are widely different. According to these authors, the distinctions created by competing definitions of social capital are artificial and unnecessary. Therefore, they need to be integrated to facilitate measurement and operational applications. This is possible if social capital is studied in view of the contributions it can make in sustainable development, since sustainable development is a generally acceptable concept. Different types of social capital can coexist and they can be mutually reinforcing. What is required to fill the gap between the distinctions is an aggregate formulation of social capital.

2.1.3. Origins of Social Capital

Some scholars argue that it was social interactions that lead to ‘connectedness’ or engagements from where social capital emerged (Bishnu N Mohapatra 2001). Not all engagements, but only those that contribute to building trust among people, increase the predictability of behaviour and promote collective action are included in the concept of social capital. There arises a need to identify the kind of associations and interactions that give rise to such engagements because the author believes that civic engagements are the sites for the production of social capital.

There are even differences of opinion in the use of the term ‘social capital’ Arrow (2000), argues for the abandonment of the phrase ‘social capital’ because the metaphor of capital is not suitable to denote what social capital currently denotes. Arrow is not alone in this argument. Many others criticized the use of the phrase ‘social capital’ and the way it was used (Robert M Solow 2000).
2.1 The World Bank View of Social Capital!

The World Bank is actively involved in the debate on social capital. The current major policy concerns of the World Bank are revolving around the concept and practice of social capital formation (www.worldbank.org/poverty/scapital). The World Bank defines social capital as “The norms and social relations embedded in the social structure of societies that enable people to coordinate action to achieve desired goals”. The Bank adds, “social capital refers to the institutions, relationships and norms that shape the quality and quantity of a society’s social interactions...Social capital is not just the sum of the institutions which underpin a society - it is the glue that holds them together”. For the Bank, social capital is “a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community productivity and well-being. Social networks can increase productivity by reducing the costs of doing business. Social capital facilitates coordination and cooperation”(/h/d).

The World Bank holds that not all communities, groups or networks produce social capital, which increases productivity and facilitates cooperation and coordination. The isolated, parochial groups or networks or those working against society’s collective interest do not do these jobs of coordination, but, rather, hinder economic and social development. They may produce certain relationships within their structure, but they are of different kind from those generating social trust.

A broader understanding of social capital takes into account not only vertical and horizontal associations between people but also ‘behavior’ within and among organizations, such as firms. The concept is summarized with an inclusive statement: “In short, economic and social development thrives when representatives of the state, the corporate sector, and civil society create forums in and through which they can identify and pursue common goals” (www.worldbank.org).

Taking clues from Coleman, the Bank also considers social capital as ‘insurance mechanism’ for collective support. The examples cited are...
their children during a dry season; pay school fees; access formal credit services for their small enterprise; police their neighborhood; or maintain a local well’.

2.1.5. Social Capital and Economic Development

Not only Putnam but also many others discovered that social capital available in a region or community was instrumental for enhancing the economic development of those communities (Jonathan H Turner 2000, Richard Rose 2000, Ostrom 2000, Deepa Narayan et al 2000). Kenneth J Arrow (2000) agreed with the thesis of Putnam that social capital promoted economic development. Trust can promote economic progress. Agreeing with Coleman, Arrow pointed out that social interactions could have positive as well as negative effects. Much of the reward for social interactions is intrinsic - that is, interaction itself is the reward. Motives for such interactions need not always be economic, though social networks can also take shape for economic reasons. Social networks also guard against market failures. Arrow recognizes Putnam’s claim that membership in associations strengthens political and economic efficiency even though associations themselves play no role either in the polity or in economy. Finally, Arrow observes that relations between market and social interactions appear to be two-sided. Market needs supplementation by non-market relations.

Jonathan H Turner (2000) defines social capital broadly as those forces that increase the potential for economic development in a society by creating and sustaining social relations and patterns of social organisation. The analysis of social capital is carried out having in mind the need of those who invest in social capital for economic development.

Turner finds that social capital is formed in three levels: macro-institutional, meso-institutional and micro-institutional levels. Social capital is formed at the macro level when population becomes organized to address basic needs for production, reproduction, regulation and coordination. Institutions created to perform these functions are capable inherently of forming social capital within them. It is formed at the meso-level when corporate units organise human capital and as categorical units generate
social distinctions influencing how members of a society are treated, ft is
formed at the micro-level when social encounters in the form of face-to-face
interaction unfold within corporate and categorical units.

Richard Rose (2000) who studied about social capital networks in
Russia found that when formal institutions of state and market failed to deliver
goods and services in a fair and just manner, individuals tended to form
informal networks upon which they depended for their social support for
benefits including economic. This is so especially in a society characterized
by corruption and nepotism as in Russia.

Qstrom (2000) shows how a group of farmers manages to address
collective action problems avoiding free-rider problems in allocating benefits
of collective action. The findings of the analysis show that it is possible for
farmers to overcome collective action problems and devise rules that generate
higher levels of benefits for those who agree to participate in such ventures.

Deepa Narayan and Lant Pritchett (2000) have presented evidence from
household surveys in Tanzania and show that social characteristics of villages,
in particular the extent to which individuals maintained a dense network of
horizontal associations, affected individual outcomes. They also examined the
manner in which social capital affected economic outcomes. The role of social
capital in the delivery of basic services was examined to provide operational
implications for governments and donors.

These authors strongly believed that the application of social capital
understood as facilitating collective action by community groups would be one
of the important poverty reduction strategies in future. Therefore, they
advocated the governments to formulate policies that recognize and appreciate
collective action by which local resources are generated and managed. The
governments were to provide the resources that create incentives for private
sector and civil society intermediaries to support participatory decision-
making and organisational capacity, especially among the poor. This synergy,
it is assumed, will create sufficient stock of social capital to promote economic
development.
2.1.6. Social Capital and Sustainable Development

Studies were conducted in India to know if social capital contributes to the success of projects and programmes implemented with the objective of promoting sustainable development. In one such study carried out in three villages in the Adilabad district of Andhra Pradesh, it was found that the presence of the stock of social capital was behind the success of the development programmes and the absence of social capital was the reason behind the failure (D'Silva et al 2003). Similarly, Kanchan Chopra (2002) found that evolving and increasing stock of social capital forms a necessary input for sustained development. Chopra makes a clear distinction between social capital as an integral character and social character as the outcome of development process. It is a means rather than an end of development.

Chopra highlights the role of networking. Networking is an integral part of social capital, which stimulates linkages, which facilitates rules, conventions and norms governing development processes. Innovative initiatives find their locus in networks in government, donor agencies, NGOs, local traditions, collective actions etc in the process of successful and sustainable development.

2.1.7. Contextual Relevance of Social Capital

Many scholars found that social capital acquires specific meaning according to the contexts in which it exists and from where it originates (Seregeldin and Grootaert 2000, Richard Rose 2000, Peter Mayer 2001, Sudha Pai 2001, Bhattacharya 2001).

Ismail Seregeldin and Christian Grootaert (2000) suggest that there can be ‘appropriate social capital’, like ‘appropriate technology’, in level and composition. ‘Appropriate social capital’ can be generated by integrating other forms of it, taking into account the demands of sustainable development understood both as concern for the future, environment and opportunities. The composition of social capital is likely to change over time.

Joseph E. Stiglitz (2000) has the opinion that social capital includes tacit
knowledge, a **collection** of networks, an aggregation of reputations and organisational capital. Social capital can be used to address the issues of moral hazard and incentive problems in organisations. Social capital should adapt itself according to the changes taking place in society and economy. Interpersonal networks facilitated by informal organisations may have to give place for formal market-based economy and supportive institutions.

While going for contextual adaptations, there may be an initial depletion of social capital. But, in future, it would lead to the creation of a new type of social capital, in which social relations are embedded in economic systems. This means, according to **Stiglitz**, social capital affects and is affected by market economy.

Both communities and States produce social capital through their own institutions. One cannot argue that social capital produced by the community is superior to that produced by the State. Stiglitz argues that the composition, quality and quantity of social capital of a society are not necessarily optimal and that there is an important public role in the enhancement of social capital.

Social capital networks differ greatly between situations (Richard Rose 2000). The output of the network depends on the situation. Networks that are used to maintain health, produce different outputs than networks that produce food or house repair. It is difficult to aggregate all forms of social capital into a single index number.

Some of the Indian researchers like Peter Mayer (2001) emphasized the contextual notion of social capital. His study done in Indian States arrived at the conclusion that while a clear relationship could be demonstrated between State government performance in development and levels of civic engagement in those States, it was harder to replicate Putnam’s findings concerning the crucial role of social capital. It was pointed out that in the Indian context, levels of education rather than social capital are more important in influencing institutional performance.

In India, segmentation arising out of caste/class divisions emerges as an important contextual variable, which determines the generation of trust, social capital among groups and democratic functioning of institutions. Social
capital works differently in homogeneous groups and heterogeneous groups (Sucffaa Pai 2001).

2.1.8. Social Capital and Other Forms of Capital

Scholars point out that social capital appears in various forms. Coleman while defining the concept of social capital identifies three forms. They are "obligations and expectations, which depend on trustworthiness of the social environment, information-flow capability of the social structure, and norms accompanied by sanctions". The distinguishing characteristic of social capital is its public good aspect (Coleman 2000: 36).

World Bank refers to three types of social capital. Bonding social capital refers to strong ties between immediate family members, neighbours, close friends, and business associates sharing similar demographic characteristics. Bridging social capital is defined as weaker ties between people from deferent ethnic, geographical and occupational backgrounds but with similar economic status and political influence. Linking social capital is understood as ties between people and those in positions of influence in formal organizations such as banks, agricultural extension offices, schools, housing authorities, or the police (Woolcock: 1999). Bridging social capital is essential for their long-term survival. This helps to connect the poor to mainstream resources and services and thereby improve the standard of living of the poor. Bridging capital is required ‘to lift them out of poverty’ (http://www.worldbank.org/poverty/scapital/bankl.htm as last updated on November 11, 1999).

It is unambiguously noted that not only Putnam but also many others enrich the Bank’s approach and understanding of social capital (Coleman 2000, Woolcock: 1999, Narayan and Pritchett 1997, Krishna and Uphoff 1999, Morrow 1999, Couto and Guithire 1999).

Anthony Bebbington (1997, 1999 and Bebbington and Perreault 1999) focuses on the role of intermediaries in making social capital useful and effective. Cattell and Evans (1999) argued that the concept of social capital
had no meaning in a situation where there is no material or resource base and equitable distribution mechanism.

Elinor Ostrom (2000) points out that it is important to consider social capital seriously and it should not be taken as a fad, because investing in physical capital alone has failed to deliver expected results in economic development and social justice all over the world. He further tries to find out the essential similarities and differences between physical, human and social capital and looks at the problem of creating social capital.

Ostrom takes a position that social capital is an essential complement to the natural, physical and human capital and can be used for beneficial or harmful ends. It will dissipate, if allowed to do so. As any other type of capital, social capital is essential for development, though it is not sufficient. It has to be invested with other types of capital to produce goods and services.

Social capital, according to Ostrom, differs from physical capital in four ways. 1! does not wear out with use; rather it wears out with disuse. It is not easy to observe and measure while we can measure physical capital. It is hard to construct through external interventions, while it is easy to construct physical capital through external interventions. Government institutions strongly affect the level and type of social capital available to individuals to pursue long-term development efforts.

2.1.9. Social Capital and Democracy

Some have in fact studied the relationship of social capital and democracy (Hans Blomkvist and Ashok Swain 2001, Niraja Gopal Jayal 2001). According to Hans Blomkvist and Ashok Swain, the concepts of social capital and civil society are invariably leading to the quality of democracy at micro and macro levels and they are concerned with every-day life at the grass roots level. They agree that social capital and civil society are determinant factors for improving the quality of democracy. It is possible to improve the quality of democracy because there exists levels or degrees of democracy.

Agreeing with the Putnamian concept of social capital, civic
communities and institutional performance, the authors studied the case of Orissa and its experience of protest mobilization against state policy on environment. The authors held that social capital was not the same as formal associations that are only proxies or indicators. Social capital imbibed in formal associations facilitated collective action and increased communication, democratic responsiveness and economic performance. They also observed that social capital based on weak social ties was crucial for protest movements to succeed.

Niraja Gopal Jayal (2001) too explored the link between democracy and social capital in the context of a rural hill society in the central Himalayas. The area of study has a strong tradition of promoting local institutions, though there was no associational life or civic engagements. But, the norms of reciprocity were embodied in such local institutions. Collective action for natural resource management was taken as a relevant, useful, locally specific indicator of social capital. Collective action was not the source of social capital or social capital itself. It is an indicator that social capital exists in organisations or in individuals who happen to be participants in collective action.

The empirical study observed successful instances of natural resource management by the people without the support and control of the state. The author therefore argues, with Putnam, that the historical and ideological legacy of participation in the Sarvodaya and Chipko movements had contributed to this success.

According to Jayal, the recent establishment of ‘democratic’ institutions, development funds and programmes have tended to deplete the already existing social capital among the villages under study. Social capital did not sustain itself when confronted with the external influx of funds. Funds destroyed social capital. There is no necessary correlation between social capital and homogeneity and between social capital and democracy of the type that is brought to the villages through 73rd Constitution amendment. Trust and reciprocity can coexist with extreme irregularities. Equity has become a
casualty of democracy. However, it is suggested that social capital can be regenerated and depleted.

2.1.10. Social Capital and Conflict Resolution

The relation between social capital and conflict resolution in the context of local democratic institutions was another concern among the scholars in India. Is social capital - the creation of common norms, values, trust and collective action- helpful to resolve conflicts arising out of the competition for the benefits of programmes, implemented through Village Panchayats? Does social capital in rural society enable Panchayats to overcome existing social cleavages and segmentation and promote grass roots democracy?

Sudha Pai (2001) holds that segmentation affects institutional performance. Segmentation is understood as cleavages along caste, community and class lines. Segmentation is a crucial intervening variable between social capital and democracy.

It was pointed out that the presence of conflict did not necessarily point to the absence of social capital and democratic process. There is abundant optimism about a broad based social capital, capable of bringing together different caste/class groups, evolving over a period of time, out of an interplay of both conflict and consensus, negotiation and bargaining, and leading to more democratic functioning of social capital.

2.1.11. Preconditions of Social Capital

Social capital alone cannot help people to get things done from public/state institutions. Social capital does not play a decisive role, as far as the output side of the democratic performance in the village is concerned. Presence of social capital alone cannot make the public institutions work. For better performance, they need some other pre-conditions also: the existence of responsive institutions, certain basic economic status of the people, power relations, etc.
Dwaipayan Bhattacharya (2001) brings out the contextual relevance of social capital. It is argued that ‘social capital’, ‘civic community’, ‘reciprocal trust’, etc. cannot be uncritically applied as universal analytic categories in all social and historical conditions. In other words, Putnamian standards of reciprocity do not apply to all circumstances. Such studies claimed to indicate that an analysis of India’s democracy demanded a move beyond the study of social capital; that trust, as understood in the civic community, has a limited scope outside its fold.

2.1.12. Role of Leadership and Social Capital

Leadership of groups or organisations or communities influences the generation or degeneration of social capital in any given context. There are several studies to show that social capital in rural communities can play a major role in the management of natural resources and thereby in enhancing economic development with proper leadership (Sinha and Suar 2003). External and internal leadership play a very important role to unleash the social capital with such communities; and in most of the rural communities, social capital exists inherently as a spark. External or internal leadership or inspiration is required to ‘ignite’ this spark. In that case, Sinha and others conclude that communities can manage their resources in sustainable manner to rewrite their economy by reducing poverty through igniting the dormant social capital ingredients.

2.1.13. Social Capital and Contestational Politics

John Harriss (2001) highlights the importance given to social capital in recent times, especially by the World Bank. The work is an open criticism of Putnamian thesis. Harriss attempts to show ‘the dark side’ of the idea of social capital. According to Harriss, the concept of social capital inheres in it the reality of social exclusion, among others. Particular interests get prominence over social interests, very often. According to Harriss, social capital understood only as associational life, social networks and social norms—‘civic engagements’—does not contribute to the common or public good, especially when considered in contrast to political organisation and mass mobilization. The idea downplays the role of political organisation and of political struggle in
the matters of distribution of resources and agrarian production relations. It is here that the ‘anti-politics’ machine works deliberately, with some hidden agenda.

Harriss criticizes that the concept of social capital as explained by Putnam and the World Bank evades the issues of contest and power. The hidden agenda, according to Harriss, is that of de-politicizing the problems of poverty and social justice and of elevating the importance of voluntary associations in civic engagement, of keeping out the need for political action. The result is de-politicizing and disarming popular struggles for a more just distribution of resources and opportunities.

Harriss also holds that the buzzwords in current development literature like participation, empowerment, decentralisation, social capital and civil society are deceptive, because they obscure the nature and effects of power and they want to promote democracy, without the inconveniences of contestational politics and of the conflicts of ideas and interests that are an essential part of democracy.

Though Harriss’ work does not capture the core of Putnamian conceptualization of social capital and its relevance in the context of decentralisation and good governance, it has contributed to a more critical dialogue on the subject.

Harriss is not the lone critique of Putnam. Putnamian definition was not taken universally in its details. Many came up with amendments and disagreements. Peter Evans locates social capital not only in civil society or associations, but in sustainable types of relationships (Evans 1996a: 1122). He disagrees with Putnam and notes that the third world communities are economically underdeveloped not because of the absence of social capital but because of the absence of ‘coherent, dependable public institutions’, and a favourable political regime. (Evans 1996a: 1124-25). Economic and sustainable development according to Evans is the result of relationships between bureaucrats (public institutions) and the people.

Evans finds social capital in the synergy created by the state and society through complementarity and embedded-ness, while Putnam sees it in
the associations which facilitate a social network which creates trust and reciprocity which leads to sustainable fruits of development and better democracy (1996a). Evans argues that the creation of social capital is possible where synergy exists between the bureaucrats and the local people, depending on the social and political contexts (Evans 1996).

Pantoja, too, critically looks at Putnamian definitions as overlooking class and power structures in society and their relevance in socio-economic progress. They argue vehemently that social capital can also work in structures of constraint created by gender, class, and ethnicity and in the case of India, religion and caste (Pantoja 1999).

2.2 CIVIL SOCIETY AND CIVIL SOCIETY ORGANISATIONS (CSOs)

The type and nature of inherent processes taking place in social organisations matter very much in forming their features, such as trust, networks, shared norms- the social capital. The attempt in the study is to see if the social capital generated in and through the civil society organisations is effective in deepening democracy. Therefore, an attempt is made here to review current literature on civil society and civil society organisations (CSOs) so as to capture their definitions and characteristics.

Sufficient literature exists on the definition, features, dynamics, leadership, purpose, composition, and process of management etc, of CSOs. CSOs can be understood only if one understands fully the concept of civil society, its relationship with the state and its historical evolution.

2.2.1. The State and Civil Society

The first and most important question is concerned with the notion of civil society. It is inseparably related to the notions of state and society.

State and civil society are mutually complementary and interactive (Neera Chandhoke 1995, Vikash N Pandey 1999). The nature of the state can be understood by referring to the politics of civil society. Civil society cannot
perform its function of holding the State accountable, unless it is democratized (D M Dhanagre 2001).

Two important perspectives are discussed elaborately. The first one focuses on the statist view, while the second one’s focus is on society. Chandhoke arrives at the position that the statist view, are mistaken and one-sided in neglecting the underpinnings of the wider social conflicts and contradictions and their consequent complex realities. They are mistaken in neglecting the affirmations and contestations in civil society. The second perspective is also mistaken, it concentrates on society at the cost of the State. They ignore the ways in which state and society constitute and limit each other.

The values of civil society are freedom for contestation and dialogues, critical evaluations, critical challenges and critical alternatives, reasoned debate, accommodation and tolerance and above all the idea of a universal public discourse, which is forged across particularistic loyalties.

P K B Nayar (2001), while reviewing the positions of great philosophers like Hobbes, Locke, Montesque, Hegel and Gramsci as well as Earnest Gellner, Salvador Ginea and Mouzelis on the relation between civil society and state, observes that except Hobbes and Locke, others view civil society as coexisting with the State. It is noted that in recent times, civil society exists in systems of innumerable and inseparable interlinkages and transactions, which exist in multi-cultural and plural scenarios - very often mutually incompatible.

N R Madhava Menon (1998) observes that the state is shrinking in a globalized world and its capacities are minimized or withdrawn. In this situation, in order to safeguard democracy, secularism and social justice, civil society should be strengthened to absorb the future shock. The civil society, if capacitated and recognized, can take over some of the functions of the State. It can also force the state to enhance accountability and standards of governance.

2.2.2. A Historical Overview of Civil Society

Placing civil society in historical perspective, J P S Uberoi (1999) dealt with the origin, meaning and effect of civil society in Europe and India in the
modern times. Civil society is referred to as a category of universal human society or of historical civilization as pre-history. Civil society very often consisted of or included intermediary institutions between the priest and prince or between the household and the state.

Uberoi (1999) elaborated more on the conceptualizations of civil society in the Indian context. For Indians, it was pointed out, civil society was the true course of God realization or self-realization. It was the sovereign arbiter of custom as against the priest and the prince. Inspired by secularism or pluralism, civil society had the inherent power to find a people's principle of history. The priest and the prince were the enemies of civil society, its natural autonomy, self-expression, political economy, customs and morality. Here pluralism strengthens civil society and civil society strengthens pluralism and secularism.

The relationship of custom and civil society was considered important. Custom, as the founder and interpreter of law, is the ruling force of civil society and represents the will of the people and it rules their conduct.

The historical outline presented by Uberoi ends with Gandhian views on civil society. Gandhi’s views were related to dialogue, non-violent conversation, courage, self-reform and self-rule, salvation-in-society, a kingdom of heaven, self-management of institutions of civil society rather than of the state, pluralism, vernacular democracy, freedom of conscience and worship, etc. It was important to note that these features of civil society are very often the features of democracy.

Vikash N Pandey (1999) analyses the relationship of state and civil society since 18th century in the historical context of India. He argues that the understanding of this relationship as mutually hostile is fallacious and that the state and civil society are participants in ‘the dynamic process’ in which both are intertwined together, each affecting and getting affected by the other and neither of them being socially frozen identities/entities.

The dualism of state and civil society was based on two wrong assumptions: (a) civil society is essentially plural and so inherently democratic
and non-repressive; (b) the state is essentially a repressive institution. An understanding is reached artificially for reconciliation between the state and civil society that state be minimal and put under the supervision of the civil society. This is because whenever the state expands and becomes strong, the civil society is reduced and crushed, Pandey asserted that the state and society were interdependent and that they interpenetrated in a multitude of different ways.

Neera Chandhoke (1995) systematically outlines the history of the evolution of the concept of civil society in the western world. In this history of conceptualization, the contributions of Locke, Hobbes, classical political economists of the eighteenth century, Hegel, Marx and Gramsci are important.

Tom Bottomore (1983) summarises the Marxist thought based on his writings such as 'On the Jewish Question', Contribution to the Critique of Hegel's Philosophy of right: Introduction' and Economic Philosophical Manuscripts. Marx defines civil society as the site of crass materialism, modern property relations, the struggle of each against all and egotism. In civil society, individual is all-important.

Marx argued that both civil society and political society must be abolished through a social and political revolution to liberate mankind.

Gramsci is another important thinker who contributed to the concept of civil society. Chandhoke gives a brief description of the Gramscian position on civil society. According to Gramsci, the state cannot be understood without understanding civil society. It is in civil society that the state finds recognition of its policies and programmes. The political society and civil society are distinct. While the political society is the arena, where the coercive mechanisms of the state is concentrated, civil society is the site where the state operates to enforce invisible, intangible and subtle forms of power, through educational, cultural and religious systems and institutions. While political society is concerned with the body, civil society is concerned with the mind and psyche.

Civil society, according to Gramsci, is a set of social practices. It
negotiates the structures of capitalist production and the superstructures of ideology and the state. It is the sphere both for the production and subversion of consent at the same time and in this dichotomy paves the way for the creation of new forms of political organisation. In this process, the individual is not passive, but active in giving his consent.

Gramsci, while holding on to Marxian view of civil society, as the private or non-state sphere, sees civil society as equally referring to the sphere of organisations (Tom Bottomore et al. 1983). Civil society, according to Gramsci, has the power to regulate itself and has the potential of freedom. State and civil society are not very distinct realities, but are inter-related to each other. Gramsci, however, warns that state and civil society cannot be equated.

All states are coercive power structures and these structures are protected by the civil society from beneath. Civil society, thus, safeguards the state and not the individual who is protected by the state.

2.2.3. Civil Society Organisations and Secular Organisations

Andre Beteille (2001) in the article ‘Civil Society and Good Society’ reviews the concept of civil and good societies, as expounded from eighteenth century and states that open and secular mediating institutions like Universities, libraries, laboratories and hospitals are the genuine civil society organisations. He has difficulty in recognizing non-governmental organisations (NGOs) as members of civil society. He also excludes the religious assemblies and movements for moral, ethical and spiritual purposes from the fold of civil society organisations, though they are examples of good societies. The elimination is done based on the definition of civil society organisations as open and secular institutions that mediate between the citizen and the state in modern democratic societies.

Since civility and civic-ness are the core of civil society organisations and very often religious assemblies and voluntary organisations promote and nurture such values, the position of Beteille demands, further exploration for a better understanding.
Ananta Kumar Giri (2001) argues in the article titled 'Civil Society and the Limits of Identity Politics' that identity politics, promoted very often by voluntary organisations, social movements and struggles for recognition, led suppressed groups to self-assertion. But, these organisations and the people who were politicized based on race, caste, ethnicity and gender did not think of living the newly asserted identity in the mainstream society, where one needs to be open to the other. This attitude, argues Giri, is self-destructive and is a danger to cultural creativity. Therefore, the article admonishes that the new form of identity politics needs to be dialogical, requiring self-development and self-transformation. Non-identitarian civil society is the answer to the issue.

2.2.4. Preconditions of Democratic Civil Society

D N Dhanagre (2001) established that CSOs should be democratic themselves, so that they could democratize. The democratization process has been challenged by political rumblings, insurgencies, and secessionist and separatist movements, extreme forms of intolerance towards minorities, growing violence and frequent use of force by the state, criminalisation of politics and the rise of popular authoritarianism. Referring to the nature of civil society in India, Dhanagre speaks about the necessary conditions of civil society. They are autonomy of individual, protection of individual's right to equal citizenship, access to decision-making apparatus and participatory democratic framework. In the context of the above challenges of the State, the civil society ought to strengthen itself by realizing and practicing such conditions within them.

P K B Nayar (2001) points out that in order for the civil society to flourish, there must be at least three pre-conditions. Firstly, civil society will thrive in a political system with a neutral state and a liberal democratic set up. Secondly, the economic system shall guarantee economic justice to all citizens and thirdly, there must be a socio-cultural system based on universalistic values.

2.2.5. Qualities of Inclusive Civil Society

Satish Saberwal (2001) defines civil society (CS) by four qualities, in his article 'Democracy and Civil Society in India: Integral or Accidental'. Firstly, divisions and choices have to be made on the basis of reason and knowledge.
Secondly, its members have to relate to each other open endedly, without exclusion on grounds of religion, gender, and so forth. Thirdly, in the making of decisions and choices, the space has to be free from coercive pressures. Fourthly, effective membership in such intermediate associations can offer some protection against coercion, and therefore, enhance their member’s capacity to cope with, the kind of coercion that arises in primary groups, in agencies of the state and so on.

T.K Oommen (2001) identifies the context in which the concept of civil society is employed. Oommen analyses the formation of groups based on caste, religion and languages among Indian communities. Both the deprived and the privileged sections of Indian society initiated the formation of such caste associations, religious movements and linguistic upsurges. While the former wanted their equality with the latter, the latter wanted to sustain or reestablish their power and strength in society. As organized segments in society, both these types of social formations are included in the definition of civil society. They very often stood against the hegemonic interventions by the state and thus became part of the non-state constituencies.

Rajesh Tanden (2001) maps the contemporary organizational forms of civil society. His map includes traditional associations formed around a tribe, ethnicity or caste. These associations, among other functions, mediate inter-family relations and develop elaborate systems, norms and procedures for managing natural resources. The second category in the map is religious associations, which take up charity and social service to the poor and needy. These religiously inspired civil society organisations intervene in sectors like education, health care, drinking water, afforestation, social welfare, etc. The third in the mapped categories is social movements. These movements are further classified into (i) movements focusing on the needs and interests of a particular group of people like tribals (indigenous people), dalits (untouchables) and women; (ii) movements protesting against a set of practices, institutions, policies and programmes like liquor policy, dowry, etc.; (iii) movements protesting against displacements due to development; and (iv) movements focusing on protection, preservation and regeneration of environment, anti-corruption campaigns against government officials, civil
liberties and human rights campaigns, campaigns for right to information and right to livelihoods, etc.

The next broad category in the mapping refers to membership associations. This is further classified into four sub-groups. They are (a) Representational associations including trade unions, peasant organisations, business associations and traders’ associations, consumers’ associations, etc.; (b) Professional organisations existing largely among lawyers, teachers, doctors, nurses, engineers, managers, journalists, etc.; (c) Socio-cultural organisations referring to youth clubs, sports and arts clubs, which meet the social and cultural needs of their members. The fifth and last large category is Intermediary Associations (IAs), which are again categorized into six groups. They are (a) Service delivery organisations like schools, hospitals, village development organisations (VDOs) that take up programmes for drinking water, sanitation, micro-credit, etc. Orphanages, homes for the destitute, homes for the elderly, etc. also come under this sub-category; (b) Mobilisation organisations facilitating awareness and empowerment among the weaker sections; (c) Support providers to other community based organisations or other intermediary organisations like research and information sharing, capacity building and networking activities; (d) Philanthropic organisations providing resources to other civil society organisations; (e) Advocacy for a particular cause like environment, gender, human rights, child labour, Panchayati Raj Institutions, etc.; (f) Networks are associations of other intermediaries and act as networks to build up a collective voice and strength around a cause. That the caste and religious associations form part of the civil society is a key issue still alive among the scholars of civil society.

Rajesh Tandon (2002) defines three concepts mutually related to each other: Participation, Civil Society and Governance. In this process, Tandon identifies certain agenda for civil society to take up for action and thought. Civil Society is defined as that socio-political space which is between the state and the family and as individual and collective initiatives for common public good. Collective initiatives promote citizenship expressed in the forms of village institutions, women’s groups, youth groups, and professional and intermediary development organisations. They serve public good. Public good is the business of all the public.
Democratic governance is one of the agenda of civil society. According to Tandon, the challenge of civil society is to build up linkages and relationships among traditional, modern, developmental and statutory local institutions. The institutions of the poor like the SHGs and women’s associations are able to have an effective interface, a powerful engagement with agents, agencies, processes and institutions of governance in society. This interfacing shall be extended to all levels from local to international institutions of governance. This demands for the emergence of intermediary civil society actors.

But, Iris Marion Young (1999) finds distinctions between exclusive, inward looking private associations and civic associations, which are inclusive and outward looking. According to Young, private associations do not promote or enhance democratic institutions and culture, while civil associations strengthens such democratisation process.

Study on associations and civil society organisations in the Sub-Saharan Africa add to the knowledge base on the subjects (Naomi Chazan 1994). Chazan finds that all voluntary associations are not civil society organisations. Emergence of civil society in Sub-Saharan Africa was conditioned, either when state control was challenged or when efforts to maintain state exclusiveness have declined. Circumstances required for nurturing civil society include foreclosure of opportunities for escape, non-compliance of the coercive capacities of official state agencies, expansions of channels of communication, commercialization and concomitant fortifications of autonomous social classes. Final observation is that state and civil society are mutually interdependent, reinforce, and empower one another. The outcome of this relationship is proper to the civil society organisations. In other words, civil associations challenge and control authoritarian regimes and promote democracy, while mere associations are a threat to democracy.

2.3. DEMOCRACY

Though the discourse on democracy is as old as Pericles (ca.400 B.C), since then, there has been a continuous stream of thought up to the contemporary period. Since the present study is concerned about the process
of democratisation, a review of some of the major thinkers of democracy is appropriate to capture the true meaning of democracy.

2.3.1. Evolution of the Concept of Democracy

Democracy has been the subject of debate since the time of ancient Greek city-states. Pericles (ca 400 BC), in his *Funeral Oration*, speaks very highly of the democracy prevalent in the city-state of Athens. He calls Athenian constitution a democracy “because power is in the hands, not of a minority but of the whole people”. The Athenians, he says, in public affairs, kept to the law. Ability is the criteria for selecting people for public offices, in contrast to the membership of a man in a particular class. The democratic regime ‘protected the oppressed’ by abiding to laws made for them. The citizens had full knowledge about the affairs of the state. They were ‘well informed on general politics.’ Decisions were taken after proper debates on the consequences of such decisions. Autonomy of the citizen was another important feature of Athenian democracy (Pericles ca .400 B.C in Blaug et al 2002:143-149). Pericles’ story of the Athenian democracy gives us a near-to-ideal picture of grass root democracy or direct democracy, since each of the citizens had the opportunity to participate in the decision-making and deliberative process by which the city states were governed.

While Pericles speaks of a form of democracy, in which power is in the hands of the whole people, not of the majority, Aristotle, in his *The Politics* speaks of the aberrations of popular sovereignty. He upholds the rule of law. When popular decrees or decisions are sovereign instead of law, the system would soon become an autocracy. “It grows despotic; flatterers come to be held in honour; it becomes analogous to the tyrannical form of single-person government.” (Aristotle ca.335 BC in Blaug et al 2002: 32) For him, rule of law rather than people's or leaders’ decrees on matters of governance is the foundation for a genuine democracy.

It was John Locke, who contributed substantially to the theory of democracy after Aristotle. According to Locke, all forms of governments depend on the consent of the governed. People consent to obey their government. Democracy (government by the people) is one of the three possible forms of governments, the other two being oligarchy (government by
a few powerful persons) and monarchy (government by a king). More than one form of government can coexist at the same time. Though democracy is the better form, there is a space for kingship in democracy. Kingship can continue to exist in a country, where the supreme power still resides in the community as a whole. However, Locke specified that the king has no right to make laws. Locke’s version of democracy includes the right to private property and a ‘tacit voluntary consent to inequality’ (Locke 1689 in Blaug et al 2000:122).

Niccolo Machiavelli (1531) establishes that republican forms of government are the best. The superiority of the people in any case is better than the will of a monarch. Public opinion is preferred to the policy of a single individual. Even when the law checks both the populace and the monarch, Wlachievelli says, the decision of the populace is better than the policy of the monarch. “If, therefore, it be a question of a prince subservient to the laws and of a populace chained up by laws, more virtue will be found in the populace than in the prince; and if it be a question of either of them loosened from control by the law, there will be found fewer errors in the populace than in the prince...” (NiccoSo Machiavelli 1531 in Blaug et al 2000:37). This view is closer to popular sovereignty, as Pericles found in the ancient city-states, than to Aristotle, who stood more firmly for decrees than for populace.

For Thomas Hobbes (1651 in Blaug et al 2000:: 38-43), however, the best form of government is something near to monarchy, that is, the system, in which real power is vested in one single place, either in a person or in an assembly, is a better system than that, in which power resides in the ‘masses’ that are constituted of divisive, inconsistent, corrupt forces.

Many scholars disagree with this position of Hobbes: for example, James Madison (1787-8 in Blaug et al 2000:54). The opponents of Hobbes uphold that private property, individual rights, pluralist and diverse interests are part of democracy. Factions that are inherent in such a system express this diversity. The best way to address the problems of factions is to go for republican system of democracy. Though factions are inconvenient, they cannot be done away with, since doing away with factions is equal to doing away with liberty. Democracy, which involves liberty and individual rights of citizens and diverse interests, is considered better than any other system of government.
Authors like Rousseau, however, were in favour of a Democratic Sovereign-democracy with a new collective body. Rousseau notes in his *The Social Contract and Discourses*: "...let us rest content with regarding government as a new body within the state, distinct from the people and the Sovereign, and intermediate between them." (Rousseau 1762 in Blaug et al 2000:50). The state exists by itself, while the government exists only through the sovereign. "Thus the dominant will of the prince is, or should be, nothing but the general will or the law; his force is only the public force concentrated in his hands, and, as soon as he tries to base any absolute and independent act on his own authority, the tie that binds the whole together begins to be loosened (Ibid). This government must have particular personality, a sensibility common to its members, and a force and will of its own making for its preservation’ (Ibid). Thus, Rousseau stands for a body politic, distinct from the populace and individual. Autonomy and rule of law are vital guiding principles in this system. Rousseau is against representative forms of government. “The moment a people allow itself to be represented, it is no longer free: it no longer exists.” (Rousseau 1762 in Readings in Democracy 1963: 40)

J.S. Mill tries to define democracy in view of its ability to lead the people to intellectual and moral progress. Each individual is seen as his own master, depending on nobody else to speak for him. J.S. Mill, while concluding his discussion on the representative government, establishes that though participation of all citizens in governance is the ideal, it is not practically possible. Therefore, the best form is representation. “But since all cannot, in a community exceeding a single small town, participate personally in any but some very minor portions of the public business, it follows that the ideal type of a perfect government must be representative” S Mill 1861 in Blaug 2000: 59, 67). Thus, Mill’s view is different from that of Rousseau’s with regard to representation in democracy.

Mill was concerned with the possible degeneration of democracy. He thought about “democratic despotism and majority tyranny” in the absence of individual rights and rule of law. The resultant system would be an intolerant one, in which the minority and the marginalized would be ignored.
Alexis de Tocqueville (1835) throws his strong faith in the sustainability of democracy, in which system, above all, conditions of equality prevail. No force can stop the advancement of democracy. However, De Tocqueville sees a need to improve the state of democracy. It needs to be educated, imparted new life and purity and to be controlled. The inexperience has to be substituted by statecraft, blind instincts by knowledge of its true interests, to make it feasible and adaptable to time and place (Alexis de Tocqueville 1835 in Blaug et al 2000:71). It is the role of the society to do all these. Democracy needs to be protected from damage. Unless cared for, it will perish. The society has to be vigilant against the possible vices and wretchedness’ (ibid.). There is need for training in democracy. According to De Tocqueville, equality, and not freedom, is the distinguishing characteristic of democracy (Alexis de Tocqueville 1862 in Readings in Democracy 1963: 42-45).

Thomas Paine asserted the individual dignity of the citizen in a democracy, “...every citizen is a member of the sovereignty, and as such, can acknowledge no personal subjection; and his obedience can be only to the laws” (Thomas Paine 1791 in Blaug et al 2000: 85). In this system, which Paine calls republican, even in its imperfect form, peace, prosperity and economic development would take place as a natural consequence (ibid.: 86).

E H Carr, born in 1892, gave serious thought to the evolution of the theory and practice of democracy. He found that the modern democracy, based on individual rights and reason, is being replaced by the mass democracy. The present day forms of democracies are examples of mass democracy. Contemporary mass democracy operates rationally, but uses irrational means to arrive at political actions. Carr defines mass democracy as “a vast society of individuals, stratified by widely different social and economic backgrounds into a series of groups or classes, enjoying equal political rights, the exercise of which is organized through two or more closely integrated political machines, called parties” (E H Carr 1956 in Readings in Democracy 1963: 86).

Joseph A. Schumpeter defined democracy differently from the classical writers like Pericles and Rousseau. He reversed the roles of the people and their representatives. “And we define: the democratic method is that institutional arrangement for arriving at political decisions, in which individuals
acquire the power to decide, by means of a competitive struggle for the people’s vote” (Schumpeter 1943 Blaug et al 2000: 289). Individual rights and freedoms are the most important element for Schumpeter.

2.3.2. Marxist Tradition

For Marx and his disciples, liberal democracy, in its present form, is incapable to achieve the ultimate aim of human emancipation, though it may promote political emancipation, achieved through political democracy. Human emancipation cannot be achieved in a capitalist system. They do not value parliamentary form of government, but offer Paris Commune as a model of socialist democracy. Their emphasis on power from below, delegates rather than representatives, radical form of representation and the extension of popular participation are important components in their state (Blaug et al 2000: 232-3).

Democracy is related to civility. When a society is guided mainly by reasoning and moral responsibility of the individual for his actions, such a society is considered democratic. It should encompass all the dimensions of social life - religion, industry and politics - and recognize distinctions of intellect and character. In such a democracy, the state and society are closely related (Delishe Burns (1921) in Readings in Democracy 1963: 57-61).

2.3.3. Gandhian Position

Mohandas Karamchand Gandhi’s ideas on democracy are important, because his vision of government was always based on ‘swaraj’ and “village republics”. For Gandhiji, democracy was ‘Swaraj’- self-rule. Actualization of democratic rule at the grassroots was his proposal to freedom and prosperity to Indian masses. He wrote in plain language in one of his correspondences to the Government of India: “ In the democracy, which I have envisaged, a democracy established by non-violence, there will be equal freedom for all. Everybody will be his own master. I believe that true democracy can only be an outcome of non-violence” (M. K. Gandhi 1945)
Gandhiji was against majority rule. He always upheld individual liberty of opinion and action. About majority rule he said, "... it is slavery to be amenable to the majority, no matter what its decisions are." (ibid.). Gandhiji's views on the culture of democracy have greatly influenced the contemporary world. As Mayor (1995:47) pointed out, "the culture of democracy for Gandhiji is the culture of suffering, humility, simplicity, and leading by teaching and serving."

2.3.4. Definition and Preconditions of Democracy

A real understanding of the concept of democracy is possible only through a study of the historical process of the evolution of the concept. However, as many point out, there is no possibility of the idea to be realized. But, people can think and dream of the ideal. During this process, various phases in the evolution of democracy become evident before the scholars. Carl L. Becker (1948) analyses the meaning and practice of democracy since 18th century. He takes democracy as a form of government by the many as opposed to government by the one - government by the people as opposed to government by a tyrant, a dictator, or an absolute monarch. Satisfaction of certain basic conditions is necessary for the survival of democracy in any form. These conditions, according to Becker, are certain measures of economic security, mobility and care of communication; certain 'capacities and virtues' in citizens are required to sustain any form of real democratic government.

2.3.5. Inherent Weaknesses of Democracy

Becker states that the real is far away from the ideal. The common people never enjoyed power and prosperity. The middle class values always ruled over and the poor were never considered valuable except for votes. Money and influence were the major factors determining the real power even in democratic institutions. Addressing this trend, the liberal democratic revolution was mainly against the governmental control over the individual and for independence over his economic enterprises. If democracy does not solve economic issues of the people, it has no future. Therefore, Becker says that there is a dilemma: either solve the economic problem by the democratic method or cease to be democratic societies. Later in 1986, Dancan Grame
(1983) and others (Iam Shapiro and Casiano Hacker 1999) ventured for a similar analysis of evolutionary phases of democracy.

Iam Shapiro & Casiano Hacker (1999) carried out serious studies on democracy based on current practices of governments. Democracy has several deficiencies. Powerful interests easily hold it hostage; it often fails to protect the poor and marginalized or to advance social justice. There is no better alternative. Expectations or demands are more than what it can offer or supply. The demand for freedom, social justice and prosperity are often not addressed sufficiently by democracies. This creates tensions between democracy and justice, equality, efficiencies and freedom.

The concern of scholars has been with the shape of democracy as it was evolving throughout the ages. Robert A. Dahl (1971) in his work ‘Polyarchy: Participation and Opposition’ deals elaborately with the process of evolution of democracy and brings out the causes and effects of transformation towards a fuller democracy from hegemony and competitive oligarchies.

Dahl affirms that full democracy never existed, nor does it exist anywhere in the world, nor will it exist in the future. What the countries of the world have experienced during the course of history were various kinds of hegemonies, competitive oligarchies, near-polyarchies and polyarchies. These forms have been evaluated with reference to public contestation and inclusiveness.

Polyarchy was defined as a system, which exists now in a majority of the countries, a system towards which most of the countries journey from hegemony, competitive oligarchies and near-polyarchies, a system, which is not full democracy, but very much near to full democracy. Thus, it helps the reader to understand the democratization and consequent transformations in the light of historical facts.

Dahl’s (2002) later work on democracy provides clearer perspectives on democracy. He analyses the evolution of democracy from early times and classifies countries according to their association with democratic governments. Democracy still remains to be the best form of known types of
governments, because it resists the rule of cruel and vicious autocrats; it provides its citizens fundamental rights and a broader range of personal freedom and it helps people to safeguard their interests. Democracy provides maximum opportunity to exercise the freedom of self-determination. It promotes human development and argues for political equality.

After a thorough analysis of the actual democracy that exists in the present world, Dahl generalizes that there is some room for some democracy everywhere. In democratic countries, there is greater scope for more democracy. Finally, he enumerates favourable conditions for democracy. Control of military and police by the elected representatives, democratic beliefs, political culture and the absence of strong foreign rule are the main favourable conditions of democracy.

Alfert Weale (1991) deals about political principles, political theory, and circumstances of politics and definitions of democracy. He classified and listed various types of democracy in theory and practice. Such identified types of democracy are pluralist democracy, radical democracy, deliberative democracy, polyarchy, elitist democracy and equilibrium democracy. Weale distinguishes five other varieties of democracies as unmediated popular government and party mediated popular government (Direct), representational government, accountable government and liberal constitutionalism (indirect).

Jagannath Mohanty (1986) discusses democratic education against the background of principles and perspectives of democracy like respect for the dignity of the individuals, freedom and discipline, equality and equity, sharing and responsibility, reciprocal relationship between education and democracy, aims of education for democracy, hallmarks of democratic education. Citizenship education and democratization of education are other major concepts dealt with.

Federico Mayor (1995) deals with peace and democracy and brings out the importance of civil society in the changing the world. Culture of peace is based on a culture of democracy. Mayor dreams that with the end of cold war and the consequent rebirth of democracy, a transition is possible from the state dominated status of affairs to a world where civil society is active and
vibrant with capability and will power for self-determination. It is affirmed in this context that for a world of peace and democracy to come to life, the perseverance and commitment of a rebel- the civil society- is necessary.

Freedom is the essence of democracy and participation in democratic process is impossible without freedom. Mayor analyses the nature and characteristics of democracy, as always growing from the bottom up and as tolerant to and encouraging opposition. Democracy should not be ‘big’ and ‘distant’ but ‘closer’ to ‘the smaller’. He deals with the question how to involve the citizens of all backgrounds in the future of their locality, their region and of the planet as a whole. The problem of democracy is the problem of distance between the government and the governed. Democracy, means sharing; it means participation. Democracy means ‘direct’ democracy, for the author.

2.3.6. Democracy and Leadership

Democracy is very much linked to leadership. Mayor articulates the characteristics of democratic leadership. Democratic leadership is not in any sense weak. It is strong in its capacity to accept criticism, to listen, to bargain, to change and to keep fundamentals. Democracy at the grass roots level overcomes the distance between the people and their governments.

2.3 J. Ingredients of Democratic Rule

Brennan, Geoffrey and Alan Hamlin (2000) highlighted the external political and constitutional artifacts operating across individuals and characterizing the institutional and legal framework of society (devices) and on the internal and more personal matters, formative of individual character (desires). They have pointed out that motivation of those practicing or working democrats is very important in developing a democratic system. The interplay between desires and devices is inevitable in this process. They further subject to their analysis devices like voting, elections, representation, political parties and the separation and division of powers as ingredients of democratic rule.
2.3.8. Democracy and Micro-Movements

D L Sheth (2004) studies the contributions of micro-movements towards promoting and popularizing participative grass roots democracy in India as a strong resistance force. He stands against the ills of representative democracy and globalization. These movements do this by mobilizing people’s participation in decision-making in matters concerning their own lives. They build up people’s power and capabilities, which lead them to struggles for establishing their rights and autonomy and voice in local administration. They become movements through becoming partners in local, national and global networks and coalitions.

According to Sheth, the politics of such micro-movements have helped to strengthen people’s politics on several occasions and proved the effectiveness of people’s direct action against the state, its bureaucracy and the pro-WiNCs position of the state. They have organized several demonstrations and agitations, fought several legal battles, and won.

A student of democracy is prompted strongly to explore more on the politics of micro-movements in order to understand the traits of grass roots involvement of the Non-governmental organisations and movements.

2.3.9. Democracy and Rights

Jean Dreze (2004) analyses the need to be concerned with the right to food in juxtaposition to right to education and right to information in democracies. According to Dreze, Indian constitution answers the problems of political democracy to a certain extent. But it fails to provide ‘economic and social democracy’ as envisaged in the Directive Principles of State Policy. Political democracy is incomplete without economic and social democracy. Right to food is an economic right, it has to be linked to other economic and social rights like right to education. Grass roots democracy cannot overlook these subjects.
2.4. DECENTRALISATION

It has been universally accepted that grass roots democracy or direct democracy is possible only through a process of devolution of powers to the people. Decentralisation is the means to march towards local democracy. The researcher has made extensive attempts to review and understand the concept of decentralisation, its challenges, its merits, its process and forms as well as insights from the field. Efforts have been taken to include literature not only from Kerala and on Kerala context but also from other Indian states and from outside the country. Concern was also placed on how world bodies approached the concept and process of decentralisation.

Contemporary thinking on the subject of decentralisation in other parts of the world, especially in the developing and least developed countries, was also reviewed to capture an integrated view. The literature contributed and stimulated by the World Bank and various organs of the United Nations Organisation (UNO) are very important in this regard.

2.4.1. International Experience of Decentralisation

The discourse on decentralisation was stimulated more extensively and more intensively since the 1990s in the international arena. The forces behind this interest were globalisation, economic crisis and structural adjustment, democratisation, local and domestic forces like rapid urbanization, strengthened ethnic identities, etc (Dale Olower 2001).

2.4.1.1. Madagascar Experience

The World Bank study titled ‘Decentralisation in Madagascar’ (2004) deals with Madagascar’s first ten years of decentralisation experience. The study found that Madagascar remained to be a highly centralized country even after the decentralisation attempt. However, during the process, several lessons were learnt from Madagascar story. Decentralisation called for simplification of administrative arrangements, fiscal relationships, full transfer of the local competencies to the commune, particularly local revenue
collection, increasing transfers to rural communes and assigning revenues to one form of government.

The theoretical conceptions of decentralisation, upon which the study progressed, were not different from the general understanding of the process of decentralisation. Decentralisation referred to the transfer of authority and responsibility from the central government to subordinate, quasi-independent government organisations, or the private sector. The report finds the dimensions of decentralization as administrative, political and fiscal, while its forms are deconcentration, delegation and devolution.

2.4.1.2. Decentralisation in Socialist Countries of Eastern Europe

While discussing about intergovernmental transfers in the context of decentralisation in the socialist states like Eastern Europe and the former Soviet Union, Richard Ml Bird, Robert D. Ebel and Christine I.Wallich (1995) assert that the successful achievement of the reform goals, such as macroeconomic stability and privatisation and maintenance of a social safety net depend on the design of a well-functioning intergovernmental system. These authors analyzed the fiscal aspects of Hungary, Budapest, Poland, Bulgaria, Romania, Albania, Ukraine and Russian Federation and suggested that subnational governments should support the market reforms. Subnational expenditure responsibilities shall correspond to the financial resources available with them. There must be incentives for mobilizing revenues of their own to increase the autonomy. The subnational governments shall support the Center’s macro-economic policies. Subnational governments shall be given expenditure discretion in appropriate areas to increase the efficiency of public spending and to improve the accountability of local officials to their constituents in the provision of local services. The system of intergovernmental transfers shall be transparent, based on objective and predictable criteria and not subject to negotiation and ad-hoc bargaining.

There shall be efforts to minimize the costs of bringing in decentralisation. The Center government shall provide some equalizing transfers to poor localities to ensure that they can afford to spend sufficient amounts in key public services. Finally, mechanisms to support public
infrastructure development must be established with appropriate financing. These together provide a comprehensive picture of fiscal decentralisation in Africa with its strengths and weaknesses identified with regard to each of the transitional economy.

2.4.1.3. Decentralisation in Western Europe

E Somanathan (2001) compared the decentralisation experience of eight western European countries such as Britain, France, Germany, Italy, Spain and three of the Scandinavian countries. It is noteworthy that the western perceptions of decentralisation are very often based on the classification and definitions given by Rondenelli and others (1984).

2.4.1.4. Conditions for Successful Decentralisation

Ernst Lutz and Julian Caldecott (1996), while presenting a set of ten country studies on decentralisation and biodiversity and reviews of thirty-two projects of the World Bank and the Global Environment Facility (GEF), highlight that decentralisation is both a process and a condition. It embraces three aspects: spatial decentralisation which promotes the transfer of urban populations and activities geographically from more crowded locations to less populated regions; market decentralisation in which goods and services are disbursed to more and more people and locations by market mechanisms and administrative decentralisation, which transfers responsibility from central to other groups in the country. Administrative decentralisation is of three types: de-concentration, delegation and devolution.

The concluding arguments are in favour of decentralisation, but under several conditions. It is reported that habitat conservation in a highly centralized climate is a failure in all cases. Conditions for the successful decentralisation suitable for the effective implementation of projects like biodiversity conservation are many, including an enlightened central government willing to decentralize. Other conditions are identified as fiscal decentralisation, people’s participation, capacity building and technical assistance, a proper legal framework, right incentives, meeting livelihood needs, monitoring and evaluation, integration of conservation into rural...
Development Decentralisation is, therefore, a process, which will be successful, based on several conditions.

2.4.1.5. The World Bank and Decentralisation

‘World Development Report: The State in Changing World’ (1997) deals extensively with the theme of decentralisation with experiences gathered from all over the world. The World Development Report (WDR) states that decentralisation offers the chance to match public services more closely with local demands and preferences and to build more responsive and accountable government from below.

The Report recognizes some of the recent developments as the driving force behind the demand for formal and political decentralisation. The minimum size of self-sufficient governments has declined. Political changes have given voice to local demands. Countries often turn to local and regional governments when the central government has persistently failed to provide essential services.

The WDR identifies several advantages of decentralisation. Decentralisation can strengthen and complement popular participation. It guards against majoritarian tyranny. It moves government closer to the people. It facilitates local definition of issues and problems, especially those of minority groups. It facilitates transfer of responsibilities for service provision to local authorities. It also encourages private business in local economic development.

The Bank, however, does not hide the possible pitfalls of decentralisation in spite of its several advantages. It recognizes that decentralisation is not easy to implement. It may be short-lived and not easy to replicate without effective intergovernmental collaboration and right framework for policy formulation and implementation. Other major and possible pitfalls are identified as loss of macroeconomic control, regional disparities in service provision and misallocation of resources, because of local capture.
Viewed in this frame, decentralisation should foster democracy under certain favourable environment, like private-public collaboration. This private-public partnership is the proper climate for social capital and hence the relationship between them.

'A Sourcebook for Poverty Reduction Strategies Vol.1: Core Techniques and Cross Cutting Issues' edited by Jeni Klugman (2002) for The World Bank contains possible approaches to decentralisation as well as poverty reduction. Decentralisation is driven by various motives and circumstances: people’s demand for greater say in decisions affecting their lives, reactions against the previously excessive concentration of power at the Centre and government efforts to save money by devolving functions without funds.

The Sourcebook also recognizes different forms of decentralisation and says that many forms can coexist in a particular country. The forms of decentralisation are deconcentration, delegation and devolution. Simple definitions are provided to each of the concepts. Deconcentration is seen as the most limited (and common) form of decentralisation, which occurs when the central government disperses responsibilities for delivery of services to its regional branch offices. Delegation, according to the Sourcebook, is a process in which the central government transfers responsibilities for administration of public functions to local governments or semi-autonomous organisations that are not wholly controlled by the central government but are accountable. Devolution is the best form of decentralisation in which the central government transfers authority for decision-making, finance and management to local governments that have clear and legally recognized jurisdictions over which they exercise authority, within which they perform public functions, and to whose constituents they are accountable.

The effects of decentralisation can be positive or negative depending on local participation and accountability. A clear division of responsibilities and a clear system of accountability will make decentralisation work for good governance and sustainable development. The Sourcebook also deals with sequencing decentralisation and provides some tips for sequencing.

(i) Do not decentralize fiscally unless channels of accountability exist.
(ii) Once political accountability is established in local governments,
introduce fiscal decentralisation quickly to enable newly elected leaders to respond to local needs.

(iii) Function before finance.
(iv) Predictable, transparent, formula-driven transfers should be in place to ensure a hard budget constraint before revenues are decentralized.
(v) Examine the institutional environment that establishes hard budget constraints before authorizing subnational borrowing.
(vi) While decentralisation usually focuses first on the primary level of subnational government, the eventual impact on the poor occurs at a much lower level.

2.4.1.6. Decentralisation In West Asia

Decentralisation and the Emerging Role of Municipalities in the ESCWA Region (2001), a paper brought out by Economic and Social Commission for Western Asia (ESCWA) of the United Nations Organisation, discusses decentralisation in the ESCWA region. The paper presents the study reports on the local urban development and the role of municipalities in the Syrian Arab Republic and municipal restructuring and relations between central and local government in Jordan in the backdrop of a theoretical framework crafted on decentralisation in the region. The general classification of decentralisation as political, fiscal and administrative is confirmed and further accepts and discusses the three forms of decentralisation: devolution, delegation and de-concentration. Devolution is the most advanced form among these.

The paper suggests three requirements for sustainable decentralisation in the local and national levels: an environment conducive to decentralisation, improving urban management and local resource mobilization. The policy environment should comprise of balance between administrative, fiscal and political decentralisation, accountability and participation, accountability and transparency, resource and autonomy, political will and partnership addressing regional disparities. The paper concluded that no ESCWA country reached the stage of devolution. Most of the ESCWA countries were in the phase of de-concentration, while very few have entered the phase of delegation.
2.4.1.7. Decentralisation in Africa

Decentralisation is understood as a process, which is complex, relative and multidimensional (Glower 2000). While agreeing to the general understanding of the forms and dimensions of decentralisation, Glower refers to the dilemmas of decentralisation. He referred to political, economic and management dilemmas. The political dilemmas include the unwillingness of political and administrative leaders to share monopoly power and local elite capture. Economic dilemmas are the fear that devolution engenders economic stabilization, due to the weakness of the central actors to effectively control local spending and the need for wider institutional, political and economic reforms. In addition, it involves more costs- the costs of new institutions, staffing, procedures and training for all concerned. Management dilemmas are mainly three: the issue of appropriate institutional designs to address the above problems, absence of reliable data on government performance and weak capacity at central and local levels and finally the issue of how to make decentralisation policies applicable to all parts of a country.

Under this backdrop, the African democratic decentralisation policies and programmes of the 1990s were evaluated and the study found that the system was not able to address the dilemmas.

Jesse C Ribot (2001) reviewed the literature on African Decentralisation on behalf of United Nations Research Institute for Social Development (UNRISD) in the Programme Paper No.8 titled 'African Decentralisation: Local Actors, Powers and Accountability'. The paper focuses on local governments and local institutions rather than central governments within the context of renewed discourses on democratisation, pluralism and rights. The paper finds that decentralisation has not become effective in African countries because it failed to entrust downwardly accountable representative actors with significant domains of autonomous discretionary power. Historically, decentralisation in Africa has been a myth, due to the centralizing tendencies of the central government.

Theoretically, the outcomes of decentralisation are manifold and are grouped into efficiency, equity, service provision, participation and democratisation, local empowerment, central government’s burden shedding,
donor conditions and poverty alleviation. The paper deals with literature on the dimensions, design, implementation, administrative-political relations, planning processes, problems of instrumentality, enabling assignment for actors, powers and accountability, sustainability, means of transfer, fiscal transfers, capacity of the local governments, legitimacy, conflict and negotiation, elite capture, patronage, sequencing and opposition to decentralisation.

The lessons from the review of literature on African decentralisation are manifold, (i) Institutional arrangements for decentralisation shall reflect the stated aims, (ii) The degree to which decentralisation provides new rights depends on the security of “means of transfers”, (iii) Local autonomy shall motivate or drive the planning processes, (iv) Lack of capacity of the local governments is often a paternalistic excuse for not devolving powers, (v) Sequencing of reform is relevant, (vi) Civil society may complement the reform process, (vii) There are threats to decentralisation.

2.4.1.8. National Experience of Decentralisation

Though there have been concrete distinctions between Kerala’s experience and national experience in decentralisation, the scholars from Kerala have been more eloquent on the national perspective (N Ayyappan Nair 1997, Jos Chathukulam and P G Padmanabhan 1998, Jos Chathukulam and M S John 1998, A K Lohithakshanan 2000, R K Suresh Kumar 2003, K P Suresh 2003). Indian villages had systems for self-government from the time of Rigveda (1200 B C). These systems for self-government have been weakened by the foreign invasions. The British regime dealt the final fatal blow to the surviving village governance. The Constitution of India, following the colonial traditions, also did not give much importance to villages and local governance. As a result, there was a lack of effective instruments for people’s participation. In this context, though by 1960s all the states had PR Acts, following the Belwantrai Committee Report, PRIs did not take off, after the initial enthusiasm. The reasons for this decline include meager resources of Panchayats, absence of political will, domination of PRIs by the economically and socially privileged classes (George Mathew 2000). It took around 40 years to arrive at a constitutionally valid system to realize the idea and ideals of local self-
governance, when the 73rd Constitutional Amendment Act received President’s assent on 20 April 2003.

Jos Chathukulam and P G Padmanabhan (1998) have provided information on the background information of the 73rd and 74th Constitutional Amendments of 1992. They have also brought out the merits and demerits of the legislation. The features of the amendments are highlighted in their work.

The amendments gave the local governments constitutional recognition; elections in every 5 years were made mandatory; they gave reservation to the weaker sections (Scheduled Castes and Scheduled Tribes and women) in local governance; opportunities for grass root democracy were opened up; district-planning committee received constitutional recognition. Amendment Act also contained some weak points. The powers vested with the Central Government were not devolved to the local governments; only some of the powers and subjects included in the state list were decentralized. The new law failed to eliminate or even reduce bureaucratic control over the local government. There was no clear direction in the law to give people’s representatives executive powers. There were no clear proposals either to make available sufficient resources for the effective functioning of local governments.


Malcolm S. Adiseshiah and others (1994) have presented valuable insights on local self-government and decentralized planning. Ramakrishna Hedge (1994) lamented that people did not have any role in shaping their own destinies at various levels. He advocated for village-sponsored schemes and
people sponsored schemes instead of centrally sponsored schemes. Ashim Dasgupta (1994) asserted that any amount of legislation would not speed up or strengthen the process of decentralisation. What was required to make a change in this regard was political will. According to Dasgupta, decentralisation was not simply decentralisation of expenditure but also decentralisation of resource mobilization. Pranab Wlkherjee (1994) stood for three-tier system of elected government supported by constitutional guarantees in order to make decentralisation meaningful. Malcolm Adishesiah (1994) was cautious about political decentralisation without agrarian reforms. He suggested two basic measures for effective decentralisation in India. The first was regular, periodic elections to the local bodies. The three-tier system of local bodies, consisting of Village, Block and District level Panchayats was appropriate for the Indian situation. The second measure, according to him, was agrarian reform. These two measures were seen as interrelated and should be implemented simultaneously. The one without the other would be futile. George Fernandez (1994) has dealt with various dimensions of decentralisation pointing to the ills of centralization.

The process of decentralisation in India is the process of putting people at the centre and viewing them as engines of the development process. The purpose is to ensure economic and social development. This is possible only if people are empowered politically, economically and socially by ensuring them various rights (Rajni Kothari 1996, Nirmal Mukherji 1993).

Decentralisation is also understood as the process of sharing. Meenakshisundaram defines it as a continuum of controls on organisational tasks, finance and human resources (Meenakshisundaram 1994a, 1994b).


It has been pointed out that the initial impetus to PRIs was first given by the Belwantrai Metha Committee Report and then by Ashok Metha Committee Report. The culmination of the process was the passage of 73 Amendment of
the Constitution. However, the privatization agenda initiated by the Narasimha Rao Government in 1992 damaged the decentralisation agenda (P C Wlathur 1992).

... identifies four types of people’s participation in the development process: (i) Participation in decision-making; (ii) Participation in implementation; (iii) Participation in benefit sharing and (iv) Participation in evaluation.

Panchayati Raj Institutions, the author holds, were the response to the need for people’s participation in the affairs of the people’s life and work. The article identifies three major objectives of PRIs as to secure the maximum participation of people in socio-economic development, to decentralize the administrative mechanism to the lowest levels, and to lead democratic Panchayati Raj Institutions.

However, several problems were identified as blocks towards decentralisation. These were both conventional constraints such as the centralizing attitude of the political parties and bureaucracy and non-conventional constraints like the visible and invisible forces of new economic policy (B Mohanan 1996).

George Mathew (2000) probed into the solutions to the problems of decentralisation. Regular elections to the local bodies and the consequent political education of the masses were proposed to be the solution. But, it was noted that the bureaucracy, local vested interests, their elected representatives in the State legislatures and in Parliament, commercial interests, professional middle class, the police and the political elite blocked the ascendancy of PRIs by all means.

It has been pointed out that a three dimensional approach - political will, people’s awareness and building healthy conventions and traditions under - girded by constitutional and legislative measures- is very much essential for the successful functioning of PRIs and grass roots democracy and social transformation of sustainable development. In 2003, George Mathew noted that decentralisation process had deeper implications for the issues of human
rights. The strategy consisted of solving the concerns of increasing democratisation and intervention of civil society institutions.

After almost a decade of decentralisation experience in India, D Bandyopadhyay and others (2003) assert that even after the 73 Constitutional Amendment, the Panchayats have largely remained ineffective. They argue that people’s participation has not gone beyond mere voting because of the historically powerful forces - the political and administrative authority- acting against decentralisation. These authors call this authority, especially administrative authority, very powerful and a historically structured system bureaucratic, non-accountable, non-responsive and autocratic.

BPC Bose and others highlight this point (2004) during a review of the efforts taken towards decentralisation. Participation of more people in elections to PRIs does not mean democratic decentralisation. PRIs have become institutions far from units of self-government.

2.4.3. Experience of Other Indian States

A broad range of literature exists on the theory and practice of decentralisation based on the experience from other Indian states especially since 1992 (J N Pandya 1992, Maithreesh Ghatak and Maitreya Ghatak 2002, Kripa Ananth Pur 2002, Benjamin Powis 2003, Mohan Rao 2003, Amitabh Behar 2003, Eric Kerbant 2005, Khera Reetika 2005). Some dealt with the future of PRIs, while others evaluated the Conformity Acts of individual states. Many suggestions came up in the 1990s to make full use of the new policy of decentralisation to effect economic development and social justice in the country through more active participation of the people. Some were pessimistic while some others were optimistic. The influence of political elites, bureaucracy and the local vested interests on PRIs became subjects for continuous discussion.

Many suggestions came up for the improvement of the quality of PRIs. If was suggested that elections to PRIs should be on political party lines in order to widen the base for popular participation. It would also minimize the role of money and caste considerations. Preventing the bureaucratization of development process would strengthen PRIs. it was generally observed that in
those states where political elites wished to foster democratic decentralisation, the system of Panchayati Raj has been reasonably successful. In other states, politicians, Chief Ministers, Ministers and Members of Legislatures perceived the heads of PRIs as competitors for scarce political resources (C V RaghavuS et al 1992, Bandyopadhyay 2002, Shikha Jha 2002, M V Ghorpade 2002, M Yasin et al 2003, Arnab Chaterjee 2003, Pranab Baithan et al 2004, Mahi Pa! 2004).

2.4.4. Kerala’s Experiments with Decentralisation

The debate on decentralisation was active in Kerala in tune with the renewed enthusiasm at the national level. After the 50s, the academic, administrative and political discourse became more vibrant in the first half of 1990s. E M Sankaran Namboodiripad (1992) speaking on the PRIs in Kerala suggested that PRIs could be important instruments for the extension of democracy to all levels of administration and for the solution of serious problems in socio-economic development. PRIs could also augment the efforts of the central and state governments in investing in the crucial sectors of agriculture and industry. V K Sukumaran Nair (1992) emphasized that decentralisation should start with political parties. V Ramachandran insisted on the need for enough preparations before implementing the decentralisation plan (1992).

Jos Chathukulam and P G Padmanabhan (1998) tried to give a bird’s eye view of the Kerala Panchayat Raj Act 1994 and a critical analysis of the content. They listed out the powers and responsibilities of several fora and functionaries of the Panchayati Raj Institutions (PRIs) starting from Grama Sabhas, Grama Panchayats, Block Panchayats to District Panchayats. The book integrates, in its content, all the Rules and Regulations made up to 1998 by the State government to functionalise the system.

Jos Chathukulam and M S John (1998) have made substantial contribution to the studies on the nature of Panchayat Raj Institutions in Kerala. They seriously examined the Sen Committee Recommendations and identified certain problems in the Act as well as in the Sen Committee Report. Explorative descriptions were included on Grama Sabhas, formation of
Panchayats, powers of Election Commission, local taxes and revenues, powers of planning, bureaucracy, reservation for women, NGOs, etc.

The authors’ view of the local self-government is that we cannot achieve a state of local self-government, by extending sectors of activities or by providing more funds to local bodies. But, on the other hand, self-governance can be realized by creating institutions in which there is complete freedom for decision-making and for utilizing financial resources without external control.

2.4.4.1. People’s Campaign for Decentralised Planning

‘People’s Planning Programme’ (PPP) or People’s Campaign for Decentralised Planning (PCDP) was a new experience in the history of decentralisation in Kerala (Thomas Isaac 2000, Thomas Isaac and Richard Franke 2000, B Mohanan 2005). The Kerala State Planning Board (1997) gives an elaborate description of the ‘People’s Planning Programme’ (PPP). PPP is a decentralized planning process, which involved and activated people’s participation at the grassroots level to the maximum possible. PPP was launched to address the development challenges the state faced. The PPP was claimed as a mass movement for realizing the ideals of democratic decentralization, to empower local self-government, to prepare plans in a transparent and participatory manner and to generate pressure from below to bring about necessary institutional reforms corresponding to the scale of devolution of power (ibid.).

Kerala’s unique experience and contribution to the concept of decentralized planning in implementing people’s campaign is thus very great. Isaac and Franke (2000) reviewed samples of ‘numerous local experiments in Kerala’ and several cases from the international experience.

The authors present the challenges of Kerala’s development. The core of PPP consisted of the formation and conducting of Grama Sabhas, organization of development seminars, preparation of projects, formulation of project report, evaluation of People’s Planning Programme and Voluntary Technical Corps (VTC). The PPP was implemented based on the principles of decentralization. These principles were crystallized through consulting Sen
Committee Report and other expert committees. The principles of decentralisation were explained and highlighted in the discussion. They are autonomy, subsidiarity, role clarity, complimentarity, uniformity, people’s participation, accountability and transparency. People’s Planning Programme has been subjected to continuous evaluation (Rashmi Sharma 2003, S Mohamakumar 2000, V Rajendran Nair 2000, Sajith Sukumaran 2001). PPP was one of the best experiments undertaken with a view to free corruption at the grass roots (B Mohanan 1998). B Mohanan (2003, 2005) in his recent works places this experiment as an enviable model for participatory development and shed much light on the concept of people’s participation. While giving an outline of the PPP process, the author analyses it and critically evaluates its impact on and contributions to democratic decentralisation in Kerala. It is noted that the PPP was not a complete success story. People’s participation was not there in proportion to the efforts made and in the context of Kerala’s covetable position in social development and political participation. The reasons for this ‘cold feet’ are many. The mass organisations of Communist Party of India (Marxist) did not fully cooperate with PPP. The trade unions were also indifferent and negligent. The civil society, the small arena of non-political forces, did not get positively involved in PPP.

Further, PPP was instrumental in promoting local level institutions (W! S John and Jos Chathukulam 2002). It is argued that there was an unprecedented emergence of local level institutions at the instance of state patronage. However, the local institutions created with state patronage will not serve the interest of democracy. What is required, instead, is the emergence of strong and efficient institutions without state patronage.

On the other hand, V Rajendran Nair (2000) argues that the devolution of powers, reservation of seats and people’s planning programme opened up more and new avenues for people’s participation including women’s participation. PRIs became effective instruments of people’s empowerment in the context of 73rd Amendment to Indian Constitution.
2.5. Accountability and Decentralisation

Accountability has been considered as one of the fruits of decentralisation. Awareness of the meaning of and need for accountability is a driving force for working towards decentralisation. Many have pondered over this aspect while discussing about local self-governments (Shiviah 1994). Shiviah deals elaborately with appropriate systems and measures. They are required to ensure accountability in the context of the Constitutional Amendment in India towards a policy of decentralisation. Broadly, it is argued that democracy and bureaucracy themselves encompass major systems and measures, through complementarities and correctives.

Shiviah relates accountability to answerability. Answerability is the core element in accountability, responsibility and responsiveness. Again, the ingredients of responsiveness consist of meaningful access to the right decision-makers and a legitimate opportunity to be heard and competence to deliver services or satisfy the public demands, it is pointed out that the recent upsurge in democracy all over the world is a response to the need to fill the gap of accountability in government.

Accountability involves answerability not only in terms of rational and orderly procedures, but also in terms of values and attitudes vis-a-vis public purposes, sensitivities and aspirations. In this context, the question of accountability to the citizen and the question of democratic control by the citizen as voter and consumer become a central one.

Shiviah holds that in order to achieve the objectives of Panchayati Raj in India the following systems and measures are essential: internal finance, planning mechanism, committee system, subordinate legislation, guidelines issued by Government, independent supervisory bodies and management systems. These will result in changes in the organisational culture in the PR context if further attempts are made to make the systems and measures adaptable to the local contexts. The systems and measures should be open to public scrutiny; supervision and control should be debureaucratised to allow a degree of flexibility to environment; network structures in which public and private partners collaborate should be encouraged and finally the networking
among the PRIs in various levels vertically and horizontally needs to be strengthened.

2.6. Assignment of Powers and Functions

Assignment of powers and functions among the three tiers of PRIs has been a vital topic for discussion in the literature. Autonomy of each tier and the interdependence among the tiers are important criteria while assigning powers and functions. T R Sathish Chandran (1994) finds that the powers and functions assigned to the PRIs by the 73 Constitutional Amendment are in line with the earlier models since Belwantrai Committee. It is justified that the new law opened the avenues of powers and functions of PRIs only up to the boundary of planning and implementation of development programmes for economic progress and social justice rather than including law and order and regulatory responsibilities. In addition, the author feels that certain safeguards are necessary to protect the interests of weaker sections from the rural elites. These concerns were rightly taken into consideration in the Constitutional Amendment (CA) Act.

It is generally considered right that the PRIs should enjoy certain amount of autonomy to adjust programmes according to local needs without much difficulty. Restrictions on funding and spending should be reduced as far as possible. This does not mean that the State government should not have any powers. The State government should ensure compliance with national priorities. The PRIs need to be dependent on the State governments for funds. So, their freedom has a limit. Similarly the higher levels of PRIs shall have powers to monitor and control the activities of the lower levels due to commonality of functions, inter-relationship between the tiers in functions and administrative set up and the need to have some uniformity of standards in the provision of services.

The areas of interventions included in the XI Schedule need to be logically assigned to various tiers. The paper presents a model of assigning functions and powers of PRIs in the context of the Karnataka Panchayat Raj Act, 1993. In conclusion, it is pointed out that the depth of commitment to democratic decentralisation will determine the effectiveness of PRIs in local governance with enlarged participation of the local communities.
2. 7. Need for Restructuring

L C Jain (1994) called attention to the need for restructuring and reorienting certain departments such as planning and finance so that effective management of powers and functions of PRIs was ensured in the new set up. Jain was of the opinion that if necessary re-orientation were not effected in the administrative system, decentralisation would be confined to the political level without creating any impact on economic development and social justice. This challenge to change according to the demands of decentralisation includes and invites adjustments on the part of state-level power structure and bureaucracy. The areas where adjustments are required are not only in mechanisms but also in their attitudes, practices and parameters of operation. It is finally recognized that the politicians and bureaucracy would play the most vital role in the process of democratic decentralisation.

V. Ramachandran (1994) analyzed the contents of the 73 Constitutional Amendment Act and provided certain guidelines to sustain the spirit of the amendment while framing state legislations and sub-legislations. Having recognized the constitutional provisions regarding the PRIs and having enlisted salient features of the amendment, the author points out certain measures while framing the law.

It is advisable to frame a new Jaw for PRIs instead of amending the existing laws. The law should be as simple as possible providing for the structure, composition, election, finances, audit, general powers and functions, executive authorities etc. Role clarity of different tiers of PRIs, clear delegation of powers, provision of necessary manpower to the PRIs, provision of powers for decision-making and abolition of existing bodies like DRDA should be ensured. Finally, individual decisions of Panchayats should not be monitored directly by the government but only through Annual Performance Reports and through audit. All these again point to the measures for autonomy.

Ramachandran finally argues for the executive authority in the bureaucracy alone and control over the executive machinery in the hands of the elected representatives alone. The whole ideas revolve round the objective of empowering the PR system in the Indian context through proper balancing of powers and functions.
2.8. Deciding Priorities

Deciding priorities in the decentralisation scheme was an important concern in the early 1990s. Human Resource Development (HRD) was considered one of the important priorities. Other areas of focus were identified as empowerment of the people, self-transformation, unity of direction, institutional flexibility and adaptability, rural transformation and training for decentralisation. (V K Agnihotri, Sudheer Krishna and Amitava Mukherjee 1994). Due recognition was accorded to the possible challenges of HRD initiatives in the background of its mammoth demand and lack of sufficient resources.

S S Meenakshisundaram (1994) called attention to the need for making appropriate personnel policies for Panchayats. The constitution amendment aimed at making PRIs local self-governments by devolving powers and functions from the top to the bottom. This demanded higher skills of management. Personnel policies were required in this context. It is suggested that a unified system of personnel management could be followed to deal with the issues. Frequent transfers may be avoided and the mobility should cover all levels including higher bureaucrats. In conclusion, the article states that cleansing of the environment is more important than administrative reforms. This environment has to do with the spirit of dedication among the bureaucracy. Training of functionaries and elected representatives will ultimately influence the ability of the local governments to deliver.

Meenakshisundaram suggested three major measures to help PRIs function as institutions of self-government. First measure is the structural decentralisation of powers and functions to the maximum extent possible and creation of new mechanisms. The second is the redesign of services in view of wider scope of the new institutions and welfare needs of the local areas. The third measure is to encourage the NGOs to partner with the government especially in welfare administration.
2.9. Conflict Resolution in PRIs

Amitava Mukherjee (1994) envisaged three possible conflicts that may arise while enacting and implementing conformity laws in the States. First, conflict between local level politicians on the one hand, and the state level politicians and national level politicians on the other; second, conflict between bureaucracy and local level politicians and third, the conflict between vested interests and the local level politicians.

A few propositions were presented to solve these conflicts. Conflicts are normal, even desirable process in society. It can serve as a source of change needed in society. Therefore, the need is to improve the skills of people to express their differences and see that problems are solved in a manner, in which more needs are met. Organising frequent interfaces for the different actors to improve relationships is another strategy to resolve conflicts. Thirdly, conflict resolution facilitates smooth communication between the various interest groups. This will help all parties to address the differences together. The next important strategy would be active stakeholder participation by which a strong feeling of belongingness will be created which will assist the conflict resolution ultimately.

Various processes should be used simultaneously for resolving conflicts in the PRIs: mediation, conciliation, facilitation, negotiation and fact-finding. In this process, homogeneity in social structure and process conscientisation are very much required. It was pointed out that for proper resolution of conflicts in the local bodies, certain changes were to be made in the Amendment itself. For example, the Panchayats should be allowed to borrow from local sources like banks, cooperatives and other financial institutions.

Another important observation the author made was about the ‘missing community’. The constitution recognizes only the state, the individual, and not the community. But, community plays a very important role in economic, social and political life of a very large section of society. The solution suggested is that the territorial jurisdiction and constituency of the Panchayats at the lowest level shall be “community” and not the revenue village.
2.10. Synergy Between People’s Organisations and PRIs

Discussions were initiated on the need for and possibility of making proper convergence between people’s local institutions and PRIs. D Bandyopadhyay and B N Yugandher and Amitava Mukherjee (2002) deal with the unique case of Andhra Pradesh (AP) where 20000 to 25000 Community Based Organizations (CBOs) exist in the form of Self Help Groups (SHGs) in a district. The argument is that these groups could be made a useful formidable social force and pressure lobby in accelerating development in their localities. Self Help Groups (SHGs) could be promoted as pressure lobby to interact with PRIs. The article calls for creating sustainable mechanisms that will allow the SHGs and PRIs to work in tandem and establish a system of reinforcing each other’s work. The rationale for this urgent linkage is the similarity of objectives and the need to ensure responsiveness, accountability and transparency of PRIs.

2.11. Reservation Policy and PRIs

One of the objectives of decentralisation was to ensure appropriate representation and participation to the weaker sections like SCs and STs and women. The CA Act provided for such reservation to these sections. Debates on the desirability of such reservation and the impact of reservation at the grassroots and other issues with women’s reservation have also been active among scholars. Raghabendra Chattopadhyay and Esther Daflo (2004) report on the impact of reservation policy in PRIs. The authors found that reservation policy of PRIs contributes substantially to the interests of the weaker sections. Impact of reservation policy on the political participation of women, service delivery, the type of service provided, etc. were encouraging in favour of empowerment of these sections. The study resists the idea that women are not effective leaders and that they are ‘Binamis’ of their husbands.

2.12. Influence of Civil Society in Democratic Decentralisation

B. Mohanan (2002) looked into the reasons of low participation of people in the Grama Sabha (village assembly of voters) meetings in Kerala. He refused to agree with the reasons given by the promoters and organizers of the
People’s Plan Campaign, through which the Left Democratic Front Government in Kerala wanted to promote democratic decentralisation. They had argued, the author finds, that participation was low where the size of the Grama Sabhas was bigger; where the Opposition ruled and where the density of population was high. The article arrives at a conclusion that people’s participation in Grams Sabhas in Kerala was drastically low because of the effect of civil society, which was not at all involved in the process of campaign initiated by the Left Democratic front (LDF) government with a political motive. The political motive was to utilize a constitutional body for the propagation and strengthening of party affiliations at the grass roots level.

Though it is true that the Kerala society is highly politicized and that the civil society here is strong, the author’s observations remain to be tested empirically through further investigations. Thus, the article opens up an area for deeper analysis.

2.13. Inferences from the Review of Literature

The review of literature was carried out to gather more insights on the research questions and possible explanations. The major themes involved in the research topic are social capital, civil society and civil society organisations, democracy and decentralisation.

It was noted in the review that the concept of social capital was first expounded by James Coleman in his study of school dropouts and then developed by Robert Putnam in his study on Italian regional governments. Many of the subsequent authors have either elaborated it or examined its relevance in different localities and circumstances. Indian authors have mostly tried to replicate the Putnamian exercise in Indian contexts. The World Bank, having found in social capital a novel, generous, positively contributing resource to sustainable development within its poverty reduction strategy, propagated the Putnamian view of social capital and its usefulness in development. However, authors like John Harriss, have questioned the position of Putnam and thrown open the discourse on the depoliticising effect of social capital in the contemporary socio-political milieu. The theoretical contribution to the concept remains to be western.
Literature on civil society and civil society organisations focused on the relationship between state and civil society. State and society are not mutually excluding entities but interdependent forces in the modern socio-political contexts. The historical overview of civil society focuses on the evolution of the concept of civil society from the time of classical political economists or from the eighteenth century to the present age. The western and Indian streams of thoughts have been reviewed in brief. A cross section of the literature points to the fact that the discussion mainly revolves around the historical perspectives and definition of civil society.

The next section was on democracy. The review broadened the vision on the meaning, preconditions, strength and weaknesses of democracy, the features of democratic rule and contributions of micro-movements in strengthening democracy. The debate on the qualities of grass root democracy and the relevance of direct democracy led to a shift of preference from representative democracy to grass roots democracy in the context of complex problems the modern governance system has to attend.

The final sub-section reviewed the literature on decentralisation. The literature on decentralisation always relates the concept with democracy. International, national as well as regional experiences of decentralisation were examined extensively. International interventions in the study of decentralisation were mostly led by the World Bank and UNO. Various forms and shades of decentralisation were identified during the attempts for appropriate definitions. Theoretically, there is great extent of agreement among the scholars on the history, contents, forms, advantages, challenges and impacts of decentralisation.

India had a very solid self-rule in its villages since Rig Vedic times. However, the British rulers weakened ‘the village republics’ and damaged the system of Indian local governance, which proved successful and sustainable during a long period in Indian political history. Even after Indian Independence, the constitutional fathers could not give a due place to PRIs in the new constitution. The Constitutional provisions regarding PRIs followed the British legacy of weakening traditional local governments by including them in the Directive Principles of State Policy.
Kerala’s experiment with decentralisation has always been lukewarm. The Left Democratic Front (LDF) and the United Democratic Front (UDF) governments ruled the state invariably intermittently with contrasting interests and ideas about decentralisation. It has been noted that though the LDF tried to push the decentralisation agenda forward deliberately during their regimes from time to time, they were not successful due to political unpredictabilities. As a result, unlike in Karnataka, West Bengal and Rajasthan, Kerala failed to present a strong and sustainable model for decentralized governance until the experience of People’s Plan Campaign (PPC) launched by the LDF government in 1996 following 73rd CA. This provided the protagonists of decentralisation and their opponents an unprecedented opportunity for new learning and experiences.

In short, the review of literature has helped the researcher to grasp the concepts involved in the study. It has also provided him with sharper insights for possible explanations for the process of democratisation at the grass roots level at the margins of Kerala.

The exercise has again led to identify the fact that there is a Sack of sufficient research on the relationship between social capital and democratisation in local bodies. Specifically, such studies are very few in Kerala context, though Kerala is considered providing a unique history of cultural integration and very vibrant civic engagements. Hence, this attempt.

Having reviewed the literature in this chapter, the next chapter presents, in detail, the concepts used in this study, the objectives of the study, hypothesis and the methodology of data collection, processing and analysis.

References


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