

# Building Social Capital through State Initiative

## Participatory Planning in Kerala

*While the people's planning programme that began in 1996 is credited for the proliferation of grass roots level institutions in Kerala, this only added to the dense network of associational life that was built up in the state through years of social mobilisation and concomitant state action. This paper, based on a study of a village panchayat in Kottayam, looks at the objectives and trends that characterised this 'institutional revolution' and assesses its implications for social capital formation and the building up of a vibrant civil society capable of playing a vital role in local governance.*

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### Introduction

There has been a proliferation of institutions at the grass roots level in Kerala on a scale not witnessed anywhere in the country since 1996, synchronising with the ongoing decentralised participatory planning programme known popularly as 'people's planning' or 'people's campaign for the ninth plan'. One of the major goals of decentralisation anywhere is to create institutions and groups which provide an enabling environment for the functioning of local bodies as agencies of self-government and to ensure local level development on a sustainable basis. The 'people's campaign' has further added to the already dense network of associational life that Kerala has, which was assiduously built up through years of social mobilisation accompanied by concomitant state action [Heller 1996]. Some of the new forms of group formation were envisaged ostensibly to lend support to participatory institutions like gram sabha (village assembly of all adults) and to assist in the implementation of projects executed under the participatory planning programme. Yet others emerged in response to the opportunities that the 'plan campaign' and the other central and state government schemes threw up. This study is moulded within the current discourse on social capital formation and building up of civil society, which commentators say, will contribute to democratic deepening at the local level [Putnam 1993]. The paper seeks to highlight the intensity, purpose and trends in the institutional revolution that Kerala has witnessed in recent years and assess their implications for social capital formation and the building up of a vibrant civil society capable of playing

a corrective and supportive role in the functioning of the local bodies. The study is based on empirical data collected from a village panchayat (elected rural local body) located in the district of Kottayam in Kerala. Methods of data collection employed in the study include questionnaire, focus group discussions and interviews with key informants. Because the data collected relates to very recent phenomena that have emerged in the last five years and is still in an evolving stage, the paper does not attempt to go beyond identifying some general patterns and trends that may assist more deep and longitudinal studies in future.

The paper is organised into four sections. The first section deals with the conceptual issues relating to social capital and civil society and discusses the nature and characteristic features of associational life in Kerala. The second section deals with some of the salient features of the exercise of decentralised planning and maps the new institutions that have come into being in its wake. The third section, after providing a brief socio-economic description of the village panchayat under study, proceeds to find out the nature, variety and pattern of institutional growth and associational life in the panchayat. This will be followed by a conclusion in the final section.

### I Social Capital for Sustainable Local Development and Democracy

The concept of social capital is a recent addition to the literature on local level development. The concept was developed by Robert Putnam in his study of Italy (1993) and then employed in the US situ-

ation (1995) although its importance was stressed much earlier by a number of theorists of mass politics subscribing to Tocquevillean values, which associate group bonding with political development. Mention may be made of Kornhauser who said that in an era of atomisation and alienation people have a disposition to engage in extreme behaviour to escape from tensions and without "a multiplicity of independent and often conflicting forms of association, people lack the resources to restrain their own behaviour" (1959, p 32). Social capital means "features of social organisation such as networks, norms, and trust that facilitate coordination and cooperation for mutual benefit" [Putnam 1993].<sup>1</sup> Even though identical policies aimed at promoting democracy and development may be undertaken, the degree of success in realising these goals is determined by the fecundity of social capital that exists in individual situations. According to Putnam, social capital fosters reciprocity, facilitates information flows for mutual benefit and creates trust, and once these are in place, they tend to be self-generating as future generations are inducted into these norms through socialisation. The trust and cooperation engendered through social capital assumes significance particularly in local level development and poverty alleviation. It is expected to have a positive effect on economic performance especially growth. In other words "social capital enhances the benefits of investment in physical and human capital" [Putnam 1993]. It has also been found that the discourse on social capital, by not recognising the conflict-oriented notions such as power, class and gender, among others, provides a neutral discursive space in which interests of all

hues can communicate. High stocks of social capital, it is claimed, will lead to active civic engagement and the rise of an active civil society. Civil society highlights the role of interest groups, social movements, organised private, non-profit, self-governing and voluntary agencies, which occupy or create social space beyond the full control of the state apparatus.

For Putnam "civil associations contribute to the effectiveness and stability of democratic government" and have an internal effect on the individual members by developing "habits of cooperation, solidarity and public mindedness". Correspondingly, it also has an external effect on the wider polity by creating dense networks of secondary associations with attendant positive implications for articulation and aggregation of interests [Putnam 1993: 89-90]. The propensity of individuals to form and join a wide range of organisations especially horizontal ones spontaneously is generally the reference point of Putnam. The generation of social trust and reciprocity, in this view, will remove hurdles to collective action and economic and political negotiations.

### **Social Capital Formation in Kerala**

The example of Kerala is often cited to lend support to the theory that social capital formation and the emergence of civil society need not take place independent of state action. Heller (2000) says "Civil society in Kerala arose neither from deep civic traditions nor from the associational and gentlemanly impulses that Montesquieu attributed to commercial life. Instead, the birth of a vibrant and effective democracy in Kerala must be located in its political history of conflict and social mobilisation, the interplay of these dynamics with the process of state building, and the resulting transformation of social structure" (p 502). Trust, in Kerala, has "shifted from interpersonal networks rooted in categorical social inequalities to investing in state institutions, an investment informed by iterated experiences with the state and a resulting faith that state authorities will fulfil their commitments" (p 513). While it is true that the state has been more responsive to societal demands and has often come forward with solutions which tend to reinforce its visibility, this has also had a strangulating effect on civic life. It is true that many civic associations, especially

those of the macro kind, had political origins. But these macro associations affiliated to political formations like those of the agricultural workers known as Kerala State Karshaka Thozhilali Union (KSKTU) affiliated to the Communist Party of India (Marxist) with broad spheres of political action did not contribute to more localised forms of civic engagement capable of influencing local governance structures. It is true that social mobilisation assisted and supported by one or the other of the two ruling coalitions which alternated in power at the state level makes the state-society gap less pronounced in Kerala.

However, it is premature to say that class mobilisation along universalistic lines had a salubrious effect on civil society seen as an arena of freedom. While statist responsiveness to societal demands does provide an enabling environment and a safety valve, they also arrest the natural evolution of social capital unmediated by external actors. Even Heller admits that the "Kerala CPM's critical role has been less a function of its governance capacity than of its mobilisational capacity. Having found itself periodically in the opposition, the CPM has retained much of the social movement dynamics from which it was born by having to continually reinvigorate its political agenda. As a social movement party, the communists have thus busied themselves with the task of occupying the trenches of civil society, building mass-based organisations, raising demands, and cultivating a noisy but effective politics of contention. This has provided a continuous presence and effectiveness for subordinate groups even when out of power" (pp 510-11). This, Heller thinks, had a bandwagon effect with the other parties also embracing mobilisational politics. He concludes by saying that "Effective democratic governance has in other words had less to do with the institutional character of the political party system than with the dynamic interaction of political and civil society" (p 511), which is a far cry from the institutionalist model of political development that Huntington (1968) had envisaged. Some of the results of mobilisation such as land reforms created the need for further state-initiated measures like group farming to offset the diseconomies of scale in agricultural production.

Heller says that "the logic of class politics has strengthened civil society – not through the small group dynamic of trust and reciprocity emphasised by many civil society theorists, but rather through the

emergence of broader solidarities that were forged from a history of conflict" (2000, p 519). However, in view of the liberalisation policies being adopted throughout India, state patronage for organised societal groups as in the state-society synergy model, can no longer be taken for granted.

There is marked difference between panchayats and wards within a single panchayat in the extent and spread of the growth of the new institutions. The 'plan campaign' since 1996 has brought a wider section of women hitherto excluded from Kerala's associational life into the centre stage of rural civic life. Not only is the institution of gram sabha new to Kerala, but, following the rise of neighbourhood groups (NHGs) at the sub-gram sabha level known as 'Ayalkoottams', a new dimension to decentralisation and participation has been added in the state. Institutions like NHGs are ostensibly for checking the arbitrary functioning on the part of the panchayat, which has allegedly become powerful in view of the substantial funds devolved to them by the state from 1997-98 onwards. Even though the formation of the NHGs is not mandatory, more and more panchayats are found to be favourably disposed to their formation thereby adding to a growth in associational life in Kerala. Unlike many of the traditional organisations owing allegiance to political parties of which dense networks already exist, these new institutions are largely non-political, although not altogether free from the influence of dominant political groups.

### **II 'Peoples' Planning'**

A government spearheading a campaign to mobilise lakhs of people for planning may be unheard of in other states in India. However, this is what happened in Kerala where the investment made in human, material and epistemic terms for the cause of participatory planning does not perhaps have parallels anywhere in the developing world. This is in some ways an example of the operation of state-society synergy. The Marxists who returned to power in 1996 renounced the politics of class conflict in favour of a harmony model and spoke of the need for a new political and development culture above partisan politics. Kerala's 'peoples' campaign' was carried out under the stewardship of the State Planning Board, which was until then a purely technical body, and the plans

formulated with people's participation were operationalised from the financial year 1997-98 onwards. Its return to power in May 1996 coincided with the preparatory period of the ninth plan of the state. Seizing the opportunity, the state government announced the ninth plan of the state as 'peoples' plan', and took a significant decision to devolve 35 to 40 per cent of the development funds of the state to the three-tier panchayats and municipalities, primarily on the basis of the criterion of population, with due weight given to panchayats having sizeable population belonging to scheduled castes and tribes (depressed classes). The exercise was often interpreted as akin to a post-literacy development education in the already highly literate state of Kerala and the campaign organisation was mainly patterned along the lines of the earlier literacy campaign. As in the literacy campaign, the Kerala Sastra Sahitya Parishad (KSSP), the leading pro-left non-governmental organisation, provided the required epistemic and organisational support for the programme. The campaign was influenced by a number of experiments in collective and local level synergistic action for local development and planning undertaken in some panchayats in Kerala under the aegis of the KSSP after the collapse of the Soviet regime. These experiments drew heavily on the methodology developed by the non-governmental organisations and the 'peoples' planning' is a case of run off scaling up. Instead of amending the 1994 Panchayat Act before initiating the plan campaign, the organisers decided to start with planning and plug the loopholes in the Panchayat Act as the process of planning moved forward. A committee on decentralisation was simultaneously constituted, which went into the possible areas where amendments would be needed. The committee was influenced by the course and content of the campaign as reflected in the final report [Government of Kerala 1997, Chathukulam and John 1998].

The campaign sought to address the theme of the unsustainability of the enviable gains made by Kerala in the social sector and the increasing stagnation in the productive sectors by means of participatory planning. The process started with sector-based need identification in the gram sabhas. This was followed by participatory secondary data collection about these sectors from local offices, generation of local general and development history, conduct of transect walks (one of

the methods commonly employed in participatory rural appraisal) and so on. The outputs of all these exercises were integrated into a printed development report, which was later discussed in a panchayat-level meeting of around 250-300 persons known as development seminars. This was followed by formation of task forces in each development sector with all members of the panchayat heading one or the other of these task forces. Each task force was expected to prepare projects and the panchayat selected the projects to be included in the annual plan. This was the pattern that was followed in the first year. From the second year onwards the role of task forces was extended to assigning marks to beneficiaries of individual-based projects also. From then onwards the panchayat plan had to be placed before the gram sabha, so also the list of beneficiaries. After the panchayat and the gram sabha have approved a plan document, it is sent to a block level expert committee consisting of retired and serving officials for vetting the individual projects and granting technical sanction. Once this is done, the plan document is sent to the district planning committee for its approval. It is only after this stage that the plan implementation procedures start. Works are to be carried out by beneficiary committees (BCs) for which the department of local administration issued enabling orders. The campaign also stressed principles like transparency, right to information, social audit, peoples' participation and equity. [Issac 1997, Issac and Harilal 1998, Government of Kerala 2000, Issac 2000, Kannan 1999, Franke and Chasin 2000 and 1997, Chathukulam and Thomas 1997].

The Planning Board had issued guidelines relating to sectoral ceilings in spending to ensure minimum level investment in the productive sectors given the tendency of most panchayats to concentrate on the infrastructural sectors. Women's issue figured prominently in the campaign and was a theme in every training session. From the second year (1998-99) onwards, it was made mandatory that 10 per cent of the plan funds should be set apart by panchayats at all levels for projects meant exclusively for women. The 'peoples' campaign' has a strict time schedule for the completion of annual projects with disincentives in the form of reductions in grants for those panchayats which fail to reach a threshold level of spending each year. The plan exercise was a highly controlled, and standardised one allowing very

little space for variant experiments and experiences to emerge.

Commenting on the 'plan campaign', Heller says that "If the political opening for decentralisation was orchestrated by the CPM from above, it is civil society that provided the critical ideological and mobilisational resources for the campaign. The campaign's discourse of autonomy, local initiative, transparency, sustainability and accountability is the language of social movements, not of technocrats or Leninists. Most of the techniques and favoured projects of the campaign come from a repertoire of practices that NGOs and proactive local governments have been developing for years... Most critically, it is through overlapping membership ties between the CPM and the independent, grass roots KSSP that CPM reformers could experiment with ideas outside the somewhat doctrinaire straitjacket of the party itself and build political support for a strategy of mobilisation that reaches beyond the party's traditional base of support" (p 516).

One of the direct results of the 'peoples' planning' exercise was the unprecedented growth registered in the number of rural institutions. These new associational forms were created for meeting certain requirements of the planning exercise. Institutions like task forces and beneficiary committees were created for the purpose of project formulation and project implementation respectively. In addition, many panchayats, especially those held by the leftist parties have neighbourhood groups (NHGs) known as 'Ayalkoottams'. Each NHG has a number of self-help groups (SHGs) of women functioning within it. In addition, new institutions which function almost like a core committee of the gram sabha known as ward development committees also have been formed in some panchayats. It may be appropriate at this stage to discuss them one by one.

### **Beneficiary Committees**

The perceived logic behind beneficiary committees (BCs) is to prevent leakages accruing from the intervening role of the contractors in public construction works. The committee consists of seven to 15 members with representation for women and scheduled castes. Chairperson and convenors are generally males. All the projects have beneficiary committees on paper. They are given an advance of one-fourth of the project cost subject to a

maximum of Rs 50,000 before works are initiated. The amount is drawn in the name of the convenor of the beneficiary committee. When these committees actually started functioning they faced numerous difficulties. The presence of the government engineer continued to be conspicuous in roles such as supervision, measurement and check measurement, verification, preparation of bill and the final payment.

There are numerous hurdles that these committees face given their lack of where-withal, technical know how and skilled workers. In addition they have to please the engineers often with bribes. In view of these difficulties, in many places, contractors have appeared under the guise of beneficiary committees. The beneficiary committees now merely serve as facilitating mechanisms of the contractors for faster payments rather than as genuine people's project implementation committees. Since 75 per cent of the funds should be spent before the end of each financial year in order to become eligible to receive the allocation for the ensuing year in full, most panchayats depend on the contractors to meet the targeted expenditure and deadlines. Genuine BCs, which are very few, have never taken a second work if the experience of Kottayam district is any indication. Transition from a BC to a maintenance committee does not take place at all. The emergence of contractors is not a distinct contribution of the 'plan campaign'. The contractors have been active since the inception of the Jawahar Rozgar Yojana, a rural development programme sponsored by the central government in early 1990s, which stipulates that nominees of the local beneficiaries should undertake work. Although BCs have been substituted by contractors in most of the panchayats, the quality of work has improved to some extent.<sup>2</sup> This has also shown the limits of people's involvement in the implementation of projects involving some technical and construction content.

### **Neighbourhood Groups**

The concept of NHGs often elicits feelings of nostalgia and smacks of an effort to revive communitarian ideals. In a highly individualised society like Kerala having a settlement pattern which tends to reinforce this individualism, this has particular relevance. A number of individuals in Kerala influenced by communitarian ideas had experimented with NHGs before the idea was taken on board by the KSSP.<sup>3</sup> The

Sen Committee on panchayat reforms whose recommendations were incorporated into the amended Panchayat Act 1999 envisaged neighbourhood groups as a support structure to strengthen gram sabha and called upon the government to encourage constitution of these bodies and provide them some 'autonomous area of functioning' [Government of Kerala 1997]. Each NHG is to elect by consensus two convenors, a male and a female. The NHGs can form a number of subcommittees and each subcommittee should have two convenors, a male and a female. In this way, each neighbourhood group will have 10 to 20 convenors or office bearers who constitute a pool from which new leadership at the grass roots level can emerge [Parameswaran 1998]. It has been claimed that the formation of NHGs "...has been a spontaneous response from below to the limitations of the gram sabhas" [Issac 2000:316]. This is a far-fetched claim not borne out by empirical reality. The role of agency, especially that of development projects, and expectation of benefits from them, have been crucial motivating factors in the formation of the NHGs.<sup>4</sup> However, some of these NHGs with appropriate leadership have, over time, transformed themselves into institutional forms capable of cultivating neighbourhood consciousness and mutuality transcending primordial and class loyalties.<sup>5</sup>

Approximately 40-50 households is the ideal size of an NHG, but the actual number varies according to natural boundaries like, canals, rivulets, roads and beaten tracks. Neighbourhood groups serve as quick information outlets about panchayat development projects. They also resolve a number of neighbourhood conflicts many of which would have otherwise gone to courts. To that extent, it reduces the burden of the panchayat member in local dispute management.

Further, there are task forces for project formulation and plan implementation, in all panchayats. Ward development committees and user committees also have come up in some panchayats.

### **'Kudumbasree'**

Kudumbasree is a government programme for poverty alleviation of women experimented first in an urban setting in Alappuzha, which was later scaled up to selected panchayats. In this scheme women representatives of all the neighbourhoods in a ward are grouped into an area development society (ADS) chaired by the panchayat member. The ADS of all the wards in a panchayat are federated into a panchayat level development committee chaired by the panchayat president. In other words, this is a programme for poverty alleviation that seeks to bring all poor women organised for micro-credit under the governmental umbrella. Removal of poverty by the year 2007 is declared goal of this programme. The programme looks upon the NHGs as similar to SHGs oblivious of the different contexts in which they arose. The net result is confusion and a kind of immobilism. The programme is a mechanism to bring the SHGs under the government umbrella and to give them access to a package of benefits that come in its wake including financial assistance. One of the panchayat staff is exclusively assigned for this purpose in each panchayat. The intention of this is to bring the SHGs under the regulatory control of the state, especially given the fact that many of them have come into existence through NGO intervention. There have been resistance on the part of the SHGs created through the mediation of NGOs to such moves for incorporation. The Kudumbasree project is a strategy of the state to appropriate civic space and bring it under administrative

surveillance capitalising on the general public faith in government institutions. The new state government led by the Congress Party in the middle of 2001 also is committed to the continuance of the programme. However, since the new government does not see decentralisation as an exercise involving a campaign effort, there has been greater bureaucratic control over the Kudumbasree programme.

### III Socio-Economic Profile of Chempu Panchayat

Chempu village panchayat is located in Vaikom Taluk of Kottayam district. It has an area of 18.42 square kilometres and a population of 18,828 as per 1991 Census. There are 9,490 males and 9,338 females in the panchayat. It has nine wards (11 after the most recent delimitation of electoral constituencies). There are a large number of fishermen and fish vendors as well as coir workers in the panchayat. It is one of the backward panchayats in the district and the benefits of social development that characterise most parts of Kerala have not reached the area. majority of the people have been beneficiaries of the land reforms initiated by the communist governments that came to power in the state. Of the 4,423 houses in the panchayat, 1,160 are thatched ones. There are 414 concrete houses. Excepting one ward, all the other wards are in low-lying areas that are marshy. The density of population is very high if we take the inhabitable areas alone into account. Coconut and paddy are cultivated in the panchayat. The literacy rate of males is 96 per cent and that of females, 84 per cent. Scheduled caste population in the panchayat is 10.2 per cent. As per 1997 figures 1,571 houses (35.5 per cent) do not have latrines, which makes sanitation an important felt need, a problem that most other panchayats in the district have addressed already. The Panchayat had a gross income from all sources amounting to Rs 14,66,653.85 (US \$ 30,556) during 1995-96 financial year, a year before the 'peoples' plan campaign' was launched. The plan funds devolved by the state during 2000-2001 to the panchayat account for Rs 39.89 lakh. In addition to this, the panchayat has its own income from taxation, licensing and assets and also funds from central government rural development schemes. It also gets its share of development schemes initiated by the block and district panchayats, the other two tiers

of rural local government in Kerala. Movement of the agricultural labourers for land reforms, and agitations against land-lordism and the proposal to fill the backwaters adjoining the panchayat contributed to a realignment of the class forces in favour of the left parties in the panchayat. The panchayat is currently ruled by the CPM-led coalition which holds six out of the nine seats. The main opposition party is the Congress. Leadership of the panchayat generally alternates between the Marxist-led Leftist and Congress-led coalitions. The panchayat has local units of all major political parties in Kerala.

There are five libraries in the panchayat around which associational life takes place. Local governance and other such matters, national and international issues and so on are discussed in these library settings by the local people and, in two libraries, resource persons from outside the panchayat engage classes every month on subjects of current importance. Women are conspicuously absent in these fora. There are 19 youth clubs in the panchayat and they are found in all the wards. However, women are not members of these youth clubs. Traditionally, associational life among women was confined to the 12 'mahila samajams' (women's clubs) existing in the village, which were also created under state and parastatal patronage. Following the 'plan campaign', these 'samajams' have been transformed into self-help groups. There are also 12 rice fields committees in the panchayat. These committees originally constituted by the government influenced by the group farming idea (a strategy which retains ownership and benefits in the hands of the landholder but engages in cooperative and co-ordinated action to offset the diseconomies of scale caused by the fragmentation of land following land reforms and maximise returns) now merely function as outlets for the distribution of subsidies and other benefits to the paddy cultivating farmers. They meet only twice in a year and they function under panchayat level agricultural office. In addition to that, there is an association of coconut farmers also at the panchayat level that also works along similar lines. The potential of the existing committees of the farmers to function as beneficiary committees was not explored fully in the 'plan campaign'. Aside from these, caste and religious organisations like the Sree Narayana Dharma Paripalana Yogam, Nair Service Society, Jamat Committee, Dheevera Vamsodharani Sabha,

Sri Chithira Thirunal Cheramar Mahasabha, Kerala Cheramar Sabha, Viswa Karma Sabha, Kudumbi Samudaya Seva Sangham, Pulayar Mahasabha also have their local units in the panchayat area.

### New Institutions in Chempu Panchayat

The context within which the NHGs were formed in Chempu panchayat is the initiative made in this regard by the Nirmal 2000, a total sanitation project implemented by the Kottayam district administration even as the 'plan campaign' was going on. A precondition for the implementation of the project was the formation of NHGs. Because 35.5 per cent of the households in Chempu do not have latrines, the panchayat responded to the project enthusiastically and formed NHGs. It was only in November 1999 that the first NHGs were formed. There are now 79 NHGs in the panchayat. For every 40 to 50 houses there is a neighbourhood group. NHGs exist in all the wards although full coverage has not been attained in some. There is one ward which has drawn all the households into the neighbourhood group framework. All the SHGs, which are exclusively of women, function under the NHGs. The NHG also has a subcommittee to take care of activities related to the 'total sanitation programme'. Two representatives, a male and female, are elected from each neighbourhood group to serve on the ward development committee present in each ward presided over by the panchayat member representing that ward. It also has an elected convenor, elected from the 30 representatives of the neighbourhood groups. NHGs have a minimum of two and a maximum of three self-help groups functioning under them. In 80 per cent of the NHGs, either the president or secretary is a woman.

The sanitation committee identifies first those who do not have latrines and assistance from the Nirmal 2000 project routed through the panchayat is provided to those who do not have the means to construct latrines. The committee also supervises the construction of latrines. All financial transactions are made through the convenor of the committee. The accounts and progress reports are presented in the monthly NHG meeting by the convenor. The NHG communicates about gram sabha meetings. In addition, it also lets the members know about the projects implemented by the panchayat and distributes application

forms. The applications collected from each neighbourhood group are then entrusted to the ward development committee (WDC). The beneficiaries are not selected at the neighbourhood group level. Although there was a suggestion that this should be done, statutory provisions have not been made in this regard. It is the WDC chaired by the ward member which selects the beneficiaries based on the criteria laid down by the panchayat by assigning marks or weight for each application proportionate to its eligibility. The intermediary role of the WDC, which is often dominated by the supporters of the ruling group in the panchayat, is often seen as an irritant, and allegations of political favouritism are not rare. The beneficiary lists submitted by the WDCs of each ward are consolidated at the panchayat level and presented to the gram sabha for approval.

The relationship between the NHGs and the panchayat is yet to be crystallised, so also the potential and value of the NHGs in local governance. The neighbourhood groups, in addition to monitoring the SHG activity and implementing the sanitation programme, have been found to be serving an important function in local level conflict resolution. The procedure adopted is thus. The aggrieved person submits a written petition to the executive committee of the neighbourhood detailing the issue at hand. The committee discusses the matter and adopts an appropriate procedure for resolving conflicts. A joint sitting of the contending parties in the presence of the committee members themselves often takes place. There is not much space for negotiations. The collective will of the community is brought to bear on the conflicting parties and a formula for settling the conflict is evolved. In this way several conflicts have been resolved amicably and quickly. Although neighbourhood groups are expected to be inclusive bodies, the rich, educated and salaried class have not participated in the neighbourhood meetings except during the formation stage making it increasingly an all poor assembly. Most of those who come to attend the meetings are drawn from the non-political and voluntary sector, especially literacy workers, members of youth clubs and women's forums or 'mahila samajams'.

Although the panchayat is a stronghold of the CPM and the NHGs were formed thanks partly to the party initiative; the local party functionaries, given their conventional party training and orientation,

are unable to be active at the NHG level since the forum is based on discussion, debate and transparency for which party training in democratic centralism is found wanting. Small wonder that some of the non-Marxists in the neighbourhood groups are more successful in interacting with the NHGs more creatively.

One of the features of the NHGs is that people particularly certain minority groups who were wary of socialising along inter-group basis have now improved their day-to-day interaction with other communities. This has resulted in better inter-religious communication and association in the panchayat.

### Effect on Participation in the Gram Sabha

None of the gram sabhas in Chempu panchayat had to be postponed so far due to absence of quorum. While gram sabhas take approximately two to three hours in other panchayats, in some wards of Chempu panchayat, the gram sabhas extended for more than five hours, and on some occasions, business was transacted in lantern light. There has been an upward trend in the average participation in the gram sabha during successive years after the 'people's planning programme' was launched. The average number of participants, which was 125 in 1997-98, increased to 132 in 1998-99. It became 142 in 1999-2000 and 178 during 2000-2001. In other words, there has been a rise of 5.6 per cent in 1998-99, 8.33 during 1999-2000 and 24.48 per cent during 2000-2001 over the successive years. It may be noted that the gram sabhas held after NHG formation recorded the highest increase of 24.48 per cent. Overall, participation has increased since 1997-98 by 42.4 per cent. It may be noted that the SHGs came during 1998-2000 period and NHGs during 2000-2001.

If we take the proportion of participation of women, it is found that there is a steady increase. The percentage of females, which was 30.32 in the first year, jumped to 46.6 during the second year and further to 55.72 in the third year. During 2000-2001 it was 42.30. It may be noted that the higher proportion of participation of women during 1999-2000 could be attributed to the formation of self-help groups a year before on an extensive scale. During 2000-2001, following the formation of NHGs, the proportion of males participating in the gram sabha registered an increase. Similarly, in absolute terms also, there has been

an increase in the participation level of both males and females.

The percentage of women in the development seminars in 1997-98 was 21.28 of the total. This increased to 33.51 per cent during 1999-2000, which is also a reflection of the role of NHGs and SHGs in enhancing participation, at least in quantitative terms.

The beneficiary committees (BCs) carried out all the construction works executed in the Chempu panchayat. This makes the panchayat an exceptional one. In none of the sixty nine BCs found in the panchayat women serve as chairpersons or conveners. There are a number of reasons why BCs succeeded in this panchayat. First, the presence of a woman engineer appointed on an ad hoc basis by the panchayat was found to be one reason. The second was that in each BC the panchayat could find at least one person from the locality who had the technical knowledge, materials and manpower to undertake the work. In many cases, such persons themselves became the conveners of the BCs. This enabled the expertise and speed often possessed by local contractors to be integrated with the BC work without allowing for quality to suffer and leakage to take place. However, there has not been any monitoring of the work or the transition of these committees into maintenance committees. There are no user committees in Chempu panchayat.

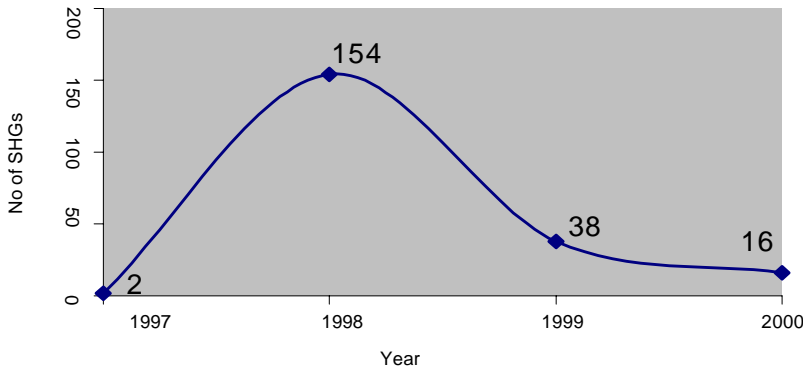
One feature of the work done by the BC in Chempu panchayat is that between 5 to 10 per cent of the total project cost is mobilised from the local beneficiaries. This takes place in two forms. With regard to road projects, the able-bodied locals contribute most of this in the form of manual labour. Here the role of clubs, NHGs and SHGs is crucial.<sup>6</sup> One reason why the projects have a high construction work content is because the area is very underdeveloped in infrastructure and there is some degree of consensus and congruence between different sections about addressing this need urgently. In addition, the thickness of associational life in the

**Table:1 Beneficiary Committees and the Amount Spent Annually**

Year	Number of Construction	Number of BCs	Amount Spent
1997-98	8	8	492000
1998-99	17	17	825379
1999-2000	42	42	3228721
Total	69	69	4546100

Source: Survey Data.

**Chart: Yearwise Formation of SHGs**



panchayat also facilitates the articulation of these needs and the aggregation of demands for meeting them. Although estimates of works are displayed through notice boards, expenditure statements have not found a place on such boards or on the work sites. Table 1 shows the number of BCs and the amount spent by them each year.

### Self-Help Groups

There has also been a proliferation of SHGs in the last three years in all the panchayats in Kerala. During 1997, some panchayats that allocated funds for women failed to come up with viable projects. The formation of SHGs on a rapid scale from 1998 onwards enabled the panchayat members to allocate substantial portions of the 10 per cent of the funds for assisting SHGs in their productive ventures. Another factor that contributed to SHG formation was the 'group approach' adopted by the government of India for rural development projects from 1999 onwards [Government of India 1999]. Unlike in other parts of the country where non-governmental organisations (NGOs) have been in the forefront of SHG formation, in Kerala, the intervening role of the grama panchayat, and to a lesser extent, block panchayat members, has been the major factor accounting for the rise of these groups on an extensive scale. The mushrooming of SHGs of the poor has unsettled the existence of SHGs formed by NGOs in certain pockets, which often had a mixed composition. In Chembu panchayat, all the SHGs have been formed in the wake of the 'people's campaign'. It has been found that need for credit and small savings served as the major motivating factors for SHG formation apart

from the facilitating environment offered by the 'Plan Campaign'.<sup>7</sup>

There has been a high degree of unevenness in the distribution of self-help groups in Chempu panchayat between wards. For example, it ranges between 2.16 per cent in ward no 1 and 20.86 in ward no 3 (Table 2).

The spectacular rise in the formation of self-help groups during 1998-99 financial year, which synchronises with the second year of participatory planning, is a direct result of the planning process. It was from this year onwards that 10 per cent of the funds was to be mandatorily allocated for projects exclusively meant for women (Chart).

Most of the reasons cited for the formation of the self-help groups are related to survival needs of women. The panchayat has been the major motivating factor in the formation of these self-help groups. Members of self-help groups are drawn from the economically lower strata with majority of them coming from occupation areas such as construction work, coconut processing, mat weaving, coir work, sand collection, agricultural labour, fish catching and fish vending, rearing cows and goats, preparation of snacks, handloom, tailoring, curry powder manufacture and rubber tapping.

The lowest number of members in the self-help groups under study is nine and the highest, 27. The average number is 16. It is found that 77.71 per cent of the members of the SHGs come from the below poverty line segment.<sup>8</sup> Further, 31.54 per cent of the SHG members are found to go out of the precincts of their home for employment and 54.68 per cent of the SHGs have such members. The drop out from SHG membership rate so far is 5.41

per cent. This has affected 28.05 per cent of the groups. Majority (56.11 per cent) of the self help groups have their accounts in cooperative banks. By appointing a field officer exclusively for the assistance of self-help groups, the Syndicate Bank, which does not belong to the cooperative sector, has succeeded in getting the accounts of 30.22 per cent of the self-help groups operated through it. Twenty-seven per cent of the total deposits of the SHGs is deposited in the banks. The SHGs have loaned out 71.56 per cent of the total deposits as loans to the members. They have collected an average amount of Rs 15,957.78 (US\$ 334) and, of this, Rs 4,307.92 (US\$ 90) is the average amount deposited in the bank by each self-help group. The average deposit per person is Rs 1,017. The average weekly contribution of a SHG member is Rs 11. The total number of members in the 210 SHGs is 3,295. In other words, 35.28 per cent of the women population of the panchayat have been brought under SHG framework. If we leave out girls below 18 and those above 70 from the women's population, the percentage is estimated to reach 66.42 per cent. One hundred and thirty six SHGs in the panchayat have so far received assistance from either the district or block or village panchayat or a combination of two or all to the tune of Rs 5,01,860. All the SHGs function on the basis of their own individual by-laws prepared in accordance with a model by-law and all are registered with the village panchayat.

Subjects like education of children, immunisation programme, panchayat schemes, gram sabha, etc, are discussed in the SHGs. There has not been networking among the SHGs in the panchayat so far which enables collective bargaining at the panchayat level.

Women who have participated in the gram sabha belong to all the 210 SHGs. Members of SHGs have become part of the decision-making structures of other

**Table 2: Wardwise Distribution of SHGs**

Ward	Number of SHGs	Percentage
1	5	2.16
2	23	10.79
3	44	20.86
4	39	18.70
5	20	9.35
6	22	10.79
7	15	7.19
8	21	10.07
9	21	10.07
Total	210	100.00

Source: Survey Data.

institutions such as NHGs, task forces and beneficiary committees. Because the SHGs are at once linked to the, 'Kudumbasree', the state-sponsored programme, and at the same time are beneficiaries of the centrally sponsored programme known as Suvarna Jayanthi Swarozgar Yojana (SJSY) and the three-tier panchayats, a crowding effect on their beneficiary status take place. This makes it necessary that they deal with the officials of all three of these agencies. The members of the SHGs have taken a sum of Rs 31,05,498 as loan from their own deposits at interest rates ranging between 24 per cent and 60, with the benefits of the interest payments being distributed among the members equally. The percentage of SHGs engaged in productive activities (21 such activities have been identified) in addition to small savings is 87. Sixty eight percentage of the total members of the SHGs are engaged in employment in these ventures and they earn between Rs 150 and Rs 600 every month.<sup>9</sup> Only 8.26 per cent of the SHGs have taken loans from banks and this amounts to Rs 3,17,500. The total investment made for the different ventures is Rs. 8,87,019 and average investment per unit is Rs 4,847. Only 18.7 per cent of the members of SHGs have got training of one kind or the other the running of micro-institutions. All the others function on their own by sharing ideas and consulting those who have received training. A self-assessment test of the SHG members conducted by the researchers showed a definite positive trend in self-confidence, goal directedness and high motivation levels.<sup>10</sup>

Perhaps the most powerful and prestigious body that has come into place following the 'plan campaign', though without a statutory status, is the ward development committee (WDC), which is composed of two elected representatives (one male and the other female) from each of the NHGs present in the ward. In Kalliasseri where such committees were created first, it does not stop with the ward and reaches up to the panchayat level. The chairperson or president of the WDC is the ward member and a secretary/convenor is elected from among the representatives of the NHGs. The selection of beneficiaries belonging to the ward is done by the WDC. During 2000-2001 period the beneficiaries were selected by one of the WDCs by being in session continuously for five days with full quorum. There have not been any allegations regarding corruption in the preparation of the beneficiary list. The list is kept

confidential and publicised during the gram sabha meeting to prevent pressure exerted by individuals for inclusion of their names in the list. It has been found that when the list is presented to the grama sabha, nobody objects to it given the objectivity of the selection process. Most of the WDC members value their membership highly and this institution now serves as a quasi decision-making body between the panchayat and the gram sabha at the ward level. Each WDC can have sub-committees it deems necessary to engage in more focused actions in identified areas. Because of the existence of the WDC as an intermediate mechanism, the gram sabha in the panchayat merely functions as a body that grants approval to the decisions taken by the WDC.

In spite of all these new institutions, the role of political parties in the panchayat continues to be the most pronounced. A notional demarcation between the areas in which the political parties and these new institutions concentrate has come about. Family and land disputes are increasingly being taken up by NHGs, which were earlier handled by political parties. The low political issues are handled by NHGs and the high political ones, by the political parties. There has been greater interest in celebrating local festivals in recent days. Parent-Teachers Associations (PTAs) have been active in the schools situated in the panchayat for long and in primary schools mothers' forums also exist. However, these institutions, after a couple of years, languish although they do not disappear altogether. There has been a sudden increase in the number of participatory institutions with overlapping membership a very common feature of the associational life that prevails in the panchayat. Further, there has been an enhancement of participation in marriages and during death ceremonies in recent years.

The absence of any NGO activity in the panchayat even after five years of participatory planning is a notable feature. The situation is not in any way different in other panchayats in the district. The KSSP had a unit in the panchayat which is now defunct. What we witness in Chempu panchayat is a kind of feminisation of social capital. The older forms of social capital which was shaped through adversarial politics accompanied by complementary state action does not seem to be capable of addressing the developmental problems faced by Kerala as the experience of five years of 'plan campaign'

suggest. The strength and sustainability of the new forms of social capital created through governmental initiative, especially those in which women predominate, in an era of globalisation and withdrawal of state patronage will depend largely on the resilience of these new institutions having an opportunistic origin.

## IV Conclusion

Associational life in Kerala has received an unprecedented fillip following participatory planning. In Chempu, these institutions have assisted the process of participatory planning considerably. But they are also aimed at creating sites which could serve as a check on the functioning of the panchayat. While the NHGs relation with the panchayat is yet to be crystallised, it is the intermediary organisation of ward development committee, which is becoming more powerful given its elected character. Hence, the ability of the panchayat member to carry the ward development committee with him/her is crucial for smooth conduct of gram sabha. Instead of the beneficiary committees, which have a purely ad hoc character, lasting until the completion of a particular project, if the functions are assigned to the WDC, this will pave the way for less duplication of institutions and lend them more legitimacy. Only such elected committees can evolve user committees. Further, women's share in associational life has increased several times and their weekly meetings show greater regularity and frequency. Similarly, their representation in ward development committees is half of the total membership with potential for its translation into women-friendly development policies.

The phenomenal rise of micro-level institutions in Kerala in the last five years, although holds out lot of promises in terms of their potential for strengthening social capital and through it also civil society, has had a crowding effect on the rural scenario. The rise of these new institutions is not spontaneous. They are either created as necessary elements of the planning process or are formed at the initiative of the panchayat members. In some ways, the rise of WDCs as powerful institutions has led to eroding the status of the panchayat as a local government. However, such erosion is accommodated within the leftist paradigm of participatory development. The composition of such bodies through



elections invests them with a legitimacy that may pose a potential threat to the legitimacy of the panchayat members. It is therefore necessary that the relation of the panchayat development committees and the NHGs with the panchayat are spelt out in less ambiguous terms so that they function under the overall leadership of the panchayat and not effect further diffusion and erosion in the local government with attendant implications for effective governance and also for accountability. With so many institutions in place and the duplication caused by programmes like Kudumbasree, the viability and sustainability of many of these institutions are doubtful. While it is true that class mobilisation and state formation worked in tandem with the state in Kerala responding to aggregated demands so as to effect state-society synergy, and also that there is greater faith in the machinery of the state and its pre-eminent position in controlling different walks of life to offset the market, such strategies may not work in an era of globalisation. The people's planning exercise was initiated from the above with the assistance of a pro-government NGO, which had become a part of the state-society synergy framework especially during the rule of the CPM.

While a number of institutions having opportunistic origins have been put in place, the plan campaign is seemingly closing the space for the emergence of private and NGO sectors leaving the civil society to that extent less vibrant. Society consists of elements of self-interest, self-realisation and social solidarity, i.e., individuals are simultaneously self-seekers, group affiliates, and civic actors. Civil society cannot eliminate the role of political authority. Civil society is sustained in conditions of effective rule and not in an environment in which mobilisation is strong and the institutions of the local government are weak. Correspondingly, while these institutions have been created as a kind of check and balance on the panchayat, the panchayat continues to be an institution total unprofessional in its orientation and far removed from being described as a local government. It is doubtful that mobilisation from above will sustain civil society. While, it may be necessary as a catalyst, its persistence can act as a fetter on the unfolding of civil life, for, ultimately, civil society stands for the "capacity of a society to organise itself without being organised by the state" [Calhoun 1993:391]. It is this critical gap that needs

to be bridged. In other words what we need is a strong and efficient institution of panchayat and a vibrant associational life which survives without state patronage. This is a challenge that the managers of the 'plan campaign' should address if the gains of the planning exercise are to endure. [EWT]

## Notes

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- 1 The World Bank defines social capital as the "norms and social relations embedded in the social structures of societies that enable people to coordinate action to achieve desired goals" (see: [www.worldbank.org/poverty/scapital/index.htm](http://www.worldbank.org/poverty/scapital/index.htm)).
- 2 However, the samples represented the BCs and not the average BCs. The results of the survey do not agree with the data relating to the BCs that the researchers have collected from different parts of the district of Kottayam where the BCs themselves are increasingly being turned into fake or namesake institutions with almost all work being undertaken by the contractors.
- 3 Originally, the concept of NHGs was practised in Kanjippadam, Ambalppuzha, since the late seventies, thanks to the personal initiative and inspiring and selfless leadership of a Gandhian activist D Pankajakshan. It was mainly a mutual help institution aimed at fostering communitarian values [Pankajakshan 1989]. It did not have any economic content, which we often tend to associate with such bodies now. Taking his cue from Pankajakshan, and based on experience of community work under Malanadu Development Society (a local NGO), NHGs were formed in Nalpathimala adjacent to Mahatma Gandhi University, Kottayam, under the aegis of National Students Service by Thomas Abraham, who was the then Programme Coordinator [Abraham 1993]. Constantine Manalel, inspired by the Christian initiatives in Latin America also experimented with this concept in Pullarikkunnu in Kottayam district. All these were experiments, which tried to bring together all sections of society in a neighbourhood without being exclusivist in focus.
- 4 The NHG experiment under KSSP leadership was carried out in Kalyasseri panchayat in Kannur district. An agency known as the Kalyasseri Development Society consisting of representatives of 200 NHGs was formed in the panchayat [Isaac et al 1995]. Similarly, NHGs were formed in twenty-one Panchayats under the Kerala Research Programme in Local Level Development project funded by a Netherlands agency. Neighbourhood groups of beneficiaries of public taps were formed in Trikkunnappuzha in Aleppey district under a Dutch assisted drinking water project as well as under a vegetable cultivation project

in Kanjikkuzhi in the same district. In Kunnothuparambu panchayat, a water conservation project implemented under the leadership of the district collector of Kannur also formed NHGs to introduce participatory elements. In Peringome-Vykara panchayat where an animal husbandry project was implemented by the Kerala Veterinary Surgeons' Service Association, neighbourhood groups were formed [Issac 2000]. In Kottayam district, Kumarakom was one of the selected panchayats and NHGs were existence in the panchayat even before the plan campaign had started. All these NHGs were formed in the context of introducing participatory elements in project management rather than spontaneously.

- 5 NHGs do not always function as organisations of the local community in the ideal sense. Studies conducted in Vithura and Nanniode village panchayats in Thiruvananthapuram district in Kerala have concluded that "though their (NHGs') formation is a step towards more participative planning, they are not free from the danger of becoming instrumental in future politicisation of the system" [Nair 2000:43].
- 6 It has also been found that cash contribution to the tune of 3 lakh and labour amounting to three lakh has been envisaged for the construction of a local bridge the total cost of which is Rs 54 lakh, and half the targeted resource mobilisation has already been achieved. Further, it was the BC members themselves who lobbied the other tiers of panchayats, state government departments and members of Parliament to fund the project to the tune of Rs 37 lakh. The remaining Rs 11 lakh is allocated by the village panchayat.
- 7 It is generally found that panchayat members belonging to the Left are more enthusiastic in forming some of these institutions like the NHGs compared to members belonging to the Congress-led coalition, because these have been earlier experimented in panchayats held by the CPM front with the active involvement of the KSSP. A study conducted in Madhya Pradesh has shown that "SHG formation has been more successful where a "credit plus" approach has been adopted, that is savings and credit activities have been part of an integrated package of activities rather than the sole intervention" [Unicef 1998].
- 8 In India poverty line calculated on the basis of annual income stands at Rs 21,000 or US \$ 438 approximately.
- 9 List of ventures include, sale of household provisions, choir making, fish vending, preparation of pappads, sale of dry fish, making of sweets, manufacture of curry powder, ready made dress, sale of coir products, sale of prawn, mat sale, soap manufacturing, rice selling, vegetables, paddy, tailoring, firewood, curd manufacture and sale, pickle manufacture and sale.
- 10 On the basis of a set of criteria developed by the authors, which include self-assessment of the performance of the SHG by members themselves, ability to include all women in the neighbourhood in the SHG, ability to go beyond collection of savings, participation in the activities carried out by the panchayat,

ability to resolve conflicts among members and the manner of involvement, activities other than lending that the SHGs have undertaken, unity of effort and the nature of leadership, regularity in the meetings and election of new members, etc, the following results have been obtained. Those who get a positive score of 15 and below were rated as below average, those getting more than 15 but less than 20 were rated as average and those who score 20 or above were ranked as high in the rating. Accordingly it was found that 14.38 per cent of the SHGs had a score of below average, 58.27 per cent average and the remaining 27.35 high. In other words, more than 85.62 per cent of the SHGs had satisfactory or good achievement scores, which speak of reasonably good prospects for social capital.

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