

Kudumbashree-PRI Collaboration in Kerala: An Approach to Poverty Alleviation

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Starting in a modest way by engaging in neighbourhood groups, the Kudumbashree model spread like wildfire through the state of Kerala, which was already practising devolution of power and decentralized planning; it became "a process, a project and a delivery mechanism for the poor."

Following a recent policy decision to strengthen collaboration between Panchayati Raj Institutions (PRIs) and community institutions, changes were made in the implementation framework of the National Rural Livelihoods Mission (NRLM). The amended chapter on PRIs in the NRLM implementation framework envisages that SHGs and village-level Federations shall work closely with PRIs to access entitlements of the government for their members and to lend constructive support to the efforts of the *gram panchayats* (GP) for public good.

Meanwhile, the Fourteenth Finance Commission report, accepted by the Government of India, has allocated Rs 2 lakh crores of 'untied funds' to *panchayats* from 2015 to 2020.

Whereas the Ministry of Rural Development (MoRD) is re-designing poverty reduction initiatives using the Socio Economic and Caste Census (SECC) survey data and creating *gram panchayat* (GP) poverty reduction plans, the Ministry of Panchayati Raj (MoPR) is devising ways to decentralize planning across the country.

These facts suggest that a major shift is being attempted in field approach, coordination between actors at multiple levels and convergences of schemes for rural poverty reduction, focussing on *GPs* as units for action.

In the above context, a study of the PRI–Community Institution collaboration in Kerala, facilitated by Kudumbashree, the only statewide initiative of this kind, was thought to be useful, to gather learnings for making future interventions elsewhere more appropriate and productive. The purpose of this study, therefore, is to understand the Kerala model of poverty reduction through decentralized planning, the PRI-Community Institution collaboration and the convergences of action/scheme in their own context, and find major pointers for consideration while introducing similar initiatives elsewhere.

This report is based on findings from a five-day field study of the rural areas in two districts (Pathanamthitta and Kollam) of Kerala and the study of available literature. During the field visits, meetings were held with women members of Kudumbashree, various functionaries of GPs and Kudumbashree, government officials, and others involved.

KUDUMBASHREE

No understanding of Kerala's model of devolution of power, decentralized planning and the approach to poverty alleviation is possible without understanding Kudumbashree, which is "not only envisaged as a Mission, but also as a process, a project and a delivery mechanism for the poor." (Kudumbashree document). As we begin, it may be worthwhile to quote from Matthew Block and Cynthia Fuchs-Epstein, who summarize some of the salient features of Kudumbashree.

"Founded in Kerala, India's southernmost State, in 1998 as an outgrowth of one of the largest experiments in participatory democracy in the world, Kudumbashree is a women's

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organization made up of over four million women in 258,000 neighbourhood groups (or NHGs) permeating every town and village in Kerala. Since its inception 16 years ago as the Kerala State Mission for Poverty Eradication, Kudumbashree has grown at a staggering rate of roughly 320,000 women and 18,000 NHGs annually (Vijayakumar 2012), and now represents more than half of all the families in Kerala (KDMS 2015). There are four key components of Kudumbashree's mission. First, it is founded upon a micro-thrift and micro-credit approach to poverty eradication. Second, it is funded and managed by the Government of Kerala rather than as a private NGO (in stark contrast to the norm). Third, it is directly linked, at the grass-roots level, to local self-governance institutions (or LSGIs) that were empowered through democratic decentralization in Kerala and have substantial budgeting and administrative decision-making capacities. Fourth, the Mission is oriented not only toward economic advancement, but also to the social and political empowerment of Malayalee women."

GENESIS OF KUDUMBASHREE

The Urban Basic Service Programme, implemented first in the municipal areas of Alappuzha district and later taken to all the municipalities in Kerala, and the Community Based Nutrition Project implemented in the rural areas of Malappuram district in the early nineties were early initiatives of community participation in the current context. These programmes helped bring about large-scale awareness and social development initiatives among the community through a network of women's collectives.

The decentralization campaign, undertaken on a mass scale during the People's Plan Campaign (PPC) in the state, led to the mass mobilization and sensitization of *panchayats*. Two significant steps were taken as part of the decentralization process in Kerala, namely, 33 per

cent reservation for women in elected local bodies and the introduction of the Women Component Plan that mandated for every local body to reserve a minimum of 10 per cent of the plan expenditure (grant-in-aid to local bodies) for directly targeting women and for facilitating greater women's participation in democratic institutions. Women's reservation in local bodies has now risen to 50 per cent. Under PPC, the concept of the NHG was introduced, comprising a number (15–40) of actual (physical) neighbours of women and men of all classes, with several perceived common interests relevant for local planning in urban and rural areas. NHG was seen as an additional sub-structure under the Kerala PRI system at the Ward level and below. It was set up to take care of the large number of people and families under one *gram sabha* (GS). These experiments, being carried out in different *panchayats*, laid the foundation for the understanding of the SHG-led community model of participatory development.

In 1997, a Special Task Force drafted the proposal for Kudumbashree to be set up as a Mission. The task force comprised Dr Thomas Isaac, then member of the Kerala State Planning Board, Sri S.M. Vijayanand, Secretary, Local Administrative Department, and Dr. Prakash Bakshi, Head of NABARD (National Bank for Agriculture and Rural Development) Regional Office in Thiruvananthapuram. The task force prepared a comprehensive project to eradicate

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absolute poverty in Kerala within a ten-year time period. The state government expedited the formalities and gave its approval to the project. This led to the inclusion of the Kudumbashree programme in the state's annual budget for 1997–98.

Kudumbashree was inaugurated by the then Prime Minister, Shri Atal Bihari Vajpayee, on May 17, 1998, in Malapuram and was initially launched in 262 GPs where the PPC was best implemented. Local resource persons were mobilized under the leadership of local governments. The formation of Kudumbashree *ayalkoottams* (Neighbourhood Groups) did not stress on below the poverty line (BPL) categorization but on the norms laid down by Kudumbashree. These included a willingness to meet every week in the homes of different members, an interest and motivation to interact and work in a group, the mentality to respect the common interest, etc. A local Information Education Communication (IEC) material for mobilization was developed, Ward-level training programmes were organized and one-day campaigns were held to motivate women.

Kudumbashree was registered as the State Poverty Eradication Mission of the Government of Kerala in November 1998. The Mission started functioning on April 1, 1999. The Mission functioned under the administrative control of the Local Administration Department, later renamed as the Local Self Government Department and is headed by the Minister of Local Self Government.

The Kudumbashree network developed across the state in three phases. By March 2002, the entire state was brought under it.

THE KUDUMBASHREE CBO STRUCTURE

The Kudumbashree Community Based Organization (CBO) is a three-tiered network of poor families, represented by a woman of each family. At the base are the NHGs that work on the principles of mutual affinity and benefit. NHGs are federated at the level of a Ward at the level of the local government into Area Development Societies (ADSs), and further into a Community Development Society (CDS). Figure 1 shows the Kudumbashree structure.

The Kudumbashree CBO structure does not have a 'Federation' beyond the GP level.

In the initial days, the Kudumbashree community structures functioned as part of the GPs. The presidents of the GPs presided over the CDS meetings. The *panchayat* presidents had an informal say in the selection of CDS chairpersons. The new bye-laws for the Kudumbashree CDS, introduced in 2008, attempted autonomy of the CDS from the

panchayat and ensured independent elections in the community structure. Whereas the interference from the *panchayats* was to be removed, care was taken that the CBO would not become a parallel structure. A mutually beneficial working relationship between the CBO and the *panchayats* was attempted. The bye-laws provided spaces wherein CBOs and *panchayats* would work together for the common good of the people.

According to Kudumbashree, the introduction of the new bye-laws was the next big step in its history. It enabled autonomy of community structures and provided space to them to put their voice across, to 'grow and flourish'.

COORDINATION BETWEEN LOCAL SELF GOVERNMENTS (PANCHAYATS) AND THE KUDUMBASHREE STRUCTURE

The structural and functional mechanisms for coordination have evolved over the years. The following diagram (Figure 2) indicates the major points as they stand today.

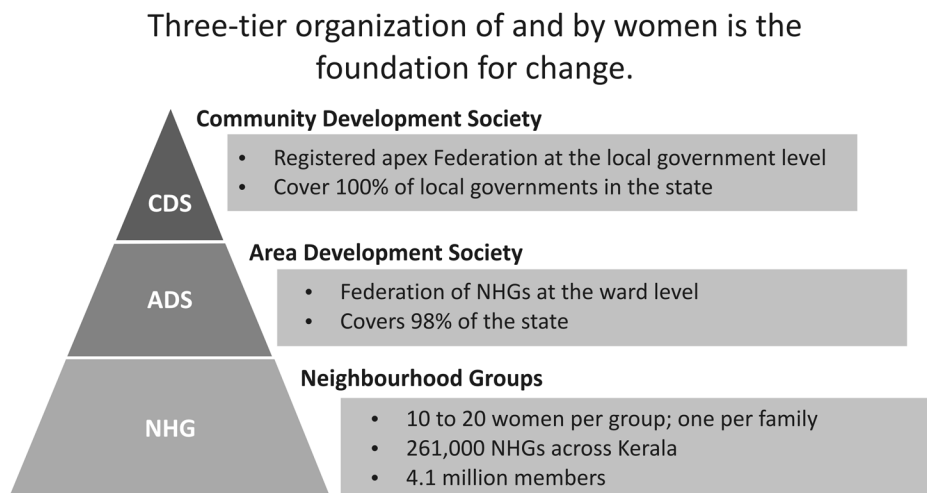


Figure: 1 Autonomous Institution of Women

The Annual Action Plans of the Kudumbashree CDS get integrated with those of the *panchayat*. The Evaluation Committee of Kudumbashree CDS meets once in three months to review Kudumbashree projects. The GP President chairs the meeting whereas the CDS Chairperson is the Vice-Chairperson of the Evaluation Committee. There are also MLA committees set up at the constituency level that include Kudumbashree members, and look into issues of local development and livelihoods creation. Whereas Kudumbashree ADS members are mandated to be mates in MGNREGA in Kerala, *panchayat* Ward members become patrons of ADS. The Kudumbashree network is seen as the fastest and easiest channel for information dissemination in a GP—90 per cent attendance in GSs in Kerala is from the Kudumbashree network.

The penetration of Kudumbashree is very impressive. Its presence in hamlets and its coverage of population is varied and extensive.

OBSERVATIONS FROM THE FIELD VISIT

Outreach and inclusion of the poor: The penetration of Kudumbashree is very impressive. Its presence in hamlets and its coverage of population is varied

and extensive. Yet, it must also be mentioned, that those who are left out are on two extreme ends, either likely to be better off or are poor. Since Kudumbashree largely influences the selection of beneficiaries of government schemes, it has to be seen whether it has been inclusive of the marginalized. “How do women leaders of the network learn to respect and appreciate the deeper vulnerabilities of the poorer in their midst”—a question rightly asked in the annual report of Kudumbashree (2009–10) continues to remain a challenge for Kudumbashree’s success as the State’s Poverty Eradication Mission.

Platforms for convergence between the women’s organization and local government make the three-tier model more effective

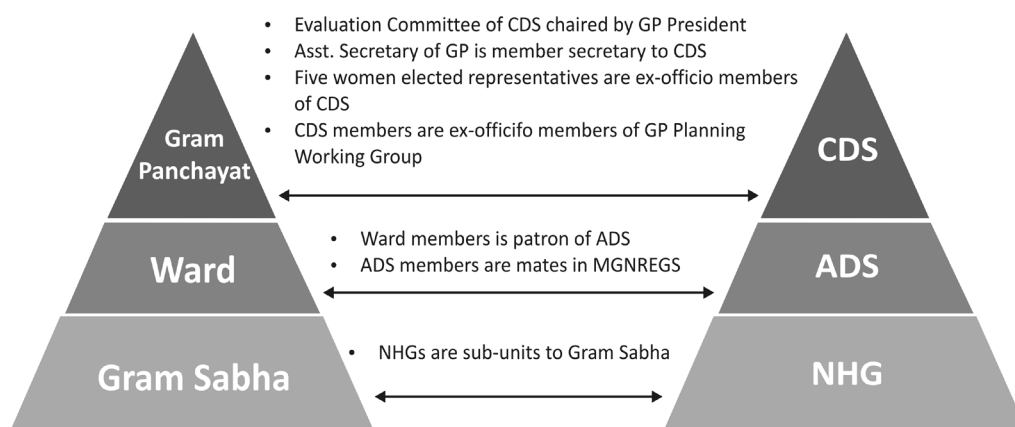


Figure 2: Working with Local Governments

Financial intermediation: A very noteworthy feature of Kudumbashree is that financial intermediation has mostly been confined to the NHG level. ADS or CDS does not have any financial functions. So the multiple tiers in the system are not bogged down with the task of managing finances, financial intermediation and associated risks. For that matter, even the financing of micro-enterprises has been separated from NHGs. Joint Liability Group (JLGs) (they actually do the enterprise activities) are financed directly, without having to go through NHGs. This has given the community structures, time, space and freedom to devote to many other activities.

CBO structures not top-heavy: The other notable feature of Kudumbashree is that the community structures are only until the *panchayat* level. There are no block- or district-level 'Federations'. The reason for this, as cited by Kudumbashree, is that since sufficient powers have been devolved to the GPs, the community structures at other levels are not necessary. Whereas this argument has its merits, there are other advantages for this lean and thin architecture. CDS and ADS do not face the prospect of domination or control by the upper-level structures or by others through them. The absence of the 'higher' community structures is likely to reduce the chances of top-down corruption. The cost of promoting and maintaining various tiers is reduced and efforts can be concentrated at the grass-roots tiers (NHG/ADS/CDS).

Power of togetherness, knowledge and experience: As we could sense intermittently through our interactions with various CBO structures, the power in Kudumbashree was

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sought to be associated with togetherness, knowledge and experience. If a person held an official position (in an NHG, ADS, a CDS or *panchayat*) it was because of her contribution, experience and knowledge. Not that the obverse was not heard. For example, to a question on what would have been the seating arrangement if the District Collector was attending

the CDS meeting, the first answer was that the Collector would sit alone on the dais because he held a superior position. This, however, was amended soon by the others through discussion—the District Panchayat President and the Collector would sit on either side of the CDS Chairperson, who would preside over the meeting.

Kudumbashree, which vowed to act for changing the power equation and enhancing the agency of women, has definitely had significant successes. Gender and patriarchy have been a strong theme of discourse and action. Women members of the network value, practice and gain from the powers of togetherness, knowledge and experience; however, circumventing the burden of hierarchy and changing the perception about position power have not been easy. Only time will tell if the Kudumbashree network, as an institution, will be able to thwart the tendency of patronage and rent seeking among its new leaders. Given its success, the halo associated with it, the indulgence enjoyed by the women and the graduation of the Kudumbashree leaders to mainstream politics, these may arise. One can only hope that the 'wall-to-wall carpeting' with community structures laid by Kudumbashree will offer some resistance and act as deterrents.

ORCHESTRATING CONVERGENCE— INSTITUTIONAL MECHANISMS IN KUDUMBASHREE AND THE PRI

There are a number of factors in the Kudumbashree Mission that facilitate PRIs and CBOs to function in alignment. Some of these are:

- i. *Kudumbashree evolved in the panchayats:* Soon after the 73rd and 74th amendments, the PPC for decentralized governance created strong local self governments (*panchayats* and municipalities) in the state. Kudumbashree was launched in 1998 as a community network that would work in tandem with local self governments for poverty eradication and women's empowerment.
- ii. *Women's empowerment for decentralization:* As per Dr Thomas Isaac, Kudumbashree was originally created to involve women in the decentralized planning process. The slogan was 'decentralization for women's empowerment'. But today, he admits, women have really become a decisive force in the villages and are making the political leadership accountable. The new slogan from the lessons learned should be 'women's empowerment for decentralization'.
- iii. *Kudumbashree Mission (KM) housed in the Ministry of Local Self Governance (LSG):* Kudumbashree was conceived as a joint programme of the Government of Kerala and NABARD, implemented through CDSs of Poor Women, serving as the community wing of local governments. Kudumbashree is formally registered as the State Poverty Eradication Mission (SPEM), a society registered under the Travancore Kochi Literary, Scientific and Charitable Societies Act, 1955. It has a Governing Body chaired by the state minister of LSG.

The Mission is thus strongly anchored in the *panchayats*.

- iv. *LSG has influence on the KM agenda:* Kudumbashree functions as the voice of LSG—in particular, the voice of the economically and socially weak, and of women. Most of the plan interventions of GPs and urban local governments in the areas of poverty reduction and women's development use the CDS network as an agency. The guidelines for the formulation of the 11th Five Year Plan by the local governments highlight agricultural production, local economic development, poverty eradication and social equity as core objectives. All these are significant areas of interface of CDS with the local government. Through their interventions in the GSs and sectoral working groups for plan formulation, the women of Kudumbashree try to put the core objective of the 11th Five Year Plan at the heart of the development debate.
- v. *LSG depends on KM:* The functioning of Kudumbashree is tied up with the development initiatives of the local government, be it for social infrastructure, welfare, rights-based interventions or for employment generation. From food security to health insurance, from housing to enterprise development, from the national wage employment programme to the Jagratha Samiti, every development intervention depends on Kudumbashree to provide the community interface.
- vi. *Mission Statement of KM:* "To eradicate absolute poverty in ten years through concerted community action under the leadership of the local governments, by facilitating the organization of the poor for combining self-help with demand-led convergence of available services and resources, to tackle multiple dimensions

and manifestations of poverty, holistically.”

vii. *Co-terminus structures:*

The population pattern of Kerala allows CBOs to be co-terminus with the *panchayat* levels. NHG is at the hamlet/neighbourhood level; ADS is situated at the

Ward level; and CDS at the GP level. There are inter-locking mechanisms created at each level to ensure convergence.

There are other task-related interdependences and interlocking mechanisms to ensure that the linkage is institutional and not left to chance:

- i. A CBO is linked institutionally with the MGNREGA programme. The Mate is always a member of the ADS in a given Ward. In addition, NHGs assist the GP in identifying the persons who have not got job cards and in facilitating the provision of cards. NHGs are involved in organizing site meetings and in identifying works to be taken up. The activities of CBOs in MGNREGA are:
 - a. Registration of labourers
 - b. Preparation of the Annual Action Plan, including labour budget and the identification of works
 - c. Selection of Mate (Work Supervisor)
 - d. Provision of amenities at the worksite
 - e. Provision of tools and implements for work
 - f. Community network to support a social audit
- ii. The Ward Member is designated as Patron of ADS. The Ward Member keeps in regular touch with NHG members and also attends ADS meetings, as a matter of practice. The Ward Member is thus able to keep in touch with NHG women and

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be aware of their needs quite closely. Because women form a substantive voting population in a given Ward, it is in the interest of any Ward Member to try to influence the GP plan and activities in favour of women.

- iii. Evaluation Committee: The GP oversees CBOs through a mechanism called the Evaluation Committee. It is a high power committee, which shows the seriousness that the GP provides to the proper functioning of CBOs. In addition to almost all GP's top functionaries and many CBO members, it also has external invitees such as the bank representatives. This Evaluation Committee meets at least once in a year to take stock of the functioning of CBOs.
- iv. CDS annual action planning: This is a very elaborate annual exercise in which CBOs from each level are involved actively and so is the GP. The CDS action plan is officially mandated by the GP and also finally sanctioned by them. The elaborate planning process has the involvement of the GP at each stage. The planning is carried out through special working groups (on various themes) consisting of women drawn from NHGs and is led by the Convener, who is an NHG member and selected by the GS. The Ward Members are nominated as members of the working groups but are not the Conveners. These plans that are made by the working groups, are discussed and consolidated at the CDS level and then finalized in the GS. Once the GS clears the plans, they make them a part of their own larger plan.
- v. GP facilitation of CBO plans: In addition to providing funds for the plans, the

GP also provides other facilitation support. One instance, for example, is the intermediation that the GP provides to JLGs in taking up collective farming. The land for the activity is made available by the *panchayat*. The Ward Member, along with the JLG, identifies the land where the farming can be taken up, and then negotiates with the land-owner to make the land available. The intermediation of the GP gives confidence to the land-owner (who in most cases does not stay locally), to provide the land. Once the farm produce is ready, it is sold in the market set up especially for JLGs by the *panchayat*.

- vi. Participation in the GS: As per the testimonies of both the NHG women and the GP functionaries, the participation of women has gone up dramatically in GS meetings after the formation of NHGs. This way they also exercise considerable influence over the planning in GPs. The collectivization under CBOs and the official space provided to them have contributed in no small measure to their increased confidence in speaking out in public and in making demands.
- vii. Elections: The state government takes interest in the elections of CBOs and appoints returning officers to conduct elections, a la co-operatives, to ensure that there is no undue influence of anyone in the processes. The elections are conducted through secret ballot. The women consider this a major enabler in their efforts to carry on their business with autonomy.

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These are specific instances of how the GP and the CBOs are organically linked and how they facilitate the convergence of the programmes. Of course, as we read the history of the decentralized planning process and the evolution of Kudumbashree, it is obvious that given the political landscape of the state, it could not possibly have happened any other way. It is not possible to ignore the *panchayats* in Kerala because they have traditionally been powerful institutions. Even before the decentralized planning process was initiated, the *panchayats* had been empowered with funds, functions and functionaries to a much larger extent than in most places in the country. The difference between earlier and now, after the formation of community institutions, is that the *panchayats* can no longer ignore women's groups.

But, there is also criticism of the way the convergence has happened.

1. Convergence or partnership

Whereas *panchayats* are inclusive institutions and have jurisdiction over the total area, CBOs are exclusive institutions, because they are organizations of the poor, and that too only women. A CBO, technically, is a sub-set of the GS and is bound by the larger decisions taken by the GS or the GP. In that sense, as Dr Isaac points out, a true partnership is not possible. The institutions are, by design, not equal. So the term convergence has been used when CBOs are the community interface of the GPs—they help GPs in ensuring depth and outreach; they also contribute in planning. However, convergence has an underlying power dimension.

It was observed that the de facto President was a far more powerful person than the CDS Chairperson. It was not always that the CDS could override the decision of the GP. Of course, there have been instances of protests by women, but those would be few and far between. Ultimately, the political leadership in a GP decides the final plan. In one instance, it was stated that a shopping complex that was the priority of the ruling party in a GP got precedence over the expansion of the Asraya programme (for rehabilitation of destitute families).

That politics, even at the *panchayat* level, is also along party lines does not help the cause of women much. Elections are fought on party lines and promises are made by political parties. Thus, CBOs have little leeway in influencing plans and priorities of the GP leadership when they are implementing the manifesto upon which they have been elected.

This has resulted in, as one *panchayat* President complained, the CBOs becoming politicized. Each of the elected members in the CBOs at the NHG, ADS or CDS levels also has their political affiliations. Even though the Kudumbashree Mission CBOs are apolitical entities and are supposed to place women and the poor as priority, they do sometimes get carried away along political lines. Whereas we did not hear many instances, a few statements by some of the people did reveal the fault-lines.

2. CBOs reflecting mainstream norms and values

In the context of the deprived and marginalized communities, their own organizations are supposed to be the vehicle for building their sense of agency and develop the confidence to take on the mainstream. They, in reality, practice a counter-culture there and then embark on

the process of influencing mainstream society with a new set of behaviours, and create space for themselves. Women's SHGs and their Federations find their own space and feel free to be themselves, away from patriarchal norms.

It will be a challenge for institutions of the poor to not be influenced by behaviour that is predominant in the political system—governed by norms of patriarchy and patronage. But then, that is the change that must take place. Kudumbashree CBOs seemed to be struggling on this account. The general functioning of NHGs and the allied tiers did not seem to be able to provide women with that special space to challenge the norms and be different. The close proximity to PRIs has influenced NHGs and their tiers, so that deliberations almost always veer around to the agenda set by the *panchayats*. CBO leaders even found it difficult to articulate any lacunae in the way the *panchayat* operates. It could be that they never had a chance to think of their existence in any manner outside the PRI system. A gap one perceived was the absence of external facilitation in NHG or tier meetings. It is important to have an external perspective in CBOs, to present a different view-point, even if just for the purpose of debate.

3. Autonomy

The GP requires that the ADS representation in CDS is elected, based on caste and economic status. And this norm is enforced quite strongly. In case the secret ballot does not throw up representatives in accordance with the reservation policy, elections are carried out again. One would imagine that, left to themselves, CBOs would not have had any reservations on these lines for any of their posts because the position of women has hardly been correlated to caste or economic

status (in fact, the obverse has often been found to be true). But since they are housed in the PRI system, they are forced to follow the caste and economic status-based reservation policy. The question that arises is whether such proximity is healthy when CBOs are not allowed to select their own leadership without external interference? It is as if CBOs did not think that there was another way possible. If they were autonomous in the true sense, they would select their leadership, based on criteria evolved by their own selves and deal with PRIs on a need basis.

4. Exclusion of the poor or marginalized

As per its own admission, Kudumbashree does not seem to be able to reach out to the very poor and the marginalized communities such as the tribal communities and the fishing communities. The tribal communities are awarded tribal sub-plan assistance, in addition to the share they receive from the plan funds of PRIs. The norm followed, however, is that plan funds are entirely spent on non-tribals and the tribal communities are left to plan with Tribal Sub Plan (TSP) funds only. NHGs have not taken up issues such as this for any struggle with PRIs. Is it because tribals are a politically less significant (less assertive and less in numbers) community and, therefore, are not important for votes?

CONCLUSION

The above issues notwithstanding, large scale successes in convergence and participatory governance, particularly as it refers to women from disadvantaged families taking charge of initiatives at the local level and expressing themselves in various ways cannot be overlooked by even its strongest critics. The fact that Kudumbashree has been very indigenous, designed and carried forward in-house without any active support or intervention of external aid agencies adds merit to the case. Since its initiation in 1998 and up to 2011, the expenditure of Kudumbashree Society has been Rs 383 crores, financed almost exclusively by the government's own resources and through the convergence of schemes. This will be considered frugal and even novel for a project of this magnitude by any standard. There is, thus, an urgent need to look into the Kudumbashree model, if the new approach of rural poverty reduction focussing on GPs as units has to be given a head-start. Whereas the context of other states will differ from Kerala and, to that extent, modifications will surely be necessary, it gives the scope to other states to make an indigenous model of their own. This should be possible now because the State Rural Livelihood Missions are ready.

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