

# Building a New Kerala

## Ideas and Reflections



### **Rehabilitation and Reconstruction: A Chance for a New Kerala Model?**

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## Rehabilitation and Reconstruction: A Chance for a New Kerala Model?

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The unusual floods and landslides that shook Kerala in August witnessed an unusual variety of rescue operations and rehabilitation efforts. Almost the entire society- youth and students, fishermen, civil society organizations, social and cultural organizations, religious institutions, local governments, women of Kudumbashree units and political activists along with the government machinery - jumped into rescue operations in a spontaneous reaction. Thousands of people from all over the state poured into the flood-affected regions with relief materials. Their contributions were not limited to the supply of materials alone. They were directly a part of the rescue operations, in the preparation and distribution of food and other vital materials in the temporary camps where evacuated people were accommodated and in the provisioning of the marooned people in remote locations. The non-flooded regions worked as collection centres of relief materials, where thousands more collected, packed and transported relief materials to where they were needed. Shortages were met by purchases from the market, the money for which also came from donations in cash from the public.

Even weeks after the floods receded, hundreds of volunteers from far away districts like Thiruvananthapuram, Malappuram and Kannur worked in flood-affected areas of Alappuzha, Ernakulam, Wayanad and Idukki districts to clean and repair houses, schools and other private and public institutions. The skilled workforce of agencies like the COSTFORD have been providing free services to the flood-affected households in the repairs of electric and water supply systems. In addition, a large number of volunteers from non-governmental organizations, the Kerala Sastra Sahitya Parishad (KSSP) are working along with the State Health Department personnel in sanitation and other health-related activities all over the flood-hit areas. The State machinery on its own would have been quite inadequate without such support from the civil society to cope up with the extensive devastation caused by the floods and landslides, although several state departments ( like the Health, Electricity and so on) have contributed exemplary services.

A detailed documentation of ongoing disaster management activities is yet to be undertaken. Such efforts are important for drawing appropriate lessons for future. However, the experience from the rescue and initial rehabilitation works suggest that a 'Kerala model' of rescue and rehabilitation mechanism is already taking shape, the crux of this model seems to be people's participation and local governance. This offers a clue to future direction in our efforts to address the medium and long-term rehabilitation and reconstruction needs. The seeds of the present experience lies in our

development history widely recognized as the 'Kerala model' of development, the essence of which is 'public action': pressure on the state by organized and enlightened people's movements, large and small, for welfare. Mobilization to meet such challenges ahead of the state's response was very much part of the historical experience that is now considered to be the fount of Kerala's 'public action'. Indeed, the Great Flood of 1924 in Kerala witnessed precisely such a mobilization of a (then much-smaller) civil society, and this was also in evidence during the excruciatingly difficult 1940s, when civil social organizations, with or without links to political movements, worked to alleviate immediate suffering of the poor. Local governance in Kerala, too, was envisaged by its designers as broadly speaking, a continuation of this legacy. At the same time, our experience of the present disaster, and our historical experience in development and politics over the past two decades seem to indicate that the exclusions of the 'Kerala Model' need to be taken into account. It is in this context that we should think of a reconstruction model that utilizes our own strengths, remedies our weaknesses, and at the same time addresses our concerns.

In other words, the state government's stated position that the rehabilitation and reconstruction should aim at building a 'new Kerala' should not be a mechanical exercise to restore status quo, especially the questionable tendencies in our development trajectory. The fact that it has promised a rethinking, however minimal, offers hope. The actualization of this promise in action depends on the adoption of an action plan based on a policy framework. In the immediate aftermath of the floods various financing agencies like the World Bank and the ADB, as well as KPMG, an international consultancy agency, held discussions with the State government on rehabilitation activities. The reports are that the KPMG on its part has offered its consultancy services free of charges to the State government and the latter has accepted its offer. Although we do not have the details of its engagement, the nature of this and similar organizations and their activities globally raise questions about the suitability of such organizations to meet our requirements.

Let us consider a few things in this context. The KPMG is one of the four (along with PwC, Deloitte and Touche and Ernst and Young) largest financial consultancies working globally. The KPMG was originally a finance and auditing firm which subsequently expanded into financial management consultancy to become a major global player in the flush of world-wide neoliberal policy expansion in the 1990s and after. It is not known for disaster management activities. The KPMG's role in various financial consultancy services was criticized by many experts the world over. However, we are not focusing on such issues. What we propose is to ask how the operations and services of such globally working organizations originating from developed countries could be helpful in our context. These organizations have become prominent in recent times when the world economy is witnessing

a growing clout of the finance capital and its unrestricted mobility across the world. The world economic crisis, a product of the upper hand that the finance capital gained in recent years is also a cause for its persistence. The deepening crisis, in turn, provides further opportunity for the finance capital to expand its operations all over the world. As the capitalist process of accumulation faces obstacles in the present global economic crisis, finance capital seeks to grab public assets through privatization of public institutions. In the early years of neoliberalism, the large-scale privatization of public assets took place in several countries including the developed ones. Later, this agenda could not be pushed any further for political or financial reasons a new mantra called private public partnership (PPP) was introduced by the privatization lobby. The World Bank and the financial consultants like the KPMG have been in the business of propagating this model for quite some time now.

The PPP model that advocates various forms of association of private capital with the state is a clever strategy to open up the public sectors for private gains. Importing private sector financial management techniques to the public sector/government system in the name of achieving 'efficiency' has become a mechanism for promoting the PPP model. In this endeavour, these consultants were able to persuade several governments to accept their consultancy services and gave them opportunity to work with the governmental systems. They have even offered free consultancy services to several governments in the past similar to the offer the KPMG has extended to the Kerala government. The strategy is to influence the government policies through consultancy and gain opportunities for private business houses in which they have stakes. There is a large body of literature exposing such strategies and the subtle ways in which these consultancies operate. In Britain, for example, the KPMG offered free services to the British government and worked along with the treasury personnel resulting in the adoption of several of their privatization projects by the government.

The neoliberal policies advocated by the global consultancies are, in brief, characterized by three key features. Firstly, they represent the interests of global finance. Secondly, withdrawal of the state from social sector spending and people-oriented investments, and thirdly, privatization of public services and assets and an open advocacy of primitive accumulation and rentier interests. How such a policy framework can be fitted into the requirements of building a new Kerala in the post-flood scenario need a dispassionate assessment.

The broad contours of the requirements for the reconstruction can be traced from the statement of the Government itself that building a 'new Kerala' with a different perspective is the

agenda. It is obvious that this new perspective cannot be a run-of-mill neo-liberal prescription as Kerala has been steadfastly trying to pursue an alternative to it. An essential feature of this alternative is a recognition of both the state's role in providing public goods and the importance of people's participation in planning *and* decision-making. The role of the state in public health, education and other services still remain important in the state unlike in other states of the country. It is important to note that Kerala still retains an active State Planning Board while most of the Indian States and the Union Government have abandoned such an institution. The state has been strongly resisting the neo-liberal idea of privatization of the public sector industries and institutions in the past 25 years of liberalization in the country. Similarly, people have been resisting the attempts to expand toll collections in public roads or privatization of public services like supply of water and electricity.

The Panchayat Raj system has struck deep roots in Kerala and the local government is the place to which people turn for immediate succour in times of crises. It can be significantly revived, expanded, and further democratized now with significant people's participation, revitalized *grama sabha* interventions in local governance, with a greater voice (and not just labour) for the Kudumbasree, with the active involvement of the several civil society organizations including environmental groups and other vibrant social and cultural movements and groups that have together created a unique democratic ambience in the state. This could well be the core of a 'Kerala model' of disaster management and rehabilitation – it thrived in the post-flood situation and could well be a safe bet in the reconstruction stage also.

This is not to suggest that public action is the only ingredient of this model is sufficient to meet the challenges of reconstruction. There is a network of competent institutions with various kinds of skills which can support the State government in preparing a rehabilitation and reconstruction plan that addresses the people's concerns. It is possible for the State Planning Board to constitute a committee of experts drawn from various institutions for the purpose. Instead of tendering out consultancy to some private institutions the State Planning Board can take the services of individual experts from all over India and if necessary from abroad also. A major issue that can crop up in the context of rebuilding on a massive scale is about the technology. If technology is not available within the country it is well possible to rope in individual experts from abroad and ways can be found to obtain technology.

Most importantly, we need to go beyond the 'Kerala Model' of the early twentieth century at present. The historical experience of the early twentieth century was largely unfair to women and

while dalit voices and demands were indeed heard for the first time, the community did not gain enough; the adivasis were totally marginalized. The 'Kerala Model' of politics continued in the late twentieth century right into the present millennium through the struggles of these sections, but state response has increasingly been less forthcoming. It is beyond doubt that the greatest losses from the present disaster have been suffered by these sections, and this is now incontrovertibly evident. This moment, therefore, becomes one in which one may actually remedy the shortcomings of the 'Kerala Model'. But it is clear that it is neither finance capital nor its agents who are going to help us do that. If we are unable to build on our strengths with the full self-reflexive awareness of our weaknesses, this moment may sadly be lost.

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