

By Stephen R. Shalom

Earlier this month, the World Bank issued a report declaring that global poverty has been increasing. “Today, countries that until recently believed they were turning the tide in the fight against poverty are witnessing its re-emergence along with hunger and the human suffering it brings,” declared World Bank president James Wolfensohn.

Tellingly, the report suggested that the growing poverty was partly caused by the international rescue packages designed by the International Monetary Fund to deal with the Asian economic crisis.

Are there alternatives to the dominant economic model that consigns increasing numbers of people to lives of misery? One such alternative is offered by the state of Kerala in southern India which has been the site of fascinating social experimentation for many years. Under elected left governments backed by powerful popular movements it has undertaken a development strategy that has given first priority to equity. A combination of land reform, female education, social welfare, workers’ rights have given Kerala a rather remarkable social profile, unique in India and almost unprecedented in the Third World.

- Kerala’s infant mortality rate—13 per thousand—is a fifth that of India’s, and significantly better than that of such countries as Thailand, China, Brazil, and Saudi Arabia. In fact, Kerala’s infant mortality rate is lower than that of blacks in the United States.
- Kerala’s female literacy rate of 87% is more than double that of the rest of India (38%) and above that of countries such as China, Turkey, Malaysia, and Peru.
- Female life expectancy in Kerala is 72 years, nine years more than in India as a whole, and better than China, the Philippines, Tunisia, and Bolivia.
- Anthropologist Richard Franke summarizes Kerala’s accomplishment more generally: With a few important exceptions such as unemployment and suicide rates, Kerala leads the rest of India and all low-income countries of the world on just about every indicator we can come up with: wages and working conditions, nutritional status, overcoming caste discrimination, providing social security for the elderly, helping workers in the informal sector, increasing gender equality. Kerala enacted India’s most successful land reform, its best enforced worker protection acts, the most effective school lunch program for the poorest children. If you travel throughout India as a tourist, you will be struck from the moment you walk through your first Kerala train or bus station: there are no beggars.

Four things make Kerala’s record particularly noteworthy.

First, Kerala’s social indicators surpass those of countries with far higher levels of economic development. India as a whole has a per capita

income about 50 percent greater than that of Kerala. China’s GNP per capita is more than twice that of Kerala’s; Bolivia’s is two and a half times as high, and Thailand’s eight times as high. Within India, Punjab has more than two and a half times the per capita income of Kerala; yet 14% of children in this “richest” Indian state are severely malnourished (more than three standard deviations below international weight norms) compared to only 7% in Kerala.

Second, Kerala’s achievement has occurred in the context of a formally democratic system, with elections, free press, and so on. Some countries that have made impressive gains in human development indicators have done so under dictatorial regimes—Cuba being the most notable example. One can argue about the relative benefits of equity and democracy, but there has been no trade off of these in Kerala. Kerala has had both (with one exception, noted below).

Third, the left parties that have enacted Kerala’s reforms have not held uninterrupted or exclusive power. The left in one form or another was in power from 1957 to 1959, 1967-82 (with a left-right coalition ruling during the 1970s), 1987-91, and since 1996. But even when it was out of power, its mass base was so strong and its reforms so popular that no one dared repeal them entirely.

Fourth, Kerala is a state, a subunit of a larger country, and thus lacks the tools that a sovereign nation can use for economic development, constrained though these may be by the workings of the global economy. Kerala cannot prevent capital flight within India or impose any legislation inconsistent with national dictates. Indeed, in 1959 the central authorities in New Delhi ousted Kerala’s elected left-wing government and ruled the state for a while by presidential decree the one exception to Kerala’s democratic history, imposed not by the left but by the center-right.

That Kerala can provide decent lives for its people on a level comparable to if not better than that of countries that are far richer is a striking achievement and one worth serious consideration as the neo-liberal model continues to spread human misery worldwide.

Kerala, however, is far from a utopia. Caste inequality and sexism remain, though at far less virulent levels than in the rest of India. Most seriously, the state has had an extremely low rate of economic growth and an exceedingly high rate of unemployment. Some analysts have concluded from these problems that the Kerala model is a failure, a victim of excessive politicization, inordinate union power, and left-wing fantasies. The solution according to these critics is to embrace global capitalism. Whatever Kerala’s problems, however, it’s hard to see why one of its citizens would want to trade in her life for one where her children are five times as likely to die in infancy.

In any event, however, people in Kerala are by no means oblivious to their problems and they have launched a new development effort building on their past accomplishments. The centerpiece

of this effort is a program to bring democracy to the grassroots that goes far beyond what passes for democracy in the United States. Where U.S. citizens have the right to choose which corporate-backed candidate will rule in their name, Kerala is genuinely trying to empower people. As Franke explains, “The People’s Campaign for the Ninth Plan is probably the largest democratization project underway in the world today. Thirty million people in Kerala are affected by the campaign, and so far more than three million of them have participated in one or more of the campaign’s activities. Neighborhood assemblies made lists of grievances and complaints, elected volunteers to collect local data, wrote reports about their villages, discussed these reports in seminars, elected volunteers to write up project proposals, and handed these over to the elected village councils to prioritize into a village development plan. Each village plan was sent to a block level grouping of villages where plans were integrated, and then to a district council where another set of elected representatives consolidated the plans.”

Franke notes that all of Kerala’s villages and towns produced detailed self-study reports, “one of the remarkable achievements in democracy in the modern world,” in which “people have collected and analyzed information about their own communities in a way that leads to serious and meaningful discussions about how to make things better.” And these are not just abstract discussions: forty percent of Kerala’s state budget is allocated to the village level and gets spent according to the locally-produced plans. (Significantly, Kerala villagers have not concluded that too much has been spent on education and public health measures their local plans have called for increasing spend-

ing on these.) Public accountability in the use of government funds has dramatically improved and more money than ever before has “reached the lowest caste and tribal groups, traditionally the most exploited and least helped by economic development in India.” Whether Kerala’s remarkable democratization campaign together with its equity-based development model can meet the severe challenge of poverty remains to be seen. But given the dismal failure of standard capitalist models to meet the needs of the world’s poor majority, it is in experiments like Kerala’s that hope lies.

The best introduction to Kerala is Richard W. Franke and Barbara H. Chasin, Kerala: *Radi- cal Reform as Development in an Indian State*. 2nd ed., Oakland, CA: Institute for Food and Development Policy, 1994. A study of the impact of reform policies in a single village is Richard W. Franke, *Life Is a Little Better: Redistribution as a Development Strategy in Nadur Village Kerala*, New Delhi: Promilla & Co., 1996. An extensive bibliography on Kerala is available on Richard Franke’s website, <http://www.chss.montclair.edu/anthro/kerala.htm>, as are articles discussing the decentralization and democratization programs.

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