

Udyami Panchayats : An Innovative Decentralization Tool

Going by the logic of the global Local Economic Development (LED) model, recent research at the ISED Centre for enterprise Development has identified some of the finer aspects of the proposed 'Udyami Panchayats'.

Udyami Panchayats are envisaged as a statutory platform. Amendments in the Kerala Panchayat Raj Act would be needed for this. Often Local Economic Development, like any other development, has remained a child of administration- generated policy, without enough beneficiary participation. Ideas on local entrepreneurship development must emanate from the local population as a manifestation of their aspirations, and not as a result of what someone from outside considers, they aspire for.

ISED research has shown that the failure of numerous program and schemes is the result of ignoring the real needs of the people of the place. While Gram Panchayats, yet to assume meaningful functional roles, and District Panchayats continuing to deal with political and infrastructure related decisions with their available competency, economic development through entrepreneurship will be beyond their capability at least for some time to come.

ISED has come up with a formula wherein, decision making bodies are constituted under each Panchayat, composed of existing industrialists and service providers in the Panchayat, potential start-ups, and other persons with adequate and appropriate knowledge about local resources, capabilities, and opportunities. This body should meet periodically, and sufficiently in advance of every Budget session of the State Assembly to deliberate and formulate proposals for schemes and projects for incorporation in the Budgets and policies.

The outline of the proposed scheme has been unveiled by the Kerala Enterprise Development Report 2016. The report raises the key questions as to why self employment that was a major drive for the unemployed of Kerala in the 1970s, has abruptly come down, and the state has moved swiftly into haven of out migrants. The report comes out with the strategies for recapturing the legacy of the State.

