

Governance, welfare-based development and Covid-19: Sweden and Kerala in comparative perspective

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Introduction (or abstract)

What have been the best ways to come to terms with Covid-19, while keeping equal political and social rights in mind? The international debate has focused on the effect of national strategies, but other factors may be equally important. Only small island nations like Taiwan, New Zealand and Iceland have been able to seal the borders. Sweden's high death rate is often attributed to limited lockdowns, but the radical measures in most parts of Europe have not generated better results, with some exceptions in the Nordics. We must also discuss additional parameters. The obvious ones include the proportion of old vulnerable people, the density of population, and the level of inequalities and presence of immigrants that affect people's chances to practice physical distancing and work from home. But another factor may be equally important: the character of governance, including decentralisation and coordination. In this regard, a comparison between Sweden in the North and the Indian state of Kerala in the South provides new insights. The cases are odd but ideal for a comparison based on contrasting contexts, given that both have been social democratically oriented since long and relies heavily on decentralised governance. This facilitates questions from each case to the other, which may help identify crucial factors and possible explanations. Two puzzles stand out. Firstly, while it is clear that Kerala's decentralised governance was a decisive positive factor during the early struggle against the pandemic, the opposite applied to Sweden. How come? Secondly, Sweden also suffered from poor linkages between local and central institutions as well as various actors – and over time similar challenges applied in Kerala too. Why and how did the latter happen? What can be done?

Sweden's defective decentralisation

Sweden's high rate of deaths in comparison with its neighbours is often attributed to limited lockdowns and rare use of facemasks. In contrast to laissez-faire regimes such as Donald Trump's, and the common state imposed lockdowns and compulsory regulations such as in Norway, Sweden has tried a third way to counter Covid-19. This is of limited lockdowns in

selective sectors (excluding, for example, primary schools and kindergartens) and rules on public gatherings, but otherwise an as open society as possible and, most importantly, intensively campaigned recommendations by expert-authorities – instead of political commands. Most of these recommendations are the common ones: to work and study from home whenever possible, to stay there (with compensation) when not feeling well, to encourage old people and those in other risk groups to act likewise, and to apply self-quarantine when the virus affects the family. There are also unusually strong advice about extreme hygiene and extensive physical distancing – and (except of course in hospitals and care units) to only use unreliable facemasks when distancing cannot be applied.¹ In spite of the allegations, such as by certain misinformed U.S. and Norwegian left extremists (e.g. Jacobin 2020), there were neither an ethically dubious aim at herd immunity (though some suggested it might develop anyway), nor a neo-liberal rationale. Aside from the usual objectives to protect the elderly and ‘flatten the curve’, so that the health system could bear with the challenges, the most important aim was instead to apply a strategy that would not infringe on civil and political liberties and be socially and economically sustainable for a long period of time, until an efficient vaccine might be in place (as it is now). The strategy was rooted in the historical Swedish combination of responsible citizens who also trust in evidence-based policies and democratically accountable expert-authorities that are politically much more autonomous than, for example, in Norway.

So what about the high death rates? Actually, they may not have been due to the absence of state imposed general lockdowns and obligatory regulations and instructions. As compared to most other countries in Europe that followed the ‘strict path’, Sweden has not done worse. Harsh state rules and instructions have not been necessary to ‘flatten the curve’. The major problem was different. In comparison with the Nordic neighbours, the initial intensity in the spread of the virus in Sweden and slow measures to counter it by tracking, testing and isolating those affected, generated quick community transmission which was devastating in combination with the poor quality of the localised health services. The latter was fundamental. While the Swedish health authorities and the Ministry of Social Health and Social Affairs indicated that young and healthy people could handle an infection, the second standard phrase was that all efforts must be made to ‘protect vulnerable people, especially the elderly’. This was fair enough, but the associated assumption on part of the authorities seems to have been

¹ Details of the Swedish strategy and statistics, and, for the sharpest contrast, the Norwegian model and developments, are on the webpages of their respective public health authorities – see the list of references.

that what used to be one of the world's best welfare systems in the world remained intact. This proved mistaken. In reality, the decentralised management of medical equipment, hospitals, primary health, and in particular the care for the elderly, had deteriorated and was ill coordinated. The result was horrifying numbers of fatalities. How did this happen? Why was decentralisation in Kerala crucial for its initial success but devastating in Sweden? First to Sweden, then Kerala.

Disintegration, new public management and privatisation

Responsible politicians and directors of the municipalities' and regions' interest organisation bury their heads in the sand. However, while a public commission is still working on a comprehensive evaluation of the Swedish experiences, its preliminary report (2021) focuses on the initial neglect to prevent rapid community transmission of the virus and especially the poor care for the elderly. This confirms the common conclusion among independent experts that the debacle is rooted in the rise of neo-liberalism in the 1980s and the new public management imported from Tony Blair's Britain in the 1990s, which was combined with decentralisation.² The previous system was certainly not perfect, suffering in particular from bureaucratic hurdles, but decentralisation along with market driven management made things much worse and eroded the fundamentals.

To begin with, the hospitals and local health centres – which are operated by 21 elected regionally councils with their own taxation right in addition to state funds – have only muddled through. This is in contrast, for example, to the more successful Norwegian state ownership of the major hospitals and stronger role in national coordination of regional and local primary care. The Swedish troubles are, firstly, at the expense of people with other illnesses who have to wait for treatment. Secondly, there have been a shortage of skilled personnel to handle the Covid-19. The staff have had to work heroically. Thirdly, there was a serious shortage of medicines and even basic protective equipment, which affected personnel as well as patients. There were no emergency stockpiles and the supply-chains of market-driven deliveries 'just in time' almost collapsed. Fourthly, the regions have until recently not been able to implement the extensive testing and tracking advised by the central authorities

² So far there is a shortage of good analyses in English. The reader may try Google translation of Rothstein (2020), Ingvar (2020), and Lindahl (2020). For a comparison of the Scandinavian cases, visit the webinar The Scandinavian strategies... (2020). For an overview of Sweden's Blairist development, see Therborn (2018).

and financially supported by the central government. It was not even clear who was to decide and carry out the various tasks involved.³

Worst, most of the deaths were in the municipality-managed care homes for the frailest old people, as well as among elderly who live in their own homes but depend on services from visiting nurses and assistants. Internationally, this was a general pattern, but while it applied in Norway too, Sweden's number of fatalities were vastly higher. One may certainly argue that Sweden's inability to apply specific measures to counter the high initial intensity in the spread of the virus made it difficult to defend the elderly. But the absence of harsh comprehensive lock downs and compulsory regulations neither prevented those pensioners who managed on their own (such as this author) from taking good care of themselves, nor younger relatives and volunteers' from helping us out, for example by buying food, medicines and other necessities, and to be particularly careful with respect to physical distancing. Largely, this worked without statist commands and general lockdowns. Aside from the lack of early specific measures to track and test those affected by the virus, there are instead two major Swedish problems. Firstly, that the nurses and assistants in the residential homes, and the assistants who visit and serve the elderly in their households, simply did not have sufficient chances to act similarly responsibly and carefully when carrying out their work. Secondly, again, that this is due to new public management, along with poor decentralisation to the locally elected municipality councils and private and cooperative institutions, supposedly supervised by the municipalities, plus weak coordination with the regions.

Similarly, as already indicated, there should of course have been much more extensive immediate testing and tracking – but the central, regional and local authorities and agencies were not even capable and sufficiently coordinated to handle this at a much latter stage, in spite of the fact that funds were made available by the central government. In the end, the provincial state governors had to intervene to facilitate cooperation. And the tracking remains insufficient.

With regard to the most serious deficiencies – the institutional care for vulnerable elderly people to be handled by the municipalities – it is not so easy that privatisation is the only explanation. Usually this has been a negative factor, but there are also conscientiously managed private units and cooperatives; and there are rules and regulations for minimum

³ The central government is also present locally through provincial governors, but most of their duties have been transferred to the regions and municipalities which govern independently on numerous subjects through elected councils and with their own taxation rights.

standards, which the municipalities are to look after. In addition to poor supervision on part of the municipalities, however, they themselves have also quite often mismanaged the public residential homes and services in the elderly's households. This is partly due to the subcontracting of operations to poorly looked after private companies. But it is also because most local politicians and their administrators have tried hard to cut taxes by reducing the public units' costs, wages and investments. The result is shortage of personnel, equipment and difficulties to keep up hygienic standards and to separate infected people from others.

To make things worse, the municipalities have no medical doctors and senior nurses under their jurisdiction in spite of being in charge of the care for the elderly who frequently suffer serious illnesses. The medical doctors and nurses are instead private or employed by the regions – and not well coordinated with the localised care for the elderly. Further, the number of qualified senior and junior nurses in the local services are few as compared to the other personnel, which may well be devoted but is typically poorly trained, temporarily employed and, of course, even lower paid. Thus, many of them can not even afford to stay home when not feeling well and about to develop Covid-19. In addition, the assistants are often immigrants who have to live with large families in small flats.

To sum up, the 'open' Swedish strategy was based on the false assumption that what might have been among the best welfare systems in the world remained intact. This system was rooted in the historical synthesis of responsible citizens with trust in transparent evidence-based policies, politically relatively autonomous public authorities and experts as well as democratic local governments. The mantra was not stateism but that a strong welfare state would foster as free, active and responsible citizens as possible. In reality, however, much of the state's responsibility for welfare and public health has not just suffered from privatisation. It has also been decentralised to the semi-autonomous regions and to some extent the municipalities, with their own councils, separately elected in conjunction with the general elections. This may sound fine, but in reality it is very hard for ordinary people to find out who is responsible for what, keep politicians and administrators responsible and cast their vote based on sufficient information. Further, the regional medical services have proved insufficient and poorly coordinated with the municipalities – which are in charge of the care for the old.

In short, the Swedish debacle is not primarily due to lack of statist commands on how the citizens should behave to fight Covid-19. Actually, most citizens followed the well-reasoned public recommendations anyway. Apparently, the collapse is instead due to decentralisation

with privatisation and new-public management combined with miserable coordination between central, regional and local governance and other actors involved. Thus, the globally celebrated Swedish model of public welfare – based on, effective implementation by central government and independent regional and local governments, in addition to social growth pacts between unions and employers and their participation in public governance – has cracked. So many old people in particular who depended on public services could not be defended against the virus. Worst, numerous other people too have lost trust in the welfare system, while those with sufficient economic resources tend to add private insurances and are unlikely to sustain the public system on the basis of solidarity. (C.f. Rothstein 2020)

Kerala's positive decentralisation

Remarkably, in sharp contrast to Sweden, even very densely populated Kerala with 35 million people on a narrow strip of land, unusually many old citizens and much less resources in addition to an hostile central government in New Delhi, has been more successful in handling Covid-19 by way of decentralisation. For one, there were no deaths from January and almost half a year ahead. Equally important, while poor people and especially migrant labourers suffered badly in most other parts of the country, they were taken decent care of in Kerala. This proved to the rest of the country and the world what was possible. Still, from late May and June 2020, the rising numbers of infected, dead, and jobless turned worrying.

(Krishnakumar 2020 a and b, Chathukulam and Tharamangalam 2020) We shall return to the troubles, but first – why did Kerala differ from both Sweden, where decentralisation had deteriorated, and from much of the Global South, where local governments have often been captured by the elite? (E.g. Rodan 2018)

The fundamental reasons are historical. Kerala's old lessons are reminiscent of how liberals and social democrats built Scandinavia. As early as the late 19th century, socio-religious popular movements fought colonialism and caste oppression. From the 1930s, several of them joined hands with socialist led radical peasants and workers in the struggle for equal civil, political and social rights. The socialists collaborated first with the liberals and others in the Congress Party, but then most of them joined the Communists. This was mainly to fulfil the essentially social democratic agenda that Congress had abandoned, including land reform and welfare programs – which the left could then implement in the 1950's and 60's. (Tharakan 1998; Harriss and Törnquist 2016a)

Still, this was not enough. In spite of India's best education, health care, labour organising and land reform, production did not increase as expected and industrialisation did not take off. Many people acquired benefits through political connections and speculation, or used good education to get well-paid jobs outside Kerala, especially in the Gulf countries. Such setbacks were common in the 'third world', but Kerala found new solutions. From the 1980s, a broad educational movement in civil society – with the Kerala People's Science Movement (KSSP) in the forefront – managed to break the stagnation. The activists made Kerala the first state in India where even the poorest could read and write and engage together with other citizens. In addition, local resources were mapped to facilitate sustainable development and efforts at group farming. The initiatives contributed to the success of the Left Front in the 1996 elections and made its leaders agree on radical decentralisation to democratically elected local governments in the villages, towns and districts. Within the framework of a People's Planning Campaign (PPC), coordinated through the State Planning Board, these local governments received significant resources for their own development projects, provided that the advices of the Board were followed and that the citizens were allowed to participate in decisions and implementation, including through public meetings (*gram sabhas*), development seminars and task forces. (Törnquist with Tharakan 1995; Isaac and Franke 2000)

Everything was not successful. It is true that some corruption was also decentralised in this process, that the institutionalisation of popular participation was delayed, that production was not prioritised on the ground, that the development seminars were closed down after some time, and that the attendance in the *gram sabhas* diminished. Mostly the middle classes stayed away, including unemployed educated youth, as there was little for them in the targeted benefits. Finally, from the 2000 local and 2001 state assembly elections, political leaders and parties hijacked the process, and the focus on negotiated local unity based on welfare and development priorities was undermined. (Tharakan 2004; Isaac 2014; Törnquist 2021)

But thanks to the equal civil rights, the land reform and the democratic participation, the elite has not been able to entirely dominate the local institutions and projects as in most other parts of the Global South. Until today, much of the state's planning budget remain for local development and there are functioning village, block and district governments. The state as well as people can relate to them. There are also myriads of local issue and interest associations and some of the popular action has survived, especially the women's *kudumbashree* labour groups with 4,5 million members in about 300.000 neighbourhood groups. (Heller et al. 2007; Isaac 2014; Rajesh 2020; Törnquist 2021; Martin 2021)

Twenty years after the decentralisation, it was therefore the democratic character of decentralisation that made it possible for the Left to not only overcome Nipah, the worst virus of all, and then deal with a range of natural disasters with floods and landslides, but also to combat Corona in an efficient and socially fair and responsible manner. Even when the first Corona case was discovered in January 2020, the local health services was mobilised to educate residents how to defend themselves, test and track the infection and to organise local quarantines - combined with economic and social support for the victims, including food baskets and soup kitchens in collaboration with civil society. The local health care providers also ensured that the seriously ill receive hospital care, the best in the country. And the police was enrolled too. Until April 2020, Kerala thus managed to slow down the spread of the virus to a minimum and the then minister of health, schoolteacher KK Shailaja, gained international rock-star fame with her medically trained team, (E.g. Spinney 2020) along with increasingly popular and fatherly Chief Minister Pinarayi Vijayan, presiding over daily briefings. Thanks to the welfare projects, Kerala could also withstand the Hindu fundamentalist provocations and restrictions of equal civil rights. Similarly, voluntary local work and resource mobilisation offset the central government's attempt to starve Kerala with a smaller proportion of the centrally controlled tax revenue. (Chathukulam and Tharamangalam 2020; Heller 2020; Isaac and Sadanandan 2020; Menon et al. 2020; Rahul and Ranjith 2020). So while Sweden's privatisation and new public management led to appalling deaths in local care for the elderly, Kerala's democratic decentralization and popular participation made wonders – for some time.

Insufficiencies of decentralisation

However, Kerala is no independent island nation like Taiwan or New Zealand that can close the borders. The situation worsened when finally c. 1.4 million migrant workers (The Hindu 04.06.2021) returned. (Which may be compared with when Sweden in late 2015 said it could not help out more than the 150.000 Syrian and other refugees that had arrived.) In addition, there were extensive travel and family reunions, such as in face of the *Onam* harvest festival. Thus, the community transmission increased – and many more people were in need of jobs and support. (Chathukulam and Tharamangalam 2020) Obviously, this called for more than local governance and self-help. Welfare state programmes and economic stimulation were critical – and called for funding beyond local resource mobilisation. Innovative measures were needed as the hostile central government did not want to contribute and prevented extensive debt financing (practiced for instance by Sweden). For example, cooperative banks

were coordinated and quite annoying to New Delhi a crucial international Kerala Infrastructure Investment Fund Board (KIIFB) was initiated by undogmatic then Finance Minister Thomas Isaac, who previously led the work on decentralisation and popular planning. (Cf. The Hindu Net Desk 2020; Dennis 2021)

Meanwhile, however, some of the deficiencies from Kerala's democratic decentralisation became obvious. In contrast to the social rights activists during the central Congress government (2004-2014) who prioritised broad reforms 'from above' (such as for rural employment and food security) but suffered from insufficient implementation through the local governments and grassroots activists, (Harriss 2016) the Kerala campaigners who started 'from below' never managed to fully to link their local foundations and actions with wider programmes. (Törnquist 2021) In short, the initial local containment of the pandemic had not been followed up with sufficient state-wide measures and coordination.

In the mid-2020 Kerala was therefore facing similar problems as Sweden with poor coordination of state, regions, municipalities, civic and trade union organisations as well as private actors. Institutions for broader cooperation had not complemented Kerala's successful decentralisation sufficiently. For one, the villages and municipalities cannot take responsibility for welfare themselves when more and more people work outside the local economy. This reminds again of Sweden, but now of its history. The rise and character of its equal citizenship rights did not only rest with the relative independence of propertied farmers and their role in pre-democratic local governance, along with the church, gentry and bourgeois. From the rapid industrialisation in the late 19th century and onwards, when the local format proved inadequate in the provisioning of relief to the increasingly many impoverished labourers, and when popular self-help was also insufficient, there had to be universal welfare state programmes. (Harriss and Törnquist 2016, Sandvik 2016, Svensson 2016, Trägårdh 2007) Similarly, the local economy needs to be connected to the external, and public planning must be carried out in cooperation with private actors; and comprehensive planning needs to consider both public and private assets, resources and investments.

The ideological priority of the grassroots oriented Kerala activists was to shape and expand 'non-capitalist' spheres of popular development, maybe as a step towards people's communes.⁴ But building local alternatives was difficult to combine with struggles to tame and alter the wider frameworks where capitalism remained dominant. And while there was a

⁴ Törnquist (2021) for this and remaining paragraphs in this section.

general model for relating central and local planning, this was mainly about general principles and the primacy of local needs and resource mobilisation. This was fine in many ways, but it remained unclear how the local priorities would fit into a broad transformative reform programme, if any, that could link actors, sectors and multiple levels of governance.

In this regard it is crucial whether and how civic and interest based popular organisations can participate in a democratic way. It is true that Kerala has less problems of localisation and fragmentation of civil society organisations than what is otherwise common the Global South, and that the main problem has rather been their subordination to political party priorities. So in this regard it is vital that more local development oriented associations and action groups that address various grievances (Velayudhan 2020), have emerged thanks to decentralisation of politics and development. But with the partial exception of the *Kudumbashree* labour groups their prime rationale is not to link with organisations and issues in other local settings; and when they try it is difficult. Citizens' local associations must work together at the central Kerala level. Otherwise, the outcome will be as in Brazil where the participatory budgeting Puerto Alegre and elsewhere could not stop the corruption in Brasilia, the capital.

Meanwhile, the synergies with the 'old' organisations and movements related to production, such as unions and farmers organisations remain poor. Historically they used to provide the much needed linkages, but have for decades been subordinated to the priorities of political parties and lost their focus on popular development and universal welfare. Commonly in other contexts, strong parties and leaders have taken over, such as in South Africa and West Bengal. The effects were devastating. Not even the Chinese Communist Party could coordinate production in the people's communes, but adopted Deng Xiaoping's market solutions, in corrupt cooperation between party leaders and businessmen. (Shue 1994)

Meanwhile Kerala was up for local and state elections and the campaigning did not only undermine the Covid restrictions. In addition, the political opposition blew up troublesome issues in media, such as religious conflicts, a gold smuggling case involving a secretary of the Chief Minister, the administration of a housing scheme, the handling of sensitive individual health data, and the legal foundations of the KIIFB investment fund. Hence many commentators concluded that the Left, which until recently had done so well, might lose out. (E.g. R. Krishnakumar 2020a, 2020b, 2020c)

Kerala's new opening

Excitingly, the way out was not the increasingly common hard-handed politics around the world, but more democratic welfare and development policies. In contrast to Modi's India, Kerala's Left Front message in the local elections was top priority to people's rights and wellbeing through state financed and coordinated welfare programmes, and job-generating production reforms, along with local contributions and implementation. As important, additional liberal allies were included and more trust was given to candidates with good records from joint social and development work. For example, 70% of the seats reserved for women in the local bodies are reported to have been won by *Kudumbashree* members. (Martin 2021) This response to the multiple crisis of health and livelihood did not solve the very Corona problem, but it addressed people's social and economic problems by connecting central and local public governance. (Cf. Venugopal Bhagat 2021) And it obviously caught the imagination of activists and the wider electorate – including many skilled migrants and others who used to think they would benefit from neo-liberalism but now appreciated public action. The outcome was a compelling electoral victory. The Left sustained its remarkable results from 2015 (with a clear majority of the *grama* and block *panchayats*, 11 of the 14 district *panchayats*, less than half the number of municipalities but crucial advances in the major cities). (E.g. Krishnakumar 2020d, Kerala Bureau (2020); Philip 2020)

Even more crucial, the politically successful combination of, on the one hand, welfare and inclusive development policies, and, on the other, state level direction and local contributions, paved the way for an even more visionary long term budget. This was backed up by the State Planning Board and vigorously presented by Finance Minister Isaac in a three hour long speech in the parliament. The budget also served as a basis for a manifesto for the May 2021 Assembly Elections in terms of what Isaac called “a new edition to the Kerala Model”. (The Hindu 15.01.21)

As compared with the efforts in the 1990s at local priorities, self-help and resource mobilisation, the new reforms supplement local public action with, for example, electronic platforms for temporary jobs, and major state-driven investments in infrastructure, education and training, along with private investments in value-added production. This is to bet on the educated youth and promote internationally competitive and environmentally sustainable ‘knowledge based development’ – beyond the reliance on remittances from migrant labourers in unsustainable oil based Gulf economies. (Anand et al. 2021, News Click 15.01.21; Oommen 2021) In a major conference on the new priorities, numerous Indian industrialists as

well as Nobel laureates Amartya Sen and Joseph Stiglitz lent their support. (Kerala looks ahead 2021)

The political outcome was that an incumbent government, for the first time in forty years in Kerala, was re-elected. (E.g. Prasad 2021; Menon 2021; Cleetus 2021, Krishnakumar 2021) And the survey results are unambiguous: voters did not vote for person but for party and politics; they appreciated the effective and socially just management of the natural disasters and the pandemic, and they were positive to the development plans. (The Hindu CSDS-Lokniti Survey. 2021)

Challenges ahead

It is hard to imagine anything more hopeful in today's Global South. Kerala's broad alliance for health and welfare programmes that may unify the different crucial actors in favour of democratic and sustainable development do not only remind of the social- green 'deals' in Scandinavia and the United States. It is also consistent with other positive experiences in the South. Even in countries such as in Indonesia, with weaker and more fragmented civic and popular organisations, it proved possible for a decade to build broad local and national alliances of unions, informal labour groups as well as civil society organisations and politicians behind welfare and development reforms. The best example is the successful campaign for the national public health reform in the early 2010s. (Djani et al. 2017; Törnquist 2021)

Yet, there are also worrying lessons. One is that there must be a chain of programmes. In Indonesia, the leading actors and related think tanks did not prepare a follow up reform, so the broad alliance and transformative process came to a halt. Another hurdle is that the social democratic growth model in the North (also supported by the International Labour Organisation) presupposes good capacity to create new jobs when old disappear as a result of social pacts to combine improved productivity with better conditions for the labourers who keep their jobs. By implication, the model is less fruitful in countries with huge numbers of informal labour and unemployment, tragically illustrated by South Africa. In these contexts there must also be forceful supplementary policies to generate more, decent and important jobs. (Nattrass and Seekings 2019) Encouragingly, this seems to be a priority in the new Kerala plans. (Anand et al. 2021, News Click 15.01.21)

The other major worry, however, applies to Kerala too. This is that there must be inclusive negotiations with all major partners that are affected, to design, finance and implement

welfare-based development reforms; including employers as well as unions – plus organisations among informal labour and professionals. This did not happen in Indonesia. (Törnquist 2021) There was no framework to negotiate general agreements on wage levels, employment conditions, welfare measures and environmental concerns; and there was poor representation of unions and informal labours' organisations in particular. The unfortunate substitute was leftist and rightist populism, and transactional deals, followed by confrontations and losses for the progressives.

In Kerala, the struggle in the 1990s and early 2000s for decentralised public action and development was guided by the Planning Board, which provided instructions about consultations and broad agreements on local priorities. But there were less focus on comprehensive policies and governance. Fortunately, some of this may now be addressed in the context of the state-wide welfare and economic reforms indicated in the five year budget plan. But the Planning Board and various state level missions and committees are not enough. The remaining challenge is to also create a format for partnership governance of the programmes. How shall all concerned actors participate and contribute? There is no forceful developmental state at hand, as once in South Korea. Are there democratic alternatives?

In Scandinavia in the 1930s, when there was a need to add welfare state programmes to localised care for the poor, social democrats hesitated to reinvigorate the 'bourgeois state apparatuses' to handle this. Hence, a system of partnership was negotiated with regard to policy development and implementation. This was based on democratic representation of the concerned organisations among employers, labourers and professionals, along with impartial administrators and independent experts. And it was combined with a system of public committees (often inclusive of the same partners) to prepare government proposals and wide consultations on the same. For half a decade, this partnership governance generated vibrant and stable links between state and society, central and local – and coordination of actors. As a complement to the liberal parliamentary democracy. (Harriss and Törnquist 2016; Trägårdh 2007) Yet, it cannot serve as a blueprint. For one, it rested with high state capacity, strong democratic, national organisations and favourable governments – all of which being endangered spaces in the Global South, even in Kerala; and is undermined in Sweden too, as illustrated by its poor handling of Covid-19. (Törnquist 2021)

Judging from the current public discourse, the major concerns in Kerala are now deficit finance, the prolonged second wave of the pandemic and the need to kick off the production and service sectors as quickly as possible. (GIFT 2021) This is well appreciated, but the

problem of democratic governance may be equally important. And if so, the stumbling block, according to my comparative research (Törnquist 2021), is less about bringing in fresh people in the cabinet than democratic participation of strong idea and interest organisations. If that fails, there is a risk that a populist president or a chief minister will dominate. Kerala benefits from its local democratic participation, but there are few counterparts at the general level. Ideally, the crucial links between local and wider government, economy and popular actions may now be built in the very process of designing and implementing the new welfare programs and knowledge-based development.

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