

# Party Ideologies, Governments and Differences in Policy Making: The case of Public Distribution System in Kerala

(MINOR RESEARCH PROJECT)

MRP (H)-1103/13-14//KLKE 008/UGC-SWRO

## **Abstract**

The studies of welfare state argue that different factors are responsible for shaping welfare state. Scholars of welfare state suggested many explanations based on two categories of factors-internal and external. Internal factors are industrialization, extension of citizenship, protests, growth of trade union movement and social democracy (ideology). External factors include influence of super national agencies such as the UN system, the IMF and World Bank. The general assumption is that while the internal factors are responsible for the origin and development of welfare in the West, the external factors are responsible for the welfare in the developing Countries. That is the welfare in the developing countries remains to be weak due to the lack of adequate pressure from the internal factors. However, alternative view is that as in the West, in developing countries also internal factors can play a prominent role in shaping welfare.

One such internal factor is ideology. Ideology of political parties influences policy making process of the government. The studies like *State and Poverty in India: The Politics of Reforms in India* (1987), *Comparing Political Regimes across Indian States: A Preliminary Essay* (1999) discussed about implication of party ideology on policy making. The functioning of public distribution system in Kerala is successful in reducing poverty rate, even at low growth rate. Many studies on Public Distribution in system in Kerala supported above argument for example K.P Kannan (2000), Reshmy Nair (2011), M H Suryanarayana (2001) & Jos Mooij (1994). All these studies never touched on the ideological differences between Left and United Democratic

Front governments in Kerala. These scholars argue that governments- Left United Democratic Governments-implement same policies; either by the fear of popular protest or electoral compulsions (Reshmy Nair). However, problem in their argument is that they never taken into consideration on nature of social mobilization, party formation, ideology of political parties and social composition of party. United Democratic Front and Left Democratic Front are differed these aspects. Therefore, a study is necessary to understand to what extent ideology influences the governments' policies on public distribution system in Kerala.

Public distribution system is a part of regulation of market functioning. Market regulation is against the contemporary trends of policy making. Regarding market intervention Left and Right parties have different positions. Many studies have pointed out that the left-right difference still exists in Kerala. The Left Democratic Front always says that it is against neo-liberal globalization. Its main responsibility, when it is in power, is to provide maximum assistance to reduce the vulnerability generated by the market forces. They also claim that they retain all the welfare expenditure that it existed in the past. At the same time United Democratic Fronts policy documents favours neo-liberal policies of the Central Government. It also supports for reduction of budget deficit. It is well known that reduction of expenditure leads to reduction in the welfare services. That is, on the basis of the above literature review we assume that LDF and UDF are guided by two opposite ideologies. In 1997, Central Government introduced 'targeted public distribution system'. In 2001 UDF and 2006 LDF government came to power. So, this study is attempted to understand nature of policies public distribution system.

Secondly, the unique feature of Public Distribution System in Kerala is existence of 'Two Tier Public Distribution System'. First tier PDS is rationed articles, allotted by the Central Government, distributed through a network of wholesale and retail shops. Second tier PDS is

state initiative. It is started during 1970s. One of the interesting aspects is that in the functioning of 'public distribution system' in Kerala is that governmental, co-operative and private (private ration dealers) agencies are working. In the era of neoliberalism, International Financial Agencies (mainly IMF and World Bank) is not opposing government spending; they oppose government monopoly in service delivery. Prabhat Patnaik noted that how programmes are implemented and which agency is employed by the government is important. The Neoliberal ideologues like Hayek supported the state expenditure on welfare but against state monopoly in service delivery and financing welfare expenditure via compulsory taxation. Therefore, UDF and LDF prefer which agency is also necessary to understand differences between governments. It is also says that UDF governments always took antagonistic approach towards co-operatives, mostly run by leftist movements and parties.

Thirdly, major merchants association (Kerala Vyapari Ekopana Samiti) is strong pressure group in the United Democratic Front. Majority of merchants come from Indian National Congress and Kerala Congress. But the studies about public distribution system in Kerala are never touched aspects discussed above.

The findings of this study show that there exist difference between the UDF and the LDF Government in formulating policies related Public Distribution System. The LDF Government stands for strong Public Distribution System. At the same time though the UDF governments' were not committed to protect strong Public Distribution System as whole, they protect the interest of authorized ration dealers, a pressure group in Kerala, which is associated with the UDF.