

Of People, Places and People's Places: Human Resources Development and Institutions in the Context of Sustainable Development in Asia and the Pacific

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“This is a struggle for the future – that of ours, and of the fish.”¹

Kerala's Human Development Report (HDR) 2005 pays homage in this manner to Joyachen Antony, the leader of the struggle for socioeconomic rights by the fishing community in Kerala. His dreams of a sustainable management plan for marine wealth that would ensure a higher quality of life for the fishermen have largely been fulfilled today through the fishing community's collective actions and the State's willingness to respond to their discontent (footnote 1).

The economy in Kerala, my home state, is today aiming at constructing a sustainable “virtuous cycle” of economic growth and social development. The vast natural and human resources that Kerala is endowed with and the balance that it seems to have struck between both concerns make it an apt case study on the importance of human resources development and institutions in sustainable development, an area usually dominated by concerns for the environment. The focus of this paper, therefore, is the sustainability of the famed Kerala model of development, where high social development coexists with low economic growth.

Introduction: Sustaining People as well as Places

Since the birth of the concept of sustainable development, it has been linked inextricably to environmental conservation. Equitable intergenerational development must necessarily include people and their participation. A paradigm that allows for active involvement by people guarantees both flexibility and diversity of opinion, which are imperative for long-lasting positive change. To participate, people must have the necessary skills to make choices that are in the best interests of their community.

Governance structures and human resources must be attuned to “equitable economic and social development for all, within culturally acceptable limits and over a sustained time period” (footnote 1). As Kautilya's *Arthashastra*, an ancient text on statecraft, says, “He shall not consider as good only that which pleases him but treat as beneficial to him whatever pleases his subject.”²

Both human resources and institutional structures must be kept technologically able to reflect fast-changing global trends. Sustainable development, as noted in a 1998 report by the Asian Development Bank (ADB), needs systems of governance that guarantee accountability and transparency. Sustainable development achieved through high levels of human resource development and institutional reform results in enhanced capabilities and higher quality output. In other words, healthier, better nourished and well-educated people are more creative and productive.³

Similarly, the attitude towards politics, by both the governed and the governing, must be changed. Politics, in the most comprehensive sense, must address immediate concerns

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¹ Government of Kerala. State Planning Board. 2006. *Kerala Human Development Report 2005*. Available: <http://data.undp.org.in/shdr/kerala/report.pdf>

² Kautilya. 1992. *The Arthashastra*. New Delhi: Penguin Books India.

³ ADB. 1998. *Asian Development Outlook*. Manila.

while also taking a long-term perspective. Taking resource allocation out of the hands of people can result in a situation where a government does not deliver what the people want.

The socioeconomic development of Kerala has long been hailed as a uniquely successful experiment. It shows that less industrialized and urbanized societies may attain the third stage of demographic transition through social development without a proportional rise in per capita income and that this may be sustainable. This phenomenon has been attributed to demographic dividends, emigration and appropriate economic reforms (footnote 1).

Reforms today in Kerala and any similarly positioned region should be directed at enhancing capabilities, i.e., quality instead of quantity. While economic growth forms the material base for social development, unless the opportunities are equitably distributed, the social development is not sustainable.

Education, Human Resources Development and Combating Educated Unemployment

The role of education in the sustainable development of human resources has been accorded a great deal of attention. India's technologically enabled population and service sector have been instrumental in the economy's fast growth rate and education is the single most contributory factor (footnote 1). While the services and manufacturing sectors are directly impacted by higher technological skills, the agricultural sector also derives benefits as shown by the higher levels of yield and efficiency achieved by farmers who have been educated to use modern technologies. Human capital is thus increasingly becoming the most important factor in production (footnote 1).

Educated persons are not only human resources to be employed but also to be used to generate employment. In the Akshaya model of e-literacy employed in Kerala, one person in every family receives training in information and communication technologies (ICT) and further disseminates this knowledge. Information technology enabled services (ITES) kiosks, which provide information on a variety of subjects to rural areas, are turned over to these new entrepreneurs. Malappuram is today India's first e-literate district.⁴ At the other end of the spectrum, higher education has also been given importance. The accent is on affordability and access, or allowing socially and economically backward sections of society to take advantage of opportunities. Education at all levels is available for public consumption.

The paradox of "educated unemployment" that plagues Kerala shows that education is not a stand-alone option for sustainable development. Although Kerala, with its almost 100% literacy rate, has reduced intra-district and gender disparities through high "social" wages and low levels of job creation, a significant number of the well-educated population, from all classes, remain without jobs. Hence an emphasis on vocational training at the higher levels of education is also suggested as a means of making the population more employable. Earner-learner programs and an active encouragement of apprenticeship at schools are other avenues to be explored. In recent times, Kerala's diaspora has also expressed an interest in investing in new industries, which offers hope.

Improving Institutions: Now and For the Future

The centralized, hierarchical structures of governments need to be retained only if found efficient. Increasingly, this is not the case. Power sharing and devolution are necessary for achieving long-term objectives. Sustainable development necessitates that

⁴ Government of Kerala. Department of Information Technology. *Akshaya: Gateway to Opportunities*. Available: <http://210.212.236.212/akshaya/>

governments will provide people with incentives for participating in the decision-making process.

Institutions are often defined as the structures and processes used by individuals and groups to negotiate the rules and norms that guide their own behavior or that of society. The inevitable negative fallout of institutionalization is that it tends to evolve into forms that are rigid, hierarchical and undemocratic. With the importance placed on integrating moral and ethical values, it is not surprising that many of the institutions that have been established to further the cause of sustainable development have had the opposite effect.

In Kerala, the lack of economic infrastructure has been the subject of much criticism. Poor public utilities and inefficient public sector units have drained resources. While Kerala's self-government institutions, including the panchayat, have performed better than those of many other states in India, they have still not managed to escape corruption and undue politicization. On the other hand, self-help group projects such as Kudumbashree, a mission for poverty alleviation, are testimony to creative institutional reform. There are suggestions that the recently enacted National Employment Guarantee Act, which guarantees 100 days of employment for able adults, ought to be integrated into this project, with regard to local specificities. Concern for unemployed women also needs to be kept in mind. Kudumbashree was initiated at the panchayat level in order to ensure peoples' participation and sustainability.

The ADB-assisted Modernizing Government and Fiscal Reform in Kerala Program, while looking at many macro-level issues, also entrusts local self-government bodies with control of public health institutions, water supply and sanitation. ICT is a major component of the plan, which is spread over an implementation period of five years. A proposed Kerala Sustainable Urban Development Project develops on this idea, addressing issues of water supply, solid waste management, roads and transportation across five municipal corporations and 53 municipalities.⁵

Demonstrating Linkages

The *Asian Development Outlook 1998* stated that higher education in middle-income Asian developing countries should be the focus of human resource development efforts, enabling them to generate and manage new technologies. For the lowest income countries, investments in primary education were suggested as a starting point. The report also suggested that there be greater orientation towards scientific, technical, and applied fields such as business and management. These economies, however, are plagued by a lack of both funds needed to keep up with fast-changing technology and infrastructure requirements and well-qualified faculty. Public-private partnerships should be particularly encouraged, hence signaling institutional reform (footnote 3). Education, in any case, should be the starting block, although the levels to be focused on depend on regional factors.

The following factors need to be kept in mind while drawing together various links to construct our "seamless web" of sustainable development. First, globalization is constantly challenging the technological and cultural limits of "progress." Learning from and contributing to an international community is bound to be different from regulating human resources and their role in institutions within a country or a region. Second, politicization, with its challenging of the "mainstream" and deconstruction of development discourses to include a variety of agendas and identities, is important in managing policies that cater to all. The need for flexibility in institutional reform is reiterated. Third, privatization, with efficiency and profit maximization as its leitmotif, erodes the traditional welfare function of the State. This needs

⁵ ADB. 2003. *Technical Assistance for Modernizing Government and Fiscal Reform in Kerala*. Manila. Available: <http://www.adb.org/Projects/project.asp?id=31328>

to be reflected in the required skill sets and frameworks. Finally, the interdependence of such institutions and interests ought to be recognized and celebrated. For example, a human resources oriented policy ought to take into account education, health, and gender justice as well as institutional reform, including revamped legal frameworks.

The formulation of a regional response would apply existing strengths and experiences to new challenges. Homogenization could be avoided by keeping the intra-regional diversity and cultural differentials in mind at all times. Communication channels should be kept open at all times. The information barrier ought to be dismantled, using official routes as well as active civil society interactions.

Conclusion: Extending the Kerala Model

In the final analysis, regional or otherwise, any sort of reform is not just for abstract entities mentioned in policy documents or international conventions. Rather, it is for real people, with real problems waiting to be solved.

The HDR 2005 suggests a four-pronged approach for sustainable development in Kerala. First, there is the need to concentrate on “non-traded goods” or those that cannot be manufactured or value-added elsewhere. For example, in Kerala, backwater tourism, *ayurveda* and ritualistic performing arts such as *kalaripayattu* and *mohiniyattam* are non-traded goods, because of their geographical specificity (footnote 1). Providing vocational education in these sectors could reap rich dividends. Eco-tourism, which allows local communities to participate in the tourism industry, as set up in Thenmala in Kerala, is another interesting example. Second, Kerala needs to take the “high road” to development by enhancing technological capabilities (footnote 1). Kerala has upped the ante by providing quality higher education, with an accent on technical subjects. Third, maximum forward and backward linkages in every activity must be ensured (footnote 1). For example, the growth of *ayurveda*-based products could have an impact on the growth of the education industry, general employment levels, tourism, transport, and so on. Successful examples that demonstrate these linkages include the Akshaya Model, the school level e-learning program called IT@School, the public services electronic delivery system known as FRIENDS, and computerized linking of local self government. Lastly, while focusing on a long run strategy, short term needs must be addressed. For example, while the positive fallouts of the International Container Port to be built at Vizhinjam are not denied, the displacement of people and the impact on the fishing industry should not be ignored. There ought to be a parallel “processing” of concerns.

The importance of building social infrastructure concurrently with economic infrastructure cannot be undermined. Systems of governance ought to employ people and places creatively and efficiently to ensure that future generations will benefit. The Kerala model, adapted to local and cultural specificities, is an inspiration for balanced growth. All over Asia, there are similar regions with similar problems that merit the same “efficiency with equity” model. Sustainable development today requires sustained interest – in people and people’s places.