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The self-critical reviews in face of this meeting of the state of Kerala's democratic and participatory decentralisation are impressive, but we must not lose sight of the fact that the fundamentals remain promising. In wider comparative perspective, they are remarkable and a lot of potentials are still there.

In particular, there are two historical aspects that I would like to emphasise. The first is that the efforts at democratic participatory decentralisation were to alter state- and party-political centralism by promoting citizen engagement and cooperation *within a democratic framework* – in contrast to the elsewhere predominant self-empowerment and polycentric civil society activities in the framework of neoliberal markets and new public management. Kerala's decentralisation is up against several challenges, but it remains a *democratic framework* for improvements.

The second aspect is on the level of production. The decentralisation that emphasised participation and mobilisation was also to follow up on certain unresolved issues from the land reform. One idea was to open-up for social contracts to promote production. This has not really materialised, but parts of the framework for such attempts remains and may be improved and supplemented. The potential was proved by the coordination that panchayats could provide in the periods of severe floods and during the pandemic. Additional state support was certainly crucial, but local coordination and participation was fundamental. Possibly, Kerala thus did best in India, it was among the best in South and Southeast Asia, and in many ways it did better than my own country, Sweden (where I live while commuting to Norway).

Kerala's new knowledge based development strategy is now particularly crucial to nourish the potential of developing production at the local level. For example by providing active training of people, including unemployed educated youth, and to link them to the wider economy. The combination of participatory local governance and the additional resources and dynamics of the knowledge-based development strategy is promising. If successful, the combination provides an alternative to the conservative nationalist populism that is so important and dominant in India at large as well as around the world – as well to the gen Z generation of youth who elsewhere engage in riots when feeling robbed of their future and do not have a say.

As already indicated, there are also several challenges. It seems to me that there is still insufficient mobilisation in the public sphere on the district level and in the cities. This is crucial to extend the links between the local and the overall development perspective in Kerala. A related matter is that there has been more devolution of funds than local taxation and resource mobilisation. In the Scandinavian context for instance, the local authorities right to tax people is fundamental for the dynamics of local trust and engagement of people and resources. As is apparent from your self-critical reviews there are also numerous problems of governance and administration. The regulations are too complicated and need to be streamlined and made more outcome oriented.

The problems of participation and mobilisation of people in the context of governance are particularly worrying in view of the risks of falling into similar traps as in South Africa, where powerful people and movements and parties have paralysed much of democratic participation and mobilisation on the local level. Kerala might also wish to consider that even the well-developed participatory budgeting in Brazil was not really connected with the other levels of governance. The local activists could not really resist and correct the increasing corruption that took place on especially the central level from 2012 and onwards. Hence, the left oriented regime during that period was resisted by huge amounts of frustrated people and replaced by the rightist regime of Jair Bolsonaro. So now that Lula's centre-left government is back in office, there are exciting attempts at linking local, regional and central level participation.

Then there is again the problem of production. Obviously, there is a need for more investments. KIIFB was a very impressive and innovative attempt to solve this without opening for private interests in short term profits. Predictably it was thus resisted by the central level authorities and there must be alternative solutions.

As Prof. K. K. George emphasised, many years ago, it is essential to link local economic development and initiatives to the outside economy. Local action and democratic participation are important, but localisation is insufficient. In addition, there have been more planning of public resources than growth pacts with all the relevant partners involved. These are basic problems given the aim of nourishing sustainable production. And they call for coordination of local and state-level public action, as well as representation of the crucial actors involved. Addressing these issues have been fundamental to the successes in other contexts, from the Nordic countries to China and Singapore. But Kerala is of course not Singapore or China. And it may also not wish to be, giving that authoritarian governance has been fundamental to their successes. So there is only one option – to develop public spaces and democratic governance.

Given the experiences in other contexts as well as the restrictions by the Central Government of India regarding taxation and lending for productive investments, Kerala progressives themselves need to engage more directly on the level of production. I am of course not suggesting state ownership or huge cooperatives or something like that, but I think that just like KIIFB lent finance and then decided on what should be done, something similar can be done by companies owned and run by the workers and professionals themselves. This may be facilitated in combination with the idea of social growth pacts. Though the old model should now be expanded from contracts between capital and organised labour to broader partnership governance, including self-managed companies, in the context of mission-driven development strategies, the aims of which are democratically decided by equal citizens.

This is not new. Something similar evolved in one of the most impressive processes that I have observed and studied, namely from 1994 to 1996 in Kerala. At that time numerous actors had for several years tried out various projects and formulated policy proposals which were brought together in a huge conference – the outcome of which contributed to electoral advances and put pressure on the politicians to enable the people's planning campaign. So something similar can be done, and I think we should try to revisit those experiences as well as to discuss the new international ideas about mission-based development strategies with the participation of all relevant partners.