Introduction

I met a Sculptor in your land.
He carved heads in stone.
A small head had enormous round
eyes and almost no face.
That is poverty, he said.

Rama Krishnan Jaina
(Indian poet)

Three decades of planned economic development have failed to improve the living conditions of India’s poor. This persistence of poverty is clearly manifest in the continuance of low per capita income. It is nevertheless clear by now that higher growth rates, and therefore higher per capita income, are not sufficient to improve the lot of the poor. New wealth has not “trickled down.” The solutions to the problem of India’s poverty will thus not emerge from higher rates of economic growth alone; if they emerge at all, they are likely to involve conscious state intervention aimed at reconciling growth with distribution. The analytical issue this raises goes beyond the often-discussed question of suitable development strategies. The more fundamental issue concerns the role of public authorities in economic development: what type of regimes are most likely to pursue a successful redistributive strategy aimed at alleviating the worst of India’s poverty?

This volume is a study of redistributive intervention in a developing society. The impact of authority structures and regime types on patterns of socio-economic development has not received the scholarly attention it deserves. An earlier generation of development scholars tended to investigate political phenomena in isolation from their economic context. The study of poverty, for example, would rarely have been considered a legitimate area of enquiry for a political scientist in the 1960s. The more recent neo-Marxist scholarship, by contrast, tends to reduce political analysis to economic forces. Scholars in the so-called dependency perspective would seldom be attracted to analyze the state’s redistributive role within capitalist development. Important exceptions to these dominant analytical tendencies have recently emerged.1 Systematic

1. The relevant bodies of literature are reviewed in greater detail in Chapter 1 below. For one of the many cases arguing the need to synthesize the study of political and economic variables in developmental context, see James Coleman, “The resurrection of political economy,” in Norman Uphoff and Warren F. Iichman (eds., The political
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analysis of the state’s role in economic development has, however, only begun.

This study was designed to contribute to this emerging trend. To avoid the analytical pitfalls of both the modernization and neo-Marxist perspectives, and to follow the lead of others, I have adopted an alternative standpoint: the state’s developmental role in the capitalist Third World is important and involves elements of both choice and constraint. Under what conditions is a Third World regime likely to possess a degree of autonomy from social constraints so as to facilitate economic gains for the lower classes? I hope to contribute to an understanding of this general question by analyzing empirical materials from one significant case, namely, the case of India.

The State and Poverty in India

The study of the state’s role in India’s poverty problems is significant for several reasons. First and foremost is the continuing magnitude of the Indian problem: over 200 million people in that nation are living in conditions of abject poverty. In spite of three decades of democratically-guided economic development, the living conditions of a large mass of humanity have not improved. Why? And, more important, under what conditions is India’s poverty likely to be alleviated? Discussions of these issues have in the past tended to adhere to one of two positions: (1) that poverty will only be alleviated in the long run as national wealth grows or


(2) that revolutionary change will remain a prerequisite for meaningful redistribution. The more sophisticated policy-oriented literature, proposing “policy packages” to alleviate poverty,\(^3\) has often suffered from political naivete based on the belief that failure to adopt appropriate policies can be blamed on the absence of “political will,” as if leaders were free to bring about anything they wished. The alternative line of analysis pursued here focuses on the conditions that broaden the state’s reformist scope within a democratic-capitalist model of development. Systematic analysis of this issue requires a focus on the state and societal interactions in the process of planned capitalist development.

It is important to note at the outset that a judgement of India’s poverty as a significant problem is not merely an imposed scholarly judgement on observed phenomena. Poverty has long been considered a significant political issue within India. Gandhi and Nehru, for example, were, at least ideologically, always committed to the cause of the poor. Indira Gandhi also made *garibi hatao* (“eradicate poverty”) a central slogan in her mobilization strategy. India’s Planning Commission, as well as several international organizations that are in a position to influence India’s policy thinking, have of late tended to treat poverty as a basic problem. The recognition that there is considerable, stubborn poverty in the country and that this requires state intervention is thus part and parcel of contemporary India’s political idiom.

A focus on the state’s role in Indian poverty problems is made still more meaningful by the fact that the country’s leadership has utilized the state machinery to affect the living conditions of the rural poor. Land reforms, for example, have been continuously on India’s political agenda. India’s regime authorities also took a series of steps in the 1970s to involve the poor peasants in the “green revolution,” and to improve employment and wage conditions for the landless agricultural laborers. An investigation of regime efforts in these three policy areas — land reforms, attempts to include the smaller farmers in the process of economic growth, and wage and employment schemes for the landless — provide empirical materials for analyzing the distributive role of the Indian state.

The federal nature of the Indian polity allows for a disaggregated and comparative analysis within India. Below the federal government, the state (or provincial) governments in India play a significant role in the for-

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\(^3\) Two examples of this are Chenery *et al.*, *Redistribution with growth*; and the World Bank, *The assault on world poverty: problems of rural development, education and health* (The Johns Hopkins University Press: Baltimore, 1975). To be fair, there was some attempt made in this policy literature to take account of political variables. For example, see C. L. G. Bell, “The political framework,” in Chenery *et al.*, *Redistribution with growth*. 

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mulation and the execution of agrarian policies. Variations in the nature of political rule at the state level can lead to differential effectiveness in the pursuit of anti-poverty programs. A comparative political analysis of Indian states, which are often governed by different political parties, allows one to isolate the significance of regime type in the alleviation of rural poverty from "above." I investigate the distributive attempts of three different regimes within India: the Communist Party of India, Marxist (CPM) regime in West Bengal (1977-83); the Congress (I) government under Devraj Urs in Karnataka (1974-80); and the Janata party rule in Uttar Pradesh (1977-80).

These three states — West Bengal, Karnataka, and Uttar Pradesh — provide some similarities and some differences regarding regime ideology and organization on the one hand, and the effectiveness of the anti-poverty programs on the other. With populations of approximately 45, 30, and 90 million respectively, these Indian states could easily be viewed as some of the larger Third World countries. This is not to suggest that these units are comparable to three sovereign nations. They are rather three states within a federal unit. They nevertheless approximate to the ceteris paribus assumption often made, and necessary for comparative studies, better than most independent countries. Ruled by different political parties within a federal polity, they provide a unique opportunity to raise and answer the following comparative question: what difference does the varying pattern of political rule, within more or less similar social-structural conditions, make for the effectiveness of redistributive policies? Can one type of regime pursue, i.e., legislate and implement, such anti-poverty programs as land reforms, small-farmer schemes, or wage- and employment-generation projects for the landless more effectively than other types of regimes? If so, what are the defining features of these regimes and what accounts for their relative success?

This, then, is a study of state intervention for alleviating the poverty of India's lower rural classes. The role of the Indian central government as well as that of the provincial governments in West Bengal, Karnataka, and Uttar Pradesh have been investigated comparatively in three policy areas: land reforms, support of small farmers, and attempts to improve the wage and employment prospects of the landless. The study is designed not only as an investigation of political performance, but also as an explication of the planned redistributive role of varying regimes within the context of societal constraints.

All political attempts to improve lower-class economic conditions affect the distribution of valued social goods. From an analytical standpoint, therefore, the study of the Indian state's redistributive intervention directs attention to theoretical issues concerning the relationship
of authority structures to society. Given a constitutional, democratic regime and an economy based on private ownership of the means of production, how much autonomy do regime authorities possess for deliberate redistribution? Through what mechanisms do social groups enforce the pursuit of specific public policies, and what explains the variation in regime autonomy from the dominant classes? Can political authorities utilize the machinery of a democratic regime to counteract the vested social interests so as to reform the social order? If so, to what extent and under what political and organizational conditions? If not, why not, and again under what conditions? The empirical investigation of the distributive role of the Indian state then allows one to shed some light on the more general contemporary debates concerning state autonomy, or the interaction of politics and class force in the process of societal change.4

The Study

The empirical materials for this study were collected mainly during two field trips to India in 1978-9, and 1981. It will become clear in due course that West Bengal materials are crucial for this study. As a consequence,

4. The general issue of the relationship of democratic political power and social classes has of late been addressed primarily by the scholars in the Marxist tradition. For example, see Nicos Poulantzas, State, power and socialism (Shocken Books: New York, 1980); and Claus Offe, "Political authority and class structure," International Journal of Sociology, 2, 1 (1972), 73-108. Among non-Marxist scholars, the same set of issues concerning the prospect of reducing social inequalities by the use of the power of a democratic state has been recently readdressed and reassessed in Robert Dahl, "Pluralism revisited," Comparative Politics, 10, 2 (January 1978), 191-203. Dahl now seems to be in agreement (see p. 199) with the Marxist scholars, at least on the conclusion, that such prospects are not very bright. In empirically oriented studies, however, the debate over the prospects of social reform in a democracy continues to arrive at varying conclusions. For a recent review of this literature, see Jose M. Maravall, "The limits of reformism," British Journal of Sociology, 30, 3 (September 1979), 267-90. Other studies that address similar issues, primarily in the Third World context, include the classic discussion on "reform mongering" by Albert Hirschman, Journeys toward progress: studies of economic policy-making in Latin America (Twentieth Century Fund: New York, 1963), pp. 251-98. For an analysis of the cases of individual countries around this theme, see Brian Loveman, Chile: the legacy of Hispanic capitalism (Oxford University Press: New York, 1979); Stepan, The state and society, ch. 5; Nora Hamilton, The limits of state autonomy: post-revolutionary Mexico (Princeton University Press: Princeton, New Jersey, 1982); John Waterbury, The Egypt of Nasser and Sadat: the political economy of two regimes (Princeton University Press: Princeton, New Jersey, 1983); and Jyotindra Das Gupta, Authority, priority, and human development (Oxford University Press: New Delhi, 1981). This, of course, is only a sampling of the more recent literature. The question "is there a democratic road to socialism?" however the word socialism is interpreted, is as old as Marx and historically includes vociferous debates among such thinkers as Kautsky, Bernstein, Lenin, Luxembourg, Gramsci, and Oscar Lange. For an analysis of some aspects of these debates, see Peter Gay, The dilemma of democratic socialism, 1st edn. (Collier Books: New York, 1962).
West Bengal received greater research attention than the other areas. Research efforts were then more or less equally divided between New Delhi, Karnataka, and U.P. Aside from the use of such printed materials as government documents (published and unpublished) and newspapers (in English as well as in the vernacular), information was collected mainly through structured and unstructured interviews with the relevant members of both the state and civil society. Those interviewed included political leaders, government bureaucrats, intellectuals, social workers, and common citizens — rich and poor — who are likely to be affected directly by these efforts. Additionally, a formal survey aimed at assessing the impact of governmental programs was carried out in West Bengal in 1983, and a trip in the summer of 1984 facilitated a few important interviews in U.P.

During the fieldwork, I was often uncomfortably conscious of the gap between my eclectic research methods and the sequence suggested by textbooks: generate theory, derive hypothesis, specify research methods, collect data, and present conclusions. This sequence may be useful for testing ideas, but I found it far too constricting for discovering the “why” and “how” of a relatively unexplored intellectual terrain. While the research and conclusions are thus presented here in their textbook version, that is not how I arrived at them. The method of presentation has been easy to reorganize. How I actually arrived upon the “story” was far more haphazard and complex. I sympathize with Peter Evans when he finds much in common between his “messy and eclectic” research style and the methods of Dashiel Hammett’s “Continental Op.”

What he soon discovers is that the “reality” that anyone involved will swear to is in fact itself a construction, a fabrication, a fiction, a faked and alternate reality — and that it has been gotten together long before he arrived on the scene. And the Op’s work therefore is to deconstruct, decompose, deploitation and defictionalize that “reality” and to construct or reconstruct out of it a true fiction, i.e., an account of what “really” happened... What one both begins and ends with, then, is a story, a narrative, a coherent yet questionable account of the world.5

This is not to suggest that the “story” or the argument presented here is not supported with evidence, or that the evidence is not reproducible. Rather, it is to suggest that the method of discovering an argument is not nearly as precise as its presentation may suggest.

The poverty of Indian villages touched me deeply. Therefore, a question repeatedly arose during this research on poverty: who is to blame? This normative question is of considerable consequence, because it

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affects one’s analytical disposition, and it is easier raised than answered. As a result of a research technique using extended interviews, there was a sense of empathy for those being interviewed; it was hard not to conclude that there are few culprits in societies. The villains and the heroes, the exploiters and the exploited, all have their social roles and apparently understandable reasons for doing what they do. If the motivations of social actors are understood, sooner or later their actions appear to be legitimate. Yet patterned social actions, under the Indian conditions at least, cumulatively tend to perpetuate privileged life-styles for some, while relegating many to the bottom of the socio-economic ladder, beholden for the crumbs of valued societal goods. This gap between focusing on the motivations behind social actions on the one hand, and assessing seemingly objective reality against cherished values on the other, posed a constant dilemma for the interpretation of collected information.

As a methodological orientation, I decided that the consequences of social action are more important than the motivations behind them. My reasoning in reaching this conclusion — though considerable misgivings remain — was as follows: even the worst of social evils is committed while societal actors have convinced themselves of their own virtues in the light of some value system. Accordingly, motivations are a poor guide for assessing actions. The judgements — which become a part of analysis whether one holds given social arrangements to be desirable, merely understandable, or reprehensible — are better derived from the consequences of patterned actions than from the motivations behind actions. Given this intellectual position, and given an attachment to liberal values, the systematic perpetuation of poverty for over 200 million people raises serious questions about the adequacy of India’s political–economic development.

The research sites within India were chosen in a controlled manner with the aim of getting some degree of representation into the sample of a one-man survey team. The three states were chosen because they represent a continuum of maximum to minimum governmental efforts in mitigating rural poverty: the two extremes are the Communist government of West Bengal, representing the maximum effort, and the Janata government in U.P., representing the minimum effort. Karnataka under Devraj Urs falls between these two on the continuum. Within each state, districts, blocks, and villages were chosen in a similar manner so as to capture aspects of variation of which there was some prior knowledge. In each area the attempt was to travel the length — from the center to the periphery — of those political institutions which are utilized by political authorities to intervene on behalf of the poor. In some parts of the country, these were primarily political parties; in others, the established
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bureaucracy; and in yet others, ad hoc arrangements designed specifically for individual tasks. The focus was as much on the patterns of interaction between social forces and political institutions as it was on the institutional design. The intellectual aim of the investigation was to compare and isolate the conditions under which political intervention on behalf of the poor was likely to be successful.

The Argument

If questions concerning the efficacy of differing regimes for redistributive capitalist development are at the core of this study, a summary of the overall argument that has emerged with reference to India can be outlined.

The failure to mitigate even the worst of India’s poverty is a consequence of the institutionalized patterns of domination within India. Over the last three decades India has been ruled by an alliance of a nationalist political elite with entrepreneurial classes capable of stimulating economic growth. The nationalist political elite have wielded power through a dominant party in control of a democratic regime. This regime has not had the political or the organizational capacity to implement redistributive goals. This failure to pursue the regime’s own professed goals is best understood as a type of regime weakness, because it represents the failure to make the state’s legitimate authority binding. The political features which contribute to regime weakness will be discussed in due course. As coercion and economic incentives are two important resources available to all regimes for facilitating socio-economic development, a regime incapable of imposing authority typically provides economic incentives to propertied groups to buttress its own political support and at the same time to stimulate productive activities. Favorable economic incentives provided by the state have thus become the basis of the ruling alliance between political authorities and the more dynamic, propertied classes within India.

The resulting pattern of development has generated moderate economic growth, but very little distribution of this growth. Profits have accrued to a small minority in the industrial and agricultural sectors, upper-middle classes and professionals have benefited from association with an expanding state, and labor absorption in the economy has not been very significant. These conditions, combined with population growth, have led to an undramatic conclusion: the poverty problem has continued unabated. Economic growth and democratic arrangements have buttressed the legitimacy of political authorities, while providing economic rewards to the upper and the upper-middle classes. Social
groups left out of this arrangement — as much as half of India’s population — have mostly remained unmobilized and have therefore not posed a significant political threat. To the extent that the excluded groups have opposed the dominant alliance, they have been confronted with one or more of the three available strategies: rhetorical promises, some genuine concessions, and repressive exclusion from politics.

Given these broad trends, has there been and does there remain any scope for political intervention on behalf of the poor? An alliance of a nationalist elite with the entrepreneurial classes as a basis of development does not automatically preclude redistributive concessions. While the balance here is clearly in favor of the propertied classes, lower-class gains remain a function of the pattern of state intervention in the economy. The pattern of state intervention is, in turn, largely determined by the ideology, organization, and class basis of the regime that controls state power. As the ideology, organization, and pattern of class alliances underlying a regime can vary within a democratic–capitalist model of development, so can regime capacities to facilitate lower-class redistributive gains. The Congress-dominated democratic regime in India has been short on redistributive capacities. Does this suggest that the democratic–capitalist model itself is responsible, or are the redistributive failures rooted in the more specific patterns of Congress–propertied class alliance? The empirical materials presented here tread a line between these two positions, taking the constraints of democratic capitalism seriously, and yet delineating the element of choice facilitated by regime types.

The range of redistributive choices available within the constraints of democratic capitalism are delineated here through a comparative analysis of regional materials from within India. West Bengal, ruled by a party that is communist in name and organization but “social democratic” in ideology and practice, highlights the redistributive possibilities within India’s contemporary democracy and capitalism. The communist government of West Bengal has undertaken some successful reforms aimed at altering the socio-economic conditions of the rural poor, especially the sharecroppers. If sustained, these efforts promise to have a significant long-term impact on the living conditions of the lower agrarian groups in Bengal. In Karnataka, by comparison, the Congress (I) government under Devraj Urs was able to bring about some changes affecting the conditions, not of generalized poverty or of a specific “target group” as a whole, but of select lower groups, especially some tenant farmers. The short experience of the Janata government in Uttar Pradesh, however, stands in a marked contrast to both of these cases and probably represents the general tendency of other Indian states more accurately than either West Bengal or Karnataka. It represents probably the worst of democ-
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racy and emerging capitalism within a factionalized, hierarchical, low-income society. Here the guidelines of the central government for redistributive programs were ignored; few, if any, autonomous redistributive actions were initiated by the provincial government; and a case could be made that there was an attempt by the political authorities to consciously deny the existence of massive poverty as a political problem.

The three Indian states, then, highlight a small but significant range of redistributive options possible within similar social-structural constraints. The core task of this study is to explain the conditions which maximize these small but significant redistributive possibilities. If deliberate alleviation of poverty within a democratic-capitalist developmental model is a valued goal, it is precisely the small gains that are of consequence. These are the only types of gains that are likely to be achieved in India. What at one point in time appears to be merely a small redistributive gain can, if sustained, accumulate to bring about significant improvements in lower-class living conditions.

Variations in regional distributive outcomes, it is argued here, are a function of the regime controlling political power. Regime type, in turn — at least in the case of India — closely reflects the nature of the ruling political party. The ideology, organization, and class alliances underlying a party-dominated regime are then of considerable consequence for the redistributive performance of that regime.

More specifically, comparative research here leads to the conclusion that, under the conditions of the Indian political economy — electoral-constitutional rule and a private-enterprise economy — a regime capable of introducing elements of redistribution into the developmental process tends to display the following characteristics: a coherent leadership; an ideological and organizational commitment to exclude the propertied interests from direct participation in the process of governance; a pragmatic attitude toward facilitating a non-threatening as well as a predictable political atmosphere for the propertied, entrepreneurial classes; and an organizational arrangement that is simultaneously centralized and decentralized.

The communist government of West Bengal, more social–democratic than communist in practice, possesses most of these attributes. This pattern of rule results from the existence of a relatively well institutionalized, dominant political party, and it is here that impressive beginnings have been made towards eradicating rural poverty. The Urs regime in Karnataka possessed some of the attributes but was lacking in two important dimensions: in direct governance, it was closely linked to many of the propertied interests in the area; and, organizationally, its redistributive capacities were dependent on ad hoc arrangements. The consequence