India has one of the fastest-growing economies on earth. Over the past three decades, socialism has been replaced by pro-business policies as the way forward. And yet, in this “new” India, grinding poverty is still a feature of everyday life. Some 450 million people subsist on less than $1.25 per day, and nearly half of India’s children are malnourished. In his latest book, Atul Kohli, a seasoned scholar of Indian politics and economics, blames this discrepancy on the narrow nature of the ruling alliance in India that, in its newfound relationship with business, has prioritized economic growth over all other social and political considerations. In fact, according to Kohli, the resulting inequality has limited the impact of growth on poverty alleviation, and the exclusion of such a significant proportion of Indians from the fruits of rapid economic growth is in turn creating an array of new political problems. This thoughtful and challenging book affords an alternative vision of India’s rise in the world that its democratic rulers will be forced to come to grips with in the years ahead.

Atul Kohli is the David K. E. Bruce Professor of International Affairs and a Professor of Politics at Princeton University. He has edited and authored numerous books including *The State and Poverty in India* (1987), *Democracy and Discontent: India’s Growing Crisis of Governability* (1991), and *State-Directed Development: Political Power and Industrialization in the Global Periphery* (2004).
Poverty Amid Plenty in the New India

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For
Tara
Contents

List of Tables and Figures ix
Preface and Acknowledgments xi

Introduction 1

1 Political Change: Illusions of Inclusion 19
   I. Background 19
   II. Pro-Business Tilt 27
   III. Managing a Narrow Ruling Alliance 59
   IV. Conclusion 76

2 State and Economy: Want Amid Plenty 79
   I. Background 80
   II. Policies and Economic Growth 92
   III. The State and Distribution 121
   IV. Conclusion 142

3 Regional Diversity: To Him Who Hath 144
   I. Overview 146
   II. Neo-patrimonialism in India: Uttar Pradesh 160
   III. Developmental Tendencies at the Helm: Gujarat 179
   IV. Social-Democratic Politics in Command: West Bengal 192
   V. Conclusion 209
   Conclusion 212

References 229
Index 241
Tables and Figures

TABLES

2.1 Basic Growth Data, 1950–2008  
2.2 Patterns of Capital Formation by Sector, 1970–2008  
3.1 Selected Indicators of Major Indian States  
3.2 Some Developmental Indicators of Uttar Pradesh in a Comparative Perspective  
3.3 Some Developmental Indicators of Gujarat in a Comparative Perspective  
3.4 Some Developmental Indicators of West Bengal in a Comparative Perspective  

FIGURES

1.2 Gross Capital Formation by Sector, 1970–2009  
1.3 Share of Private Capital in Total Capital of All Companies, 1957–2010  
2.1 Gross Domestic Product of India, 1950–2010  
2.2 Industrial Growth in India, 1950–2010  
3.1 Per Capita Income of States, 2006–7  
3.2 Per Capita Income and Poverty in States  
3.3 Per Capita Income and Growth in States  
3.4 Capacity to Reduce Poverty in States, 1960–2008  
3.5 Decline in Poverty in States, 1983–2005
### Tables and Figures

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6</td>
<td>Public Expenditure and Economic Growth in Uttar Pradesh, 1951–2005</td>
<td>170</td>
</tr>
<tr>
<td>3.7</td>
<td>Economic Growth and Public Expenditure in Uttar Pradesh, 1951–2005</td>
<td>171</td>
</tr>
</tbody>
</table>
Preface and Acknowledgments

Over the last three decades India’s has been among the world’s fastest-growing economies. And yet poverty in India has come down only slowly, leaving some 450 million Indians to subsist on less than $1.25 per day; in addition, nearly half of India’s children continue to be malnourished. In the pages that follow I analyze both the political origins of this pattern of development, on the one hand, and how the resulting social context of poverty amid plenty is molding Indian politics, on the other. The argument is that, over the last three decades, the Indian state has prioritized economic growth as a goal and established a partnership with Indian business groups in order to achieve this growth. This pro-business ruling alliance has facilitated both rapid economic growth and widening economic inequality. Growing inequality along rural-urban, regional, and class lines has limited the impact of growth on poverty alleviation. A state with its primary focus on growth has also pursued a variety of social programs only half-heartedly. The exclusion of a significant proportion of Indians from the fruits of rapid economic growth is in turn creating a host of new political problems for India’s democratic rulers, ranging from how to win the electoral support of the many while facilitating gains for the few, to insurrection by dissatisfied groups, to farmer suicides; the ambitions of India’s political class for India to be a global player also suffer. The book suggests that inclusive growth in India is not likely either via pure market-oriented solutions or as a result of an active civil society. Although these will be ingredients of a longer-term inclusive pattern of change, state intervention will remain critical for facilitating inclusive growth in the short to medium term. Given the inadequacies of
the Indian state, however, prior political and bureaucratic changes remain necessary for facilitating inclusive growth in the near future.

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Preface and Acknowledgments

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