

Democracy and the Persistence of Inequalities*

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Abstract

Democratisation in former colonial states has been inconsistent and erratic. India's success in building a vibrant democracy remains unequalled in the post-colonial world. Indian democracy has endured and has been widely admired, not the least because it is one of the poorest countries in the world in terms of per capita income or it is the world's largest liberal democracy. Indian democracy has succeeded against considerable odds: low income, widespread poverty, and illiteracy. Disparities remain widespread; in fact, there was evidence of widening inequalities since the introduction of economic reforms in the early 1990s along a variety of dimensions: rural-urban, region, class and community. The overall failures are manifest in areas such as employment, public education, public health, and the provision and maintenance of public services. This article examines India's democratic experience and how it responded to the challenges of inequality. It does not offer a comprehensive account or stocktaking of India's democratic experience and its impact on inequalities or the broader relationship between democracy and development. More specifically, it examines the interface between politics and equality, and attempts to situate social and economic inequalities and the process of development in the context of the transformation that has taken place in the past two decades, to explore the interaction between the two processes and assess its impact on inequalities. While discussing the relationship between democracy and inequalities, the focus is on state capacity or what has been done to reduce inequalities and poverty while also paying attention to how inequalities influence Indian politics and how the latter impacts the struggle against inequalities. It raises the broader question of how such dramatic inequalities could persist in a democracy in which voters create pressure for improved outcomes. How do we explain the persistent gap between the outcomes that people expect and the government's capacity to improve their well-being?

* Written text of Gijubhai Badheka Third Memorial lecture delivered on March 25, 2011 at Asian College of Journalism, Chennai by Prof. Zoya Hasan

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The success of India's democracy has evoked much interest not the least because India is one of the poorest countries in the world in terms of per capita income or perhaps it is the world's largest liberal democracy. Indians aren't alone in celebrating their success story scripted by marrying political freedom with economic progress. New Western accounts speak glowingly about a rising India which can counterbalance China.¹ India is indeed rising for the aspiring as well as already privileged classes and their inordinate longing for wealth and fame, and their ambition for recognition of India as a Great Power. On the other side, there are huge inequalities of income, wealth, consumption, access to education, health care and dignified employment. This raises the broader question: how such dramatic inequalities could persist in a democracy in which voters create pressure for improved outcomes. The larger issue is the relationship between democracy and development. In India, the two can be seen as functionally related, that is each process supports the other.² The logic of democracy and development are not seen to be asymmetric. But how do we explain the persistent gap between the outcomes that people expect and the government's capacity to improve their well-being?

What follows is not a comprehensive account or stocktaking of India's democratic experience and its impact on inequalities or the broader relationship between democracy and development or democracy and equality. The paper attempts to situate social and economic inequalities and the process

of development in the context of the transformation that has taken place in India in the past two decades and to explore the interaction between the two processes since the early 1990s. While discussing the issue of democracy and inequalities, the focus is mainly on the state's capacity to reduce inequalities and poverty while also paying attention to how inequalities influence Indian politics.

India remains by far the largest democracy in the world, with almost 600 million voters, larger than the electorates of Japan, Western Europe and North America combined. India's success in building and consolidating a vibrant democracy remains unequalled in the post-colonial world.³ Democracy has not only survived, but has thrived and been institutionalised. The democratic process has deepened, drawing historically disadvantaged groups into the political system. This has ensured that the political actors do not come only from the traditional upper-caste social elite although they continue to have a disproportionate presence in public institutions and influence over policy-making.⁴

The key to the success of India's democracy lies in its political inclusiveness. It is one of the few countries in the developing world that took up the challenge of building an inclusive democracy in a diverse, multilingual and multi-religious society. It is a democracy whose Constitution has given primacy to social equality and justice as a cardinal principle of governance. The freedom struggle and the social reform movements prepared some of the ground for social equality,

in the sense that they delegitimised the most egregious forms of oppression that characterised the Hindu society. However improbable it might have seemed in 1950, the trend towards greater social equality is unmistakable.

The effort to pursue equality has been made at two levels. At one level was the constitutional effort to change the very structure of social relations. Practising caste and untouchability was made illegal. Allowing religious considerations to influence state activities was not permitted. At the second level was the effort to bring about economic equality. But in this endeavour the right to property and class inequality was not seriously curbed. Moreover, the placement of the demands for economic equality into the Directive Principles of State Policy indicated clearly that the political elite did not conceive of serious intervention to check economic inequality. Nevertheless, a discourse of economic uplift was part of the process of development and legitimisation of the postcolonial state. But this discourse did not translate into a consensus on active state intervention to bring about greater equality, except the abolition of intermediary rights in the rural sector. Thus, the references to economic equality in the Constitution, in the Courts or political platforms remained basically rhetorical. Besides, in the legal and the political arenas, much of the constitutional and state efforts were directed against social inequality and not against poverty. Disadvantage and lack of opportunities is seen as unjust treatment of whole communities like lower castes, religious

minorities and tribal communities which in time become actors and agents against social inequality. If poverty is defined as deprivation/inequality the resentments expressed through democratic mobilisation are not always against poverty per se, but against social injustice and political exclusion. Modern Indian politics has not witnessed a struggle against poverty but against historical disadvantage. People who participate in such mobilisation are poor, but the basis and self-identification for their participation and action is not poverty, but social discrimination. Hence, the focus has been on caste-based injustice rather than against poverty in a universal sense. People are acutely conscious of their own deprivation but completely indifferent towards parallel situations and demands emanating from others who may be equally poor and disadvantaged.

The first two decades of democracy were elite dominated, with low levels of participation, competition, and high levels of centralisation and regional disparities. The next two decades were more competitive, with higher political participation, and an increase in non-electoral participation and greater federalisation through the emergence and growth of regional parties. Defying democratic theory, a great participatory upsurge has marked democratic politics. Since the early 1990s, India's plebeian orders have participated noticeably more in elections than its upper and middle classes. Thanks to the democratic upsurge, previously marginalised groups entered the political arena in large numbers,

contributing to a change in the pattern of representation and a shift in the balance of political power in governments and legislatures. These trends have been doubtless helping to make democracy more inclusive with democracy steadily chipping away at hierarchies and moving downwards. This is nothing short of a democratic revolution.

A brief comparison of the caste composition of national and state legislatures today with the situation soon after Independence reveals significance of the democratic revolution. In the 1950s, India's national politics was dominated by English-speaking and upper-caste urban politicians who constituted two-thirds of the Lok Sabha.⁵ Even the lower-level political leadership tended to come from the upper castes in north India.⁶ The last two decades have witnessed a major increase in the number of lower caste legislators and senior civil servants in influential government positions. This process of greater inclusion can be described as the 'transfer of power' from the upper castes to the lower castes with major political consequences for the restructuring of political power. At the turn of the 21st century, lower-caste chief ministers are no longer rare. The logic of one person, one vote in free and fair elections has put power in the hands of the more numerous lower castes. This trend signals a social transformation that is giving voice to previously marginalised groups, and helping them to gain access to the political system.

While Indian democracy has seen a transfer of power from the upper

castes/classes to the middle ranks, this has not resulted in power sharing with those at the bottom of the social structure. Nor has it facilitated any significant distribution of wealth and income; rather the vigour of electoral democracy and high levels of participation can obscure a growing concentration of power among political and economic elites. The key issue is the failure of the politics of redistributive justice to provide amelioration in the material conditions of the vast majority of people mired in poverty and economic misery. In other words, the strength of participatory democracy has not been matched with egalitarian economic development.⁷

This is so even though both development and democracy have been declared as integral to the project of the Indian state after Independence. Until 1991, there was a broad consensus on the role of the state as a crucial player in the development process. State-led capitalism and state intervention in various ways were seen as essential for a self-reliant pattern of development. This model did deliver some tangible benefits to the broad mass of the population through various kinds of development projects, the construction of the public sector, and the provision of public services such as health, education and transport.⁸ However, this model was structurally limited owing to the inability of the state to address the most basic form of inequality in the countryside. Even with declarations of commitment to land reforms and curbing concentration of economic power, relatively little was done to redress asset and income inequality.

With the advantage of experience we can now see that policy measures, such as land reform that could have widened the social base of development were never likely to take place.⁹ No major land redistribution occurred after Independence which is not to say that there were no land reforms at all, but the net result of those reforms was to eliminate very large landholdings, to give ownership rights to the richer tenants, to create on the whole a more homogeneous class of land owners, but not to break land concentration: the proportion of land accounted for, say, by the top 15 per cent of landholdings remained unchanged. Attempts at land reform were thwarted by the landed interests because of their penetration of the Congress party, control over the local bureaucracy, their clout in the arena of state politics and the legal constraints imposed by the constitutionally guaranteed rights to property.

Similarly, private asset concentration in the industrial sector was never seriously challenged. India's industrial growth did not create enough jobs to make a dent in the growing numbers of poor. The incapacity to diffuse growth among a much wider population contributed to industrial stagnation and restricted the stimulus for domestic demand in rural areas for manufactured items of mass consumption.¹⁰ From the highly unequal distribution of benefits and assets, it is clear that Indian society was dominated by a ruling coalition of business interests, large landholders and the bureaucratic elite. Although the overall power of

these classes was not curbed at the same time the broad-based interests of the people could not be completely overlooked. The solution was found in a politics of accommodation, which was strong on rhetoric and weak on substance in terms of outcomes for the poor and the dispossessed. The Congress party mastered this political strategy which helped Congress governments in the first few decades after Independence to return to power. But in the longer run this also required some redistributive effort to translate political accommodation into tangible legislative programmes. This was completely absent until recently when the capitalist advance necessitated government intervention to neutralize the huge vulnerabilities of the poor with regard to basic needs, especially livelihoods.

Over time the state in India has shifted from a reluctant capitalist state to a strongly pro-capitalist state with a clear and conspicuous dominance in the relative power of the corporate sector.¹¹ This dominance has been achieved through an alliance of the corporate sector with the state and bureaucracy. Though the state continues to negotiate between conflicting interests, the autonomy of the state has declined as it gets increasingly intermeshed with the corporate sector.¹² The bureaucracy which in the past was operating social interventions of the developmental state has gone over completely to the side of the corporate class. Significantly, the corporate sector exercises considerable influence over both central and state governments,

not through electoral mobilisation but through political parties, bureaucracy and the print and electronic media.¹³ There is a virtual consensus among all parties as regards rapid growth led by private investment. At the federal state level the dismantling of the licensing regime has opened up huge competition among state governments eager to attract capitalist investment, both domestic and foreign. This means that as far as the party system is concerned it does not matter for the corporate sector which party or combination of parties come to power at the Centre or in the states.¹⁴ This is evidence of the major transformation that has taken place in the structure of power in recent years.

Further evidence of corporate-class domination comes from the neglect and stagnation of agriculture; per capita food consumption has fallen, and thousands of indebted farmers have committed suicide. But this is a domain which has a large number of people and huge deprivation and poverty, and yet it has been ignored in the past few years. Both rural and urban poor, with their livelihoods under threat from the advancing forces of corporate capital, are dependent upon direct government support for their basic needs. This challenge lies at the heart of the massive controversies in India today with regard to acquisition of land for industry and plunder of natural resources by the corporate class with the help of bureaucrats and politicians.

Clearly, a significant change has taken place in thinking about development as faster economic growth

and in the translation of development objectives mainly through high growth since the early 1990s. This has significant implications for the politics of equality in India. On the one hand, economic growth led by private investors and helped by a state-capital alliance has fuelled growth making India among the fastest growing economies in the world. On the other hand, concentration of economic power in the corporate sector has further contributed to widening rural-urban, regional and sectoral inequalities. Even as many Indians have benefited from rapid economic growth of the past quarter century, the process of growth has bypassed the vast majority of the population.¹⁵ The highly educated Indians have benefited from opportunities arising from opening of the economy and globalisation, especially restructuring of industries, and the new growth areas of services and Information Technology Enabled Services. These opportunities have mostly benefited the better-educated sections, while things have got worse for the majority of the rural population and a significant part of the urban population.¹⁶

Inequalities arise from a basic asymmetry between growth of the national product and the source of income of the majority, which is agriculture.¹⁷ India's growth model is not geared to creating productive employment. Large-scale employment is the key to poverty alleviation but this might not happen under the service-led model of growth. The share of service sector and manufacturing has grown rapidly but the share of labour

force in agriculture remains high. Most of what job growth there was came in a handful of industries such as hotels, restaurants, finance and insurance. India's services-led growth depends on skilled manpower which we're yet to produce on a mass scale. Employment in the organised sector has stagnated in the face of high rates of growth while employment in the unorganised sector has increased but not enough to absorb the rise in population.¹⁸ The highest growth sectors are construction, trade, advertising, telecom and road transport. In all these sectors, what counts is privileged access to natural resources and the national commons, most critically land, mining leases, property development rights, construction permits and spectrum allocation, which is at the core of the government's discretionary powers. Many of the new billionaires have used political patronage and influence to corner these resources.¹⁹

This pattern of economic growth is disequalising and results in concentration of wealth amid impoverishment. Hence, India has the dubious distinction of having some of the richest people along with a very substantial number of the poorest people.²⁰ Hundreds of millions of people are steeped in extreme poverty.²¹ India's much talked about economic transformation illustrates the disconnection between GDP and social progress. The basic paradox is that GDP has been growing fast, but governments have not succeeded in translating accelerated growth into inclusive development. Instead of accelerated growth positively impacting

human development indicators it seems faster GDP/per capita growth begets slower growth in human development.²²

The implication of poor human development and rising inequalities is impoverishment and insecurities which afflict some sections more than others resulting in acute discontent and violent clashes from time to time.²³ The growing numbers of underemployed and casual workers offer a steady source for recruitment of young men and women, by extremist religious movements and by Maoist revolutionary groups in the tribal belts of West Bengal, Orissa, Jharkhand, Chattisgarh, and Maharashtra who are fighting to overthrow the state through violence.

These inequalities have been intensified by large-scale corruption. Scandals and corruption are not new to India. The state exchequer has been the medium through which large-scale transfers have been made to the capitalist group and it is the most important instrument of accumulation for this class.²⁴ This occurs because of a high level of tolerance for tax evasion, actual reduction in tax rates and a variety of lucrative contracts, and most recently even through privatisation of public assets.²⁵ Indeed, disregard for the laws of the land including those relating to taxes was an important dimension of the capitalist development process. So, corruption and using the state as a means of accumulation is not new but the scale and ubiquity of corruption has intensified since the 1990s giving rise to fears of the growth of crony capitalism. The

processes vary from sale of spectrum and the mobilisation and/or disposal of land and mining resources or purchases made as part of large public expenditures. The new dimension is the open business-politician-bureaucrat collusion bordering on a corporate takeover of government, and the growing plunder of natural resources. The belief that surplus accumulation among state personnel and business groups is occurring at a rapid pace is strengthened and also the belief that the individual politicians elected to parliament and state legislatures reporting huge increase in asset holding over time.²⁶

This is hardly surprising because in India there is considerable acceptance of corruption, inequality, poverty and low levels of human development among a vast section of the population, especially in rural areas. "The socio-political interests that allow the persistence of gross inequalities have ensured that public policy which would deliver basic benefits to the entire population was not made a priority."²⁷ These policies in the Indian context would include: agrarian reform, food procurement, education, employment creation through public works, anti-poverty programmes, changes in governance through decentralisation and some devolution of resources. However, policy implementation when it occurs has not been universal in terms of actual effects. Beneficiary-oriented anti-poverty programmes are directed to specific target groups. Since the 1990s, these are particular caste groups and exclude the poor from minority communities who need these benefits just as much as the lower castes.

Compared to the past when the Congress party was not expressly committed to any economic strategy, after 1991 it is quite strongly committed to the strategy of rapid capitalist growth. The Congress-led United Progressive Alliance (UPA) government which first came to power in 2004 and again in 2009 firmly believes that the rapid march towards equity will depend upon achieving much higher growth of 9–10 per cent over a long period. Policymakers emphasise high growth on grounds that everyone benefits from this; above all, it provides resources for the war on poverty. At the heart of this model was the belief that attainment of growth and equitable development are both important, but promoting both would take longer, in the meantime, growth has to be given immediate priority. Growth is privileged over equity, and this is justified on the ground that it provides resources for social welfare programmes, whereas prioritising equity at the expense of growth leads to the redistribution of poverty. Hence, in a tradeoff between rapid growth and the pace of redistributive equity, rapid growth has to be given priority if we are to redistribute prosperity, rather than redistribute poverty.

The BJP's defeat on the slogan of India Shining in the 2004 parliamentary elections forced the Congress to reframe its policy priorities. Although the business-driven growth model underpinning policy-making saw no change, the Congress shifted the balance of policy from growth to inclusive growth as the centre piece of several of its interventions. This

necessitated a change in the balance between market and state in favour of a better mix between the goals of accumulation and redistribution. Therefore, within a few months of assuming office, the UPA government crafted a number of centrally-sponsored government schemes designed to improve opportunities for those excluded from India's growth story, especially the rural poor and minorities. Starting in 2004 and in response to the pressures of democratic competition and coalition politics, the Congress-led UPA government began to shape a new "welfare politics" through the introduction of rights-based legislation and large number of centrally-sponsored schemes for social welfare. High on the government's agenda of greater inclusiveness were actions to address disparities in access to education, health care, water and other public services that are necessary for people's well-being. In terms of sheer number of policies and legislations, UPA's focus on social welfare was impressive, indeed, unprecedented. Central budgetary outlays on such programmes have risen significantly under the UPA-1 government higher than that under previous governments and perhaps higher in relative terms than anywhere else in the world. Taken together these schemes and social legislations mark a significant departure in policymaking and indicate an attempt to bridge the growth-equity divide.²⁸

The experience of UPA-1 from 2004 to 2009 shows that there is room for government policies to provide direct benefits to people who are unable to

meet their basic needs. There is the range of government policies aimed at reversing the effects of this process. This could be in the form of anti-poverty programmes or guaranteed employment in public works or subsidised food under the Public Distribution System (PDS). All these can be regarded as direct intervention to contain the excesses of inequalities. The National Rural Employment Guarantee Act (NREGA) was by far the most significant initiative undertaken by the UPA government. It was an important step towards the work security of poor rural households, given that employment as a legally enforceable right has not been granted to the citizens of any other country in the world. Of all the policy initiatives, NREGA, which is demand driven and gives 100 days of employment a year to a single individual from every household, was important because it is India's first law to codify employment rights in a legal framework and, like the Right to Information Act has begun to set an example in a global context.

However, the attempt to reconcile the goals of growth and redistribution through centrally sponsored schemes has its limitations. It faces considerable difficulty in the new political context of federalisation as a substantial number of social policies are either specifically state government subjects or are concurrently under both state and central governments. A substantial number of concerns which are particularly important from the standpoint of equality such as land reforms, education, health, and rural infrastructure are either specifically

state government subjects or are concurrently under central and state governments. The central government can devise schemes, issue guidelines for implementation and allocate funds but the implementation is in the hands of states. This in turn means the effects and implications vary under different political regimes in different states.

Even though outlays on poverty alleviation and social sector have increased, low levels of human development and high levels of inequalities persist. Outcomes are non-commensurate with outlays. The real issue with these programmes is that they are not implemented properly. Beyond the quantum of money spent little attention is paid to the delivery mechanisms or the quality of spending. The intended beneficiaries of these public programmes are completely dependent on the bureaucratic delivery mechanism over which they have no control.²⁹ The present machinery under which centrally-sponsored schemes are delivered by hundreds of mutually insulated systems of delivery set up by central government ministries, which jealously guard their turf, consumes the bulk of outlays. Convergence of these schemes at the delivery point would have a multiplier effect for the beneficiaries.³⁰ In short, the actual effects of the social programmes may not yield results outside of a participatory development process. Inclusive growth without inclusive governance remains an unreachable goal.

If the objectives of poverty reduction are to be realised then the very content and the direction of the growth process

may have to change, or at the very least, a different set of organisational and institutional arrangements have to be adopted at the national and state level for the delivery of these programmes. The prospects of this happening are not encouraging. Under the new economic policy regime the scope and compass for stepping up deliberate redistribution is limited. This is in part because the state's capacity to implement pro-poor policies has always been limited, but more so because the new ruling alliance is essentially a state-business alliance for growth which favours big business and private sector based development. The more economic growth was led by private investment the more the benefits accrued to the rich. It is this activist role of the state in favour of business groups that has further contributed to inequalities.³¹ Moreover, initial egalitarian conditions and a more labour-intensive model of development which could have been important components of combining growth with redistribution are missing in India.³²

In the 1980s, the singular merit of our democracy lay in providing space for political contestation and an opportunity for expression of rights and claims, most significantly among the historically disadvantaged groups, especially the lower castes among them. In the 1990s, democracy had to contend with the rise of Hindutva forces using extra-parliamentary movements and religio-communal politics to redefine Indian identity in majoritarian terms. In the first decade of the twenty-first century, it has had to contend with growing economic and regional

disparities and inequalities, creating in the process two economies. Indian democracy has raised the question of both social equality and majoritarian dominance. Its thrust has been read to support the demand of lower castes for equality of treatment. When the connection between democracy and disadvantage is made, the major form of government intervention to alleviate poverty and deprivation often centres on identity-based groups defined by demographic or social characteristics, and not the problem of poverty or conflicts between rich and poor in general. In most cases, policymakers press for equality for groups organised on the basis of caste or resentment against regional deprivation, and not equality for all communities or individuals in civil society.³³ The politics of equality is thus more concerned with external rather than internal equity, that is to say equality between caste groups rather than equality amongst group members, and rather more between some groups than all the disadvantaged groups.³⁴ The big losers in this process are the minorities who are excluded from this group-based discourse of development. The sharpest casualty is that the idea of equality in a more encompassing sense has fallen on bad times and the language of markets and individual aspirations seen through the prism of identity has assumed greater importance than public interest and accountability.³⁵ Politicians and policymakers have shifted political attention from equity and public goods for the poor to facilitating private investment.

The significance of UPA-1 lay in striking a balance between contending interests even as it took some crucial decisions and pushed through important rights based legislations. A new agenda based on rights and entitlements, which include the Right to Information, Right to Work, Right to Education and the proposed Right to Food Security, represents a landmark shift in the Indian approach to issues of welfare and human development. There are real questions as to whether the blending of growth and welfare attempted by the first UPA government is feasible under the UPA-2 and the political-institutional structures of the state and the capitalist growth model it promotes. Under a largely Congress-dominated UPA-2 elected in 2009, calibrating the growth-equity equation appears much more difficult in view of big money making greater and greater inroads into the corridors of power. As is clear from data on the rising net worth of MPs elected in 2009, the dominance of the rich is getting more and more consolidated in the legislature and decision-making apparatus. The increasing monetisation of the political process backed by a state-business alliance at the apex makes the prospect of a basic shift in towards a more equitable policy regime more distant than before.

What has added some redistributive thrust to the growth model is that the rhetoric of social justice is deeply embedded in Indian politics even though concrete achievements have been rather limited. India is a vibrant democracy; politics, mobilisation, institutions and policy frameworks

matters; pressures of democratic politics do intervene to restrain rising and emerging inequalities. A strong virtue of India's democratic set-up, howsoever, electorally driven it may be is that it is premised on the recognition of basic rights and entitlements and there is a growing awareness of these rights and entitlements among the poor, thanks to the widening reach of the political discourse of democracy. Sections of the electorate appreciate the greater power of political institutions which can take decisions that affect everyday and long-term distribution of opportunities. The possession of democratic rights has been a powerful weapon against poverty and an antidote to the rush

to deny the importance of inequality. Greater political participation has led to a sharper sense of inequity and an attempt to use politics to rectify it. The fact that the poor and the marginalised groups have been vigorous in exercising their franchise, far more so than the affluent and well-to-do middle classes, is testimony to the sense of empowerment that, in their perception, democratic practices have brought them. The need of UPA-1 to change course, and accommodate broader social interests of the poor to secure their political support, is the strongest indication yet of these pressures. India's poor continue to press their case for redistribution and egalitarian strategies of growth.

NOTES

1. Many observers in the West have begun to worry about the threats posed by the rise of India and China as evident from the remarks of Michel Rocard, a former Prime Minister of France. He shared his concerns about the place of France and the United States in the new world order with the American ambassador in Paris in October 2005. "Speaking of the growth of India and China, along with all the other challenges confronting US and France", the leaked Wikileaks cables quotes him as saying: "We need a vehicle where we can find solutions for these challenges together—so when these monsters arrive in 10 years, we will be able to deal with them." Quoted in Siddharth Varadarajan, 'Eastern promise, Western fears', *The Hindu*, 25 January 2011.
2. Sudipta Kaviraj, 'Dilemmas of Democracy and Development in India' in Adrian Leftwich (ed.) *Democracy and Development: Theory and Practice*, Polity press, London, 1996.
3. See essays in Francine Frankel, Zoya Hasan, Rajeev Bhargava, Balveer Arora, (eds) *Transforming India: The Social and Dynamics of Democracy*, Oxford University Press, New Delhi, 2000; Atul Kohli, (ed.) *The Success of India: Democracy*, Cambridge University Press, Cambridge, 2003, Niraja Gopal Jayal (ed.) *Democracy in India*, Oxford University Press, New Delhi, 2001.
4. Christophe Jaffrelot and Sanjay Kumar, *Rise of Plebeians: The Changing Face of Indian Legislative Assemblies*, Routledge Taylor & Francis Group, New Delhi, 2009.
5. Ashutosh Varshney, 'Is India Becoming More Democratic' *Journal of Asian Studies*, February, 2000. Also see his, 'Why Democracy Survives', *Journal of Democracy*, July 1998.

6. Ibid.
7. Atul Kohli, Introduction, *Democracy and Development: From Socialism to Pro-business*, Oxford University Press, New Delhi, 2009.
8. Deepak Nayyar, 'Democracy and Development' in Niraja Gopal Jayal, op.cit.
9. Francine Frankel, *India's Political Economy*, Oxford University Press, Revised Edition, New Delhi, 2005.
10. Jayati Ghosh, 'Social Policy in Indian Development' UNRISD, Geneva, November 2002.
11. Atul Kohli, 'Politics and Redistribution in India', <http://Princeton.edu/kohli/Politicspercent20and percent20 Redistribution percent in 20 India.pdf>
12. Partha Chatterjee, 'Democracy and Economic Transformation' in India, *Economic and Political Weekly*, 19 April 2008, p. 56.
13. Ibid.
14. Ibid.
15. Jayati Ghosh, 'Income Inequality in India', *Counter Currents. org*, February 17, 2004.
16. Ibid.
17. Aseema Sinha, 'Globalisation, Rising Inequality, and the New Insecurities in India', www.apsanet.org/imgtest/TaskForceDiffIneqDevSinha.pdf, Downloaded on 25 January 2011.
18. Ibid.
19. Ibid.
20. The ratio of billionaire wealth rose from less than one per cent of GDP in the mid-1990s to 23 per cent in 2008, and was 14 per cent in early 2010, after a fall and recovery. The private wealth of billionaires has surged dramatically from less than one per cent of GDP in 1997 to 23 per cent in 2008. As a share of GDP it is close to Russia and Saudi Arabia, even while India's level of per capita income is much lower than that in those countries. Sunil Khilnani, 'The Blurred Horizon', *Outlook*, 10 January 2011.
21. By contrast, China has been able to move people out of extreme poverty within just a generation, which has no parallel in any other country in the world history. Pranab Bardhan, *Awakening Giants: Feet of Clay: Assessing the Economic Rise of China and India*, Oxford University Press, New Delhi, 2010, pp. 90–103.
22. Mani Shankar Aiyar, 'The Dilemma of Development and Democracy in India', Centre for Media Studies, Lecture delivered at Nehru Memorial Museum and Library, New Delhi, 24 November 2010.
23. In 2008, attacks on Hindi-speaking and Biharis broke out in Mumbai. The immediate context for the violence was recruitment by railways for Class II and Class IV jobs. These applicants were prevented from taking tests by the local youth from Maharashtra. Indian Railways and other public sector undertakings are seen as providers of jobs coveted by the educated unemployed.
24. Jayati Ghosh, 'Social Policy in Indian Development', UNRISD, Geneva, November 2002.

25. Ibid.
26. C.P. Chandrasekhar, 'Capital gains', *Frontline*, 17 December 2010.
27. Jayati Ghosh, 'Social Policy in Indian Development', op.cit.
28. *The Hindu*, 5 June, 2006.
29. Mani Shankar Aiyar, 'Dilemma of Development and Democracy', op.cit.
30. Ibid.
31. Atul Kohli, 'Politics and Redistribution in India', op.cit.
32. Ibid.
33. Sudipta Kaviraj, 'Dilemmas of Democracy and Development in India', p. 130, op.cit.
34. Ibid.
35. Aseema Sinha, 'Globalisation, Rising Inequality, and the New Insecurities in India', op.cit.