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India's Unlikely Democracy

ECONOMIC GROWTH AND POLITICAL ACCOMMODATION

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What do the processes of market-based economic reform and globalization mean for democracy in India? Do they narrow or broaden the democratic prospect? Do they make democracy more or less secure? So far, fortunately, the answers to these questions appear to be positive. While Indian democracy possesses strong stabilizing features of its own, economic change and liberalization have served to reinforce and further stabilize democracy rather than undermine it, as some have feared would be the case.

Among those who warn of the baleful consequences that economic change might hold for democratic rule are Daron Acemoglu and James A. Robinson. They argue that democracy can find itself being undermined by elites who fear redistribution following mass political mobilization, by populist movements brimming with resentment toward institutions that seem to favor the rich, or in the worst case by both elite and mass hostility.¹ At first glance, India would seem to have the makings of such a trap for democracy: Absolute poverty remains alarmingly common in this vast society, and is now combined with the inequality-intensifying effects of economic reform plus the rising political power of “subaltern” classes that are now making their weight felt more forcefully than would have seemed imaginable scarcely a generation ago. Yet in India, the nature of the growth and the responses to it framed by the political elites appear happily to have made *both* elite and mass attacks on democracy less rather than more likely.

What accounts for this encouraging result? Karl Polanyi’s observation (based on his reading of European history) that rapid and uneven economic change spurs political mobilization to soften its sharpest edges—in the process shoring up rather than sapping democracy—may

be one reason.² Then too, in contemporary India's case those who might most fear this mobilization from below—the rich—enjoy links to the global economy and the private sector that provide significant “exit” options. Thus the threat of a backlash by the rich (as glimpsed, for instance, in the protests against lower-caste-friendly “reservations” that broke out in the early 1990s and then again in 2006) grows less severe when wealthy Indians feel free to seek greener pastures abroad or in parts of the private economy that are but lightly touched by the state. The availability of such a safety valve in turn allows the state to respond to electoral and collective pressure from the mobilizing losers and the less well-off, thereby giving Indian democracy a salutary aura of responsiveness.

Along with the rich who know they can leave and the poor who know they can league, a third stabilizing force is the middle class that knows it is linked. India's bourgeoisie has ties to the West and the global economy that have only become stronger with economic reform and pro-Western policy shifts, leading to middle-class confidence, pro-democratic sentiment, and readiness to act as a buffer between the elites and the poor. These three mechanisms—leaving (or potential exit) by the elites, leaguering (or collective action) by the losers, and linking (to global patterns of prosperity) by the middle class—have subtly altered the balance of power among the dominant proprietary classes that Pranab Bardhan identifies in his classic analysis of India's political economy.³

Heterogeneity among the dominant classes still underpins India's democracy just as Bardhan noted, but portions of those leading classes no longer rely on the central state for subsidies and patronage. Instead, they look to the private and globalized economy and to their local state governments rather than to New Delhi. Moreover, the apparently weak coalition governments that India has had since the 1990s have proved to be a source of strength for democracy since these governments, given their very precariousness, respond readily to demands and pressures from the less well-off, thereby helping to forestall serious challenges “from below” to the democratic system.

The Realities of Economic Transformation

Any discussion of the changing nature of India's democracy must attend to the broader process of economic change that has been underway for decades now and which provides a background to the current phase of economic liberalization that began in 1991. From about the mid-1970s to the mid-1980s, technological developments, changes in the productive activities and relative power of various classes, and relations between public authorities and private capital all brought major shifts to the subcontinent. The technical and organizational advances in agriculture known as the Green Revolution allowed India to feed itself

and even to export food. Many of the country's states became more aggressive participants in the growth process in the 1970s and 1980s, unleashing further changes with both local and nationwide effects.⁴

Two great themes in Indian social and economic life since the 1980s have been rapid economic growth and rising inequality. With the advent of fuller liberalization in the early 1990s, growth began to accelerate to a pitch seldom seen under similar circumstances anywhere else in the developing world. New groups of “winners” and “losers” came into being. Theoretically, widening gaps between the rich and the poor may impose tensions and stresses on a democratic system in two distinct ways: The rich may seek to make their economic advantages permanent by subverting democracy in order to seize political power for themselves, and the poor may seek the system's overthrow through violence. One may expect various elites to sabotage democratic institutions in order to stop market forces from taking away their rents, or to hijack political institutions in order to squeeze fresh rents from the newly liberalized economic environment. Although India's new rich have sought benefits from the state, they have not sought to capture it. And the poor have worked through rather than against democratic institutions to seek redress. This has happened not purely out of idealism, but in no small part because the rich now enjoy many options outside the state while the poor are too diffuse and divided to mount a full-scale antisystem challenge. Fortunately for them and for democratic stability, however, the weak coalition governments of recent years have responded readily to diffuse pressures.

In the 1980s, India's economy grew faster than ever—at times by rates approaching 6 percent a year—and in new patterns. Behind this accelerating growth lay an expansion and diversification of investment and economic activities. The most striking structural changes came in agriculture. Food production rose even as the share of annual Gross Domestic Product for which agriculture accounted dropped from 42 percent in 1980 to 24 percent in 2004. Over the same period, net agricultural production doubled, going from 96 million metric tons in 1980 to 180 million metric tons in 2000.

Figures such as these bespeak the success of the Green Revolution. The key was a more intensive application of capital and technology to farming. Yet this application did not proceed evenly throughout the country. Some parts of the country began growing enough not only to feed themselves but even to sell, thereby funding investments beyond farming. In some states—Punjab, parts of Uttar Pradesh, and Tamil Nadu—technical improvements in agriculture affected other sectors of the economy as prospering farms required more inputs, more processing infrastructure, and more construction. Rising incomes stimulated demand for goods and services, fueling industrialization in Gujarat, Tamil Nadu, Andhra Pradesh, Punjab, Haryana, and parts of West Bengal. Farm-

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ers invested in real estate, small-scale industry, and transport. “Class I” cities (with populations above 100,000) increased from 218 in 1981 to 393 in 2001. The number of medium-sized towns grew, with Tamil Nadu and Haryana experiencing the fastest rates of urbanization, according to the 2001 census. Nationwide, the number of “Class II” cities (those with populations of between 50,000 and 99,999) went from 270 in 1981 to 401 twenty years later. Likewise, the number of “Class III” cities (with populations between 20,000 and 49,999) went from 743 to 1,143 over the same period. Growth among these smaller cities broadened the base of economic transformation in India by creating more scope for the burgeoning agricultural sector to promote industry. The rising presence of Western culture and consumer patterns even in medium-sized towns and cities emphasized the expanding linkages with the West.⁵

Behind the numbers stand the human realities of economic transformation. Three developments in particular hold implications for India’s democracy. The Green Revolution has created a new group of peasants

with the means to turn toward city life and industry, and to invest in their children's education. As Staffan Lindberg notes, most agricultural households in Punjab "are becoming 'pluri-active,' standing between farming and other activities whether as seasonal laborers or small-scale entrepreneurs in the local economy. . . . Agriculture and farming [are] no more an all-encompassing way of life and identity."⁶ The rise of a middle class with its roots in agricultural development has been evident not only in Punjab but in Tamil Nadu, Gujarat, and western Uttar Pradesh.⁷ Maharashtra, Andhra Pradesh, and Karnataka have also seen similar expansions of an agrarian-rooted middle class. A few of the former states—Gujarat, Maharashtra, and Tamil Nadu—have also witnessed rapid industrial development.

Most importantly for democracy, urbanization around the big cities has transformed many small towns into cities and created new urban centers. Whole classes of once-agrarian people have undergone embourgeoisement. S.S. Gill describes the process:

With the penetration of capitalist relations in agriculture, modern education has spread. Most of the Punjab villages have schools and some even have colleges functioning in them. Some of the capitalist farmers . . . are actually sending [their children] to urban centers to acquire better education. With this a large number of educated persons from rural areas have been coming forward to take up jobs in government and semi-government institutions. This has produced a distinct category of middle class intellectuals of rural origin.⁸

As is well recognized, urbanization and the urban middle class are powerful forces for democratization both in classical democratic transitions and in third-wave democracies. Moreover, the formation of business and commercial classes in many states—a regional bourgeoisie apart from national capitalist classes—has enhanced urbanization as well as linkages with regional political and party developments.⁹ Sanjaya Baru notes:

The process of agrarian change in many parts of the country has laid the foundations for capitalist development in the non-farm sector. This process has allowed a new generation of agrarian capitalists or other middle class professionals to make the transition to capitalist entrepreneurs . . . the latter seek political and material support from state governments and regional political parties. It is not surprising that regional parties . . . have been most active in States where regional business groups have been more dynamic and assertive.¹⁰

Various prominent regional parties now enjoy links to business groups in Maharashtra, Punjab, Andhra Pradesh, West Bengal, and Tamil Nadu. These ties have helped to consolidate two-party competition in many Indian states and have facilitated alternations in power, elite competi-

tion, and a more stable “pacted” democracy. Andhra Pradesh reflects this most strongly, with the Telegu Desam Party representing agrarian-rooted capitalist interests, and the Congress party standing for more traditional economic interests. The logic of globalization means that each party must be consistently sensitive to the needs of local and foreign businesses, leading to a greater convergence on matters of economic policy across parties even at the subnational level.

After the market-friendly reforms of 1991, India’s urban-industrial economy took off sharply, and overall annual GDP growth has been impressive ever since. From 2003 to 2006, it is thought to have averaged about 8 percent. Growth in the industrial sector has been less spectacular but stable at around 6 percent a year. Liberalization has also meant fresh patterns of growth and structural changes in the economy. Strikingly, the service sector has been at the cutting edge and has fueled much of the boom. This sector grew by 34.4 percent (in current dollars) over the last two decades, and now accounts for more than 50 percent of India’s annual GDP.¹¹ By 2010, according to one projection, that figure may be almost 60 percent. This would “bring the size of India’s services sector, relative to GDP, closer to that of an upper middle income country, while still belonging to the low income group.”¹² Wages in the service economy have been surging at a compound annual growth rate of 23 percent yearly since 2000. Large parts of this service sector are linked to the global economy and underwrite the expansion of India’s middle classes.

Winners and Losers

Many Indians have done well by the process of economic transformation that state-led industrialization first unleashed back in the 1950s and that economic liberalization has greatly accelerated since 1991. These winners could have sought to subvert state institutions for their own ends, but growing ties to the West and the global economy seem largely to have pointed them in other and healthier directions. India’s professional and business classes have only become stronger with marketization and the country’s recent “paradigm shift” toward a foreign policy that features closer links with the West generally and the United States in particular.¹³ India’s elites now have more educational and cultural links than ever to the West, while foreign trade accounted for more than a third of the country’s GDP in 2004–2005. Moreover, the newest economic winners—the educated Indians who dominate the burgeoning information-technology (IT), service, and knowledge-based sectors—support democracy more strongly than do traditional business elites.

In the 1990s, politicians of many stripes began to send their children to the United States for higher education, setting the stage for a genera-

tional shift toward a closer embrace of Western and prodemocratic ideas. Large swaths of young people in India's cities express a desire to live and work in the United States. Travel to the United States and consumption of U.S. books, music, and films are now staples of Indian middle-class life. This consumption of U.S. popular culture implicitly promotes support for Western-style democratic institutions.

Most importantly, the greater "connectivity" that educated, middle-class Indians now enjoy makes them less inclined to try capturing the state for their own ends. Rising incomes allow them to rely on the private economy—generators, for example, in power-starved Delhi—rather than the state for crucial public goods. The late 1990s and early 2000s also witnessed Indian companies exploring opportunities in regulated markets such as those of the United States and Western Europe, further intensifying the network of human and economic connectivity with the outside world. Large Indian firms such as the massive Tata Group conglomerate and Reliance Communications began acquiring and interacting with U.S. companies. This trend gave rise to a pressure group in favor of good U.S.-India relations not only among the business community but also among the middle-class professionals who had found jobs carrying out many of the new global-market strategies. In 1999, for instance, the Confederation of Indian Industry—the country's leading business association—lobbied New Delhi to settle the Kargil conflict with Pakistan, as this small-scale shooting war along a remote but hotly disputed stretch of border between the two South Asian nuclear powers was threatening to harm India's relationship with Washington.

India's middle class is unlikely to support any radical critique of or challenge to the institutions of constitutional democracy. The pattern of India's growth since the early 1990s has created a solid middle class with a stake not only in the public sector but in the globally connected skilled and service sectors of the private economy as well. India's middle classes are educated, belong to the upper castes, and tend to favor the status quo. As such, they are hardly good candidates to form revolutionary alliances. With every year, their habits of travel, reading, schooling, work, and consumption give them closer ties to the West and its liberal-democratic institutions. Further, the natural divisions among them,¹⁴ as well as between them and other class groupings such as manual workers, make any broad push to reshape state institutions quite unlikely.

Economic change has benefited many yet brought losses and new insecurities to some. Since the onset of liberalization, wage inequalities between occupational groups appear to have widened. In the 1990s, real agricultural wages grew by only 2.5 percent; since 2000, the salaries of middle managers in IT industries have risen by a compound annual growth rate of 23 percent.¹⁵ Unemployment has risen as well, going from 6.7 percent among urban males in 1994 to 8.1 percent in 2004, and from 5.6 to 8 percent among rural males during the same

period.¹⁶ Within manufacturing, the number of workers employed in the formal sector has dropped despite high rates of overall growth, while employment in the informal sector has increased. From 1994 to 2000, formal-sector employment as a whole was stagnant, rising barely more

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than a half a percentage point per year throughout the latter half of the 1990s. Most of what job growth there was came in a handful of industries such as hotels, restaurants, finance, and insurance. Jobs in the informal sector, meanwhile, have continued to proliferate at higher rates—a trend that will probably only intensify in coming years. Although the informal economy creates jobs, the wages are typically low.

In the organized manufacturing sector, liberalization has been associated with an expanding wage gap that favors skilled over less-skilled workers.¹⁷ This gap, which directly contributes to the growth of income inequality, also maps onto the widening gap that divides the service sector from the manufacturing and agricultural sectors of the economy. India's growing national economy is the fruit of a burgeoning service sector, technological improvements, and the skills of the populace. The large numbers of citizens who are unorganized, unskilled, and without knowledge of English are in danger of being left behind.

Magnifying these rising disparities are intensifying inequalities between regions. In India, where you live has much to do with the level of well-being that you enjoy. Economic growth has been concentrated in just a handful of the 28 states and 7 union territories. The most economically dynamic states are Gujarat, Maharashtra, Rajasthan, West Bengal, Tamil Nadu, and Karnataka, which together contain 38.8 percent of India's 1.1 billion people. In each of these states, annual growth is much higher than the national average.¹⁸

Disturbingly, multiple sources of inequality are reinforcing one another. Thus a slow regional or state-level economy compounds the misery of people who may already be suffering deprivations related to their gender and caste. A male head of household in the resource-rich but slow-growing state of Bihar on the Nepalese border, for example, not only earns less than his counterparts from all other states, but his wife is also likely to be the most deprived among women, and their children the most malnourished. As of 1991, fully 94 percent of the male residents of Kerala on the southwest coast could read and write. At the same time, the literacy rate among women from the traditionally lower (or "scheduled") castes in Bihar and the northwestern state of Rajasthan was below 10 percent (even reaching as low as 2 percent in some districts). Even if we remove an exceptionally developed state such as Kerala from the com-

parison, the disparities in well-being across states are vast. Although economic growth and prosperity offer no guarantee of positive spillover effects in other dimensions—signs of the abysmal treatment of women remain alarmingly common in the affluent neighboring states of Punjab and Haryana¹⁹—the data for low-income parts of the country show acute inequalities haunting almost every dimension of human well-being.

One might expect that individuals, classes, and regions that perceive themselves as dogged by socioeconomic disparities and as net losers from life in the new and more freewheeling economic order would challenge the polity under which their interests have suffered. Yet that has not been the case, and one must ask why.

Part of the answer may lie in the sheer complexity and variation of economic and social life in a country the size of India. Academics and statisticians may report general trends such as the one toward growing urban-versus-rural income disparities or the rise in the Gini coefficient (a number showing the inequality of income distribution) across India since 1993. But the reality on the ground is that those on the wrong side of these trends do not form a single coherent, politically mobilized, and self-conscious class.

A major consequence of liberalization, informalization, the shift toward a technologically sophisticated service economy, and the concentration of growth in certain regions has been greater short-term to medium-term instability and insecurity in the lives of people whose resources for coping with such challenges are thinner to begin with. Thus preoccupied—and often toiling at precarious, low-paying, informal-sector jobs, perhaps while living in backwater regions or moving frequently in search of work—people who might under different circumstances see political organization as a solution to their problems are now too isolated to take collective action against the state.

Absent retraining and other forms of adjustment help that might qualify them for more stable and secure employment in the organized sector, such people are unlikely ever to escape the clutches of economic insecurity and the fear that disaster is just one mishap away. Those in the unorganized sector generally have no protection against the risk of illness, accident, or death of a breadwinner; earn little and sometimes even less than the statutory minimum wage; and have no regular, let alone secure, jobs.

Things are better in the formal sector, but insecurity is a rising problem there too. A new degree of labor-market flexibility spurred by globalization is causing more formal-sector jobs to resemble those in the precarious informal sector. A survey of about 1,300 manufacturing firms in ten states and both the public and private sectors undertaken by the Institute for Human Development (sponsored by India's Ministry of Statistics), found that while total employment went up by more than 2 percent between 1991 and 1998, most of the increase came in the form

of jobs offered on a temporary, casual, contract, or other flexible basis.²⁰ As Rob Jenkins notes, “reform by stealth” in the field of labor policy continues, with a recent wrinkle being the introduction by employers of “voluntary retirement schemes” that are in fact far from voluntary.²¹

Because inequalities, impoverishment, and economic insecurities are so often localized, they can all too readily elude the grasp of the national news media and statistics-gathering systems. During the election year of 2004, for instance, there was little coverage of the impoverishment that many rural communities were suffering. The nonreporting of this story may partly explain the widespread expectation that the ruling Hindu-nationalist Bharatiya Janata Party (BJP) would easily retain power. When the BJP and its coalition narrowly lost the voting, even the top leadership and activists of the rival Congress party found their own victory a surprise.

Moreover, while there are ways of measuring poverty, outright joblessness, and other indicators of well-being or its absence, no measures can capture rising insecurities and vulnerabilities at the national or aggregate level. One must sift local histories and particular events—such as the 2003 riots against Biharis looking for railroad work in the extremely poor far-northeastern state of Assam—in order to gain insight into the problems and tensions that a declining sense of security and well-being can fuel.

Many other parts of the country yield an abundance of similar vignettes depicting rising insecurity and its malign effects. There is evidence, for example, that environmental despoliation and the dismal failure of state-sponsored antipoverty programs in the 1990s have left behind terrible misery in parts of Orissa. Even more worrisomely, the rising insecurity that has accompanied the decline of the once-mighty textile industry in Gujarat state and the nearby city of Mumbai in Maharashtra appears to have fed a potential for social unrest that Hindu-nationalist forces such as the BJP and Shiv Sena have learned to exploit.

The story of Ahmedabad, Gujarat’s largest city and a town once known as the “Manchester of India” because of its huge textile industry, shows how economic insecurity can create fertile ground for local sociopolitical troubles. In the 1960s and 1970s, four out of every five people who had a job in Ahmedabad worked in the cloth mills. By the end of the latter decade, however, cloth-trade jobs had begun to dwindle. Rising employment in smaller-scale chemical and engineering concerns took up some of the slack, but this work was less steady.²² Some displaced textile workers wound up toiling in the illicit local economy that revolved around the smuggling of alcohol, silver, guns, and drugs.²³ Many joined the Vishwa Hindu Parishad, its youth wing the Bajrang Dal, or other organizations dedicated to the militant promotion of Hindutva (“Hindu-ness”) such as the Hanuman Sena.²⁴ In this fashion, the textile industry’s decline and the informalization of former millhands argu-

ably contributed to the bloody rioting that broke out along caste or religious lines in Ahmedabad in 1985–86, in Mumbai in the early 1990s, and then again in Ahmedabad during the first half of 2002.

While the Hindu-versus-Muslim conflicts that have plagued Gujarat and Maharashtra may be said to create especially difficult and dangerous circumstances in those places, one does not have to look too hard at the rest of India in order to find locales and communities that are struggling with rising economic disruption and vulnerability. There is the deep recession that grips the power-loom industry in Tamil Nadu; the crisis that has attacked the nationwide cooking-oil and oil-seeds industry since import tariffs were slashed in 1995 and then again in 1998; the collapsing crop prices and rising farmer bankruptcies and suicides that have beset the coffee and cotton growers of Kerala and Andhra Pradesh;²⁵ and the displacement of traditional fishing by commercial shrimp farmers in Kerala and Orissa. Widespread suicides by cotton farmers in Maharashtra, Karnataka, and Andhra Pradesh have been among the most tragic responses to the rising insecurities.

A related issue is that of transitional costs as people move from their traditional and more stable livelihoods into less stable, informal occupations. In many poor regions of India, seasonal migrations associated with informalization are masking the full effects of the phenomenon since migrants are by definition “moving targets” whose situation is harder for scholars and official fact-gatherers to study and measure. Yet there is no doubt that migration, while in its own way a socioeconomic “coping mechanism,” also imposes social costs and increases social and political insecurities. The years 2003 and 2004 saw a rash of antimigrant riots in various parts of the country. And informalization, even if it does not spur migration, may mean longer working hours, less job security, lower status, and harsher working conditions.

Government Responsiveness

Those on the losing end of India’s still-unfolding economic reforms seek not to challenge their country’s democratic institutions, but rather to obtain redress by means of these very institutions. It must be said that from the point of view of political stability, the isolated situation of these “losers”—localized as they are within certain regions of a vast country—has been a help. But helping as well have been the preexisting stability of Indian democracy and the responsiveness that various coalition governments have shown since the 1990s. The ability of voters to change governments—not only nationally in 2004 but also in Andhra Pradesh the same year and Bihar a year later—may have restored many losers’ faith in the democratic system. Latin American-style disenchantment seems less in evidence among Indians, except in parts of Assam and Bihar. The governments of the day, in New Delhi and

certain key state capitals alike, have responded by modifying the design of economic programs in order to address the concerns of farmers, informal workers, and the unemployed.

While the earlier coalition governments of 1996, 1998, and 1999 had been generally responsive to the needs of diverse sections of society, 2004 marked a serious turn toward “reform of the reform.” In July 2004, after the electoral victory of a coalition led by his own Congress party, newly appointed prime minister Manmohan Singh launched fresh policies that, by any reckoning, are seriously at variance with the spirit of the so-called Washington Consensus in favor of economic liberalization. This reflected the dominant view within the Congress party that its victory was a vote in favor of a more inclusive reform program. The National Common Minimum Programme identified seven priority sectors for focused attention: agriculture, water, education, health care, employment, urban renewal, and infrastructure.

Singh also announced a “New Deal for Rural India” encompassing the provision of free electric power to farmers in Andhra Pradesh; a minimal guaranteed-employment scheme; an emphasis on improvements in rural infrastructure; debt relief; and more public money for irrigation. “Inclusive growth” and the “common man” became important objects of economic policy after the alternation of power in 2004. While this discursive shift was itself significant, it is also striking that actual budgetary expenditures rose to reflect this reorientation of the reform program. There was a 21.4 percent increase in *actual* agriculture-related expenditures from 2003 to 2004, while health expenditures jumped by an enormous 187 percent and education expenditures by 26.2 percent with the new government in power. Importantly, these increases have been sustained in 2005 and 2006.²⁶

These policy commitments and actual expenditures have prevented disenchantment with the reform program and created additional resources for stakeholders in the current government’s policies. Many citizens’ faith in the responsiveness of democratic institutions now rests in the hands of Prime Minister Singh and other officials who have been carried to victory in recent elections by voters’ hopes for redress.

India’s long-term success in holding regular elections, plus the increased participation by marginal communities that became so evident in the 1990s, together define the country as a successful case of what Atul Kohli calls “procedural democracy.” The process of economic change that has been unfolding over the last several decades, and with even greater speed since the promarket and proglobalization policy turn of the early 1990s, has so far avoided arousing challenges to democracy either from above or from below. While local problems remain serious and could in principle spread to the point where they become significant on the national stage (something like this may have already happened in a limited way in 2004 and could help to explain the BJP’s

surprising defeat at the polls that year), the net effect of India's growth process so far appears to be one of democratic stabilization. There are, in short, plenty of winners, and the losers have not lost hope and turned to "antisystem" politics. Activists and idealists may bemoan the quality of Indian democracy, but the overwhelming majority of them are committed to using only peaceful, democratic tactics and institutions in order to advance not democracy's overthrow, but its reform. In India, democracy has become "the only game in town," aided and supported by processes of economic change despite the serious inequalities that those processes have brought in their train. If India's original adoption of democracy was a surprise in the eyes of modern social science, India's maintenance and deepening of democratic commitment in the face of sometimes-wrenching economic shifts may belong no less securely to the category of the unexpected.

NOTES

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2. Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon, 1944).

3. Pranab Bardhan, *The Political Economy of Development in India* (Delhi: Oxford University Press, 1998).

4. Aseema Sinha, *The Regional Roots of Developmental Politics in India: A Divided Leviathan* (Bloomington: Indiana University Press, 2005).

5. For example, in the midsized city of Nagpur, Maharashtra, disco clubs, Western-style malls, and consumption of Western music and culture have become common.

6. Staffan Lindberg cited in Surinder Jodhka, "Beyond 'Crises': Rethinking Contemporary Punjab Agriculture," *Economic and Political Weekly*, 22 April 2006, 1535.

7. Ritu Sharma and Thomas Poleman, *The New Economics of India's Green Revolution* (Ithaca, N.Y.: Cornell University Press, 1993).

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14. E. Sridharan, "The Growth and Sectoral Composition of India's Middle Class: Its Impact on the Politics of Economic Liberalization," *India Review* 3 (October 2004): 405, 415–20.

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17. Rashmi Banga, "Liberalization and Wage Inequality in India," Working Paper 156, Indian Council for Research on International Economic Relations, New Delhi, 2005.

18. For example, annual growth (at constant prices) between 2002 and 2004 was 15.4 percent in Gujarat, 7.3 percent in Maharashtra, 22.3 percent in Rajasthan, and 7.4 percent in West Bengal. See <https://reservebank.org.in/cdbmsil/servlet/login>.

19. In some districts of Punjab and Haryana there are only 77 women for every 100 men. This low ratio springs from the growth of ultrasound-facilitated sex-selection abortions, a regionally specific preference for sons, and arguably, increasing dowry costs spurred by demands for consumer items such as cars and television sets.

20. Cited in Nagesh Kumar, "Indian Software Industry Development: International and National Perspective," *Economic and Political Weekly*, 10 November 2001, 4287.

21. Rob Jenkins, "Labor Policy and the Second Generation of Economic Reform in India," *India Review* 3 (October 2004): 340.

22. Shiv Sena also recruited its cadres from displaced textile workers in Mumbai. See Darryl D'Monte, *Ripping the Fabric: The Decline of Mumbai and Its Mills* (Delhi: Oxford University Press, 2002).

23. Sujata Patel, "Urbanization, Development and Communalization of Society in Gujarat," in Takashi Shinoda, ed., *The Other Gujarat* (Mumbai: Popular Prakashan, 2002).

24. Sujata Patel, "Corporatist Patronage in the Ahmedabad Textile Industry," in Ghanshyam Shah, Mario Rutten, and Hein Streefkerk, eds., *Development and Deprivation in Gujarat: In Honor of Jan Breman* (New Delhi: Sage, 2002).

25. P. Sainath, *Everybody Loves a Good Drought: Stories from India's Poorest Districts* (New Delhi: Penguin, 2002).

26. Agricultural expenditures (excluding fertilizer) rose by 31.8 percent from 2004 to 2005 and by 18.5 percent in 2006. A similar rise was evident for health and education. These figures have been calculated from budget documents that can be found at <http://indiabudget.nic.in>.