

Political Parties and Reforms

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Introduction:

Post-liberalization India (1991–present) presents a striking paradox: an economy progressively integrated into global markets, yet a political system increasingly driven by expansive welfare promises and populist redistribution. Economic reforms initiated in 1991 dismantled elements of the “license-permit-quota raj,” reduced trade barriers, and encouraged privatization. At the same time, successive governments—across ideological lines—have expanded subsidies, social protection schemes, and targeted transfers. This apparent contradiction lies at the heart of contemporary Indian democracy, where electoral competition, federalism, and global economic pressures together produce a distinctive variety of “new populism.” This paper examines how major political parties—principally the Indian National Congress (INC), the Bharatiya Janata Party (BJP), and key regional formations such as the DMK, AIADMK, TMC, BJD, AAP, TRS/BRS and others—have reshaped populism in the post-liberalization period. It highlights convergences around the architecture and instruments of welfare (especially direct benefit transfers, social registries, and universal basic services), while also underscoring ideologically mediated differences in framing, targeting, and symbolism. Drawing on policy analysis and electoral trends between 1999 and 2024, it argues that such populist convergence sustains regime legitimacy and electoral stability, but risks fiscal stress, policy fragmentation, and a diversion of attention from structural reforms. Conceptualizing Populism in the Indian Context Populism in India cannot be reduced to a simple “people versus elite” narrative common in Western literature; it is layered through caste, community, region, and religion. Yet certain core features apply: Moral claim to represent “the people” against corrupt or distant elites. Preference for direct, visible benefits over technocratic, long-term institutional reforms. Reliance on charismatic leadership and personalized delivery of welfare. Use of welfare as a performative, symbolic act that signals proximity to the poor. Post-liberalization populism in India is best understood as a negotiation: parties must reconcile pro-market reforms with the constitutional commitment to a welfare state and the political imperative of securing votes in a highly competitive democracy. Thus, “new populism” is less about dismantling institutions and more about bending them toward mass, targeted benefits, often mediated by technology and centralization. The Political Economy of Post-1991 Populism Economic liberalization brought three interrelated pressures: Rising Inequality and Insecurity

Growth accelerated, but so did regional and class disparities. Informal labor, agrarian distress, and urban precarity created constituencies demanding protection rather than pure market freedom. Electoral Volatility and Coalition Politics (1990s–2014) Fragmented mandates, regional party ascendance, and coalition governments made distributive politics central to coalition-building and survival. Welfare became an essential tool of political bargaining. Global and Fiscal Constraints

International financial institutions and domestic technocrats pushed for fiscal consolidation, rationalization of subsidies, and “better targeting.” This shaped the move from generalized subsidies to targeted schemes and, subsequently, to digital DBTs. Against this

backdrop, parties converged on a model where markets would be liberalized but political legitimacy would be maintained through increasingly sophisticated welfare populism. Congress and Rights-Based, Secular Welfarism The Congress, especially under the UPA (2004–2014), sought to reconcile neoliberal reforms with a discourse of inclusive, rights-based development. Its distinctive contribution to post-liberalization populism was the turn to legal entitlements. Key features include: Rights-Based Architecture

Initiatives like the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the Right to Information Act (RTI), the National Food Security Act (NFSA), and the Right to Education Act (RTE) represented a move from discretionary welfare to justiciable entitlements. This model projected the state as guarantor of socio-economic rights, rather than as a benevolent patron alone. Secular and Social-Democratic Framing

Congress welfarism emphasized poverty, rural distress, and social exclusion without explicit religious overtones. Target groups were framed in terms of class and marginality—“aam aadmi,” farmers, workers, women—although caste and minority schemes did exist. Administrative and Technological Modernization

The UPA initiated Aadhaar and strengthened banking inclusion through financial inclusion schemes, laying the groundwork for subsequent DBT expansion. Although these tools were framed in technocratic terms (reducing “leakages”), they also enabled more visible and traceable benefit delivery. However, Congress’s model faced criticisms of leakages, implementation deficits, and fiscal burden. Moreover, the rights-based discourse, while normatively powerful, often lacked the charismatic personalization and cultural resonance that later characterized BJP’s populism. After 2014, Congress increasingly relied on manifesto-led promises like NYAY (a proposed minimum income guarantee) and state-level loan waivers, signaling a shift toward more overt electoral welfarism under conditions of shrinking national power. BJP and Nationalist-Majoritarian Populism The BJP’s post-2014 welfare politics fuses pro-market economic rhetoric with a strong state, nationalism, and Hindu majoritarian symbolism. Its populist project can be captured in three dimensions: Centralized Welfare and Leader-Centric Branding

Schemes like Pradhan Mantri Ujjwala Yojana, Pradhan Mantri Awas Yojana, PM-KISAN, Ayushman Bharat, Jal Jeevan Mission, and the expansion of food grain support through the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) are branded with the “PM” prefix, creating a direct symbolic link between the prime minister and beneficiaries. The individual beneficiary becomes a political subject who “receives” from the leader rather than “claims” as a right. Technocratic-Digital Infrastructure

The BJP has aggressively deployed the JAM trinity (Jan Dhan-Aadhaar-Mobile), DBT architecture, and digital governance. This enables rapid transfer of cash or benefits, visible during crises such as the COVID-19 pandemic. Efficiency and anti-corruption narratives legitimize these welfare expansions, even as they reinforce central control and surveillance potential. Cultural-Majoritarian Framing

Welfare schemes are often wrapped in narratives of civilizational pride, national strength, and Hindu cultural symbolism. While formally religion-neutral, the broader political context—citizenship debates, communal polarization, and majoritarian rhetoric—frames the BJP’s populism as benefiting a morally imagined Hindu-national “people” against corrupt, pseudo-secular, or allegedly appeasement-oriented elites. Welfare thus coexists with culturally exclusionary politics. Economically, the BJP promotes formalization, privatization, and business-

friendly reforms (e.g., labour codes, GST, disinvestment), but balances these with highly visible welfare for farmers, women, and the poor. This “dual-track” strategy allows the party to claim both growth and protection, thereby broadening its support across classes and castes, even as underlying structural issues in employment and agrarian productivity remain under-addressed. Regional Parties and Subaltern-Caste Populisms Regional parties have been central laboratories of Indian populism both before and after liberalization. Post-1991, they adapted to new fiscal and political realities while retaining distinct identity-based appeals. Some broad patterns include: Caste- and Community-Based Redistribution

Parties like the DMK and AIADMK in Tamil Nadu, the RJD and JD(U) in Bihar, the SP and BSP in Uttar Pradesh, and various OBC- and Dalit-based formations mobilized around lower caste empowerment. Their welfare policies—midday meals, free bicycles, scholarships, reservations, fee waivers—explicitly target historically excluded groups, linking material benefits to dignity and representation. Consumerist Populism and “Freebies”

Tamil Nadu’s tradition of welfare goods (mixies, grinders, televisions, public distribution system strengthening, low-tariff power) has been emulated elsewhere. Regional parties deploy highly tangible, often in-kind benefits that generate strong affective bonds and local-level legitimacy. These are frequently derided as “revadi culture” in national debates, but they respond to real deficits in public services and income. Federal Assertion and Negotiation with the Centre

Regional parties use populist schemes to assert state-level autonomy and ideological distinctiveness, often contrasting themselves with the Centre. Simultaneously, they depend on central transfers and grants conditioned by national priorities. This creates a push-and-pull where states innovate in welfare but also shape national policy discourse (for example, the diffusion of old-age pensions, conditional cash transfers, or health insurance schemes). More recently, parties like the Aam Aadmi Party (AAP) articulate a hybrid populism: anti-corruption, pro-governance efficiency, with a strong emphasis on universal basic services (education, health, electricity, water) rather than only cash transfers. This shifts the populist repertoire towards service quality and institutional performance, though still within a strongly leader-centric and media-savvy mode. Convergences: Architecture of a “New Populism” Despite ideological differences, three major convergences define post-liberalization populist politics in India. Shift to Direct Benefit Transfers and Targeting

Across parties, there is broad acceptance of DBTs, Aadhaar-based authentication, and digitized beneficiary lists. Whether under the Congress-originated Aadhaar or BJP’s JAM framework, the logic is similar: reduce leakages, demonstrate efficiency, and personalize credit for delivery. Cash transfers like PM-KISAN, state-level income supplements (e.g., Telangana’s Rythu Bandhu), and conditional transfers (like LIG housing grants) exemplify this logic. Expansion of Universal Basic Services

All major parties now compete on housing, health, education, food security, water, and electricity. The BJP’s Ayushman Bharat and PM Awas Yojana, Congress’s earlier push for NFSA and MGNREGA, and AAP’s education and health model in Delhi/Telangana-style Rythu Bandhu, or Tamil Nadu’s public services—together reflect a bipartisan, multi-level embrace of universal or near-universal basic services as a core legitimacy tool. Manifesto-Driven Electoral Guarantees Election manifestos have become spaces for escalating welfare commitments: loan waivers, old-age pensions, unemployment allowances, free bus travel for women, LPG subsidies, and more. Parties increasingly craft “guarantees” that are simple, easily communicable, and targeted at

identifiable groups: women, youth, farmers, specific castes, or urban poor. This convergence generates what can be called a “competitive populist equilibrium”: no major party can afford to be seen as anti-welfare, even if it espouses market reforms. Instead, the debate shifts to who can deliver more, faster, and more efficiently. Differences: Ideological Framing and Beneficiary Construction Beneath this convergence lie crucial differences in how parties frame populism: Secular–Rights vs Majoritarian–Nation

Congress and many Left or regional parties legitimize welfare through constitutionalism, social justice, and rights language. The BJP overlays similar or greater material benefits with nationalist and civilizational narratives that define a culturally unified “people,” often marginalizing minorities in symbolic terms even when schemes are formally universal. Identity Axes: Caste, Class, Religion, Region

Regional parties frequently structure welfare around caste coalitions and regional pride, while national parties adopt broader, pan-Indian class categories (farmers, poor, middle class) or religious majorities. This affects who feels prominently addressed and recognized by welfare policies. Centralization vs Federal Experimentation

BJP-led welfare is highly centralized in narrative, branding, and often financing, even though implementation relies on states. Regional parties emphasize local tailoring, state autonomy, and their personal imprint on schemes. Congress historically navigated a middle path, using centrally sponsored schemes but allowing state adaptations. These differences shape party competition and voter alignments, but they operate within a shared acceptance of welfare populism as indispensable. Electoral Democracy, Federalism, and Global Pressures Populist policies are both a product and a driver of India’s institutional dynamics. Electoral Incentives

Post-1990s, no single party can take voter blocs for granted. Welfare schemes help create cross-cutting coalitions: for instance, MGNREGA and farm loan waivers for rural poor; LPG connections and toilets attracting women; health and pension schemes targeting elderly and vulnerable groups. Electoral data from 1999–2024 suggest that parties with visible, well-advertised welfare initiatives often gain durable support, though not always immunity from anti-incumbency. Federal Bargaining

States bear major responsibility for implementation and often innovate: Tamil Nadu’s PDS, Chhattisgarh’s food security model, Telangana’s farm transfers, and Delhi’s public services have shaped the national debate. Yet vertical fiscal imbalance means states depend on central revenue-sharing and grants. Central governments use flagship schemes to project national leadership, sometimes constraining state-level experimentation or rebranding state initiatives. Global and Fiscal Constraints

India’s integration into global markets and its fiscal rules (FRBM framework, credit rating concerns) limit unchecked populism. Therefore, there is a technocratic push towards “efficient” populism: targeted subsidies, DBTs, and phasing out of universal price subsidies. However, when electoral stakes rise, parties frequently relax fiscal prudence to promise and deliver costly schemes, pushing up contingent liabilities and off-budget borrowing. Risks: Fiscal Unsustainability and Policy Fragmentation The cumulative effect of competitive populism is ambiguous. On the positive side, expanded welfare has: Reduced extreme deprivation in many dimensions (food security, basic amenities). Increased women’s and marginalized groups’ visibility in political discourse. Enhanced state capacity in some areas through digitization and monitoring. Yet significant risks remain: Fiscal Stress

State budgets often allocate large shares to power subsidies, loan waivers, and cash transfers, crowding out capital expenditure and long-term investments in health, education infrastructure, and climate resilience. At the Centre, tax concessions and growth slowdowns compound the pressure. Fragmented, Scheme-Centric Governance
Proliferation of schemes leads to administrative overload, duplication, and confusion among beneficiaries. Line departments chase short-term targets rather than systemic reforms (e.g., improving school quality rather than only expanding scholarships). Neglect of Structural Reforms

Populist welfare may alleviate symptoms without addressing causes: agrarian stagnation, employment under-creation, land and labour rigidities, and unequal access to quality public goods. Relying on cash transfers can delay necessary, politically difficult reforms. Democratic Quality Concerns

Leader-centric, charisma-based welfare politics can weaken institutions, foster personality cults, and reduce space for deliberative policy-making. Voters may be treated primarily as beneficiaries rather than as rights-bearing citizens engaged in shaping policy priorities. Conclusion: Populist Convergence and the Future of Reform
In post-liberalization India, populist policies are not an aberration but a core mechanism through which democratic legitimacy is produced under neoliberal conditions. The Congress, BJP, and regional parties have all embraced an expanded welfare state, albeit with different ideological inflections: secular, rights-based welfarism; nationalist-majoritarian welfare; and subaltern- or region-centered redistributive politics. Policy instruments have converged—DBTs, universal basic services, electoral guarantees—creating a shared “grammar” of new populism that sustains regime stability and offers real, if uneven, social gains. At the same time, this convergence intensifies fiscal pressures and risks entrenching a politics of short-term redistribution over long-term structural transformation. The central challenge for India’s political class is thus not whether to do welfare, but how to embed welfare in a coherent developmental strategy that advances productivity, equality, and institutional robustness. Without such a shift, populist competition may continue to stabilize governments in the near term, while gradually undermining the economic and institutional foundations needed for inclusive growth in the long run.

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