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Populism and Welfare Politics in Post-Liberalisation India: Sectoral Transformations in Education, Health, and Agriculture

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1. Introduction

The economic liberalisation of India, which began in 1991, is a turning point in the Indian development strategy that was defined by deregulation, privatisation, fiscal tightening, and globalisation with the international economy (Ahluwalia, 2002; Panagariya, 2008). The reforms aimed at rectifying macroeconomic imbalances, improving efficiency and boosting growth through decreasing the direct economic role of the state. In policy application, liberalisation was predicted to help reduce the role of the state in social provisioning, and market mechanisms would be more involved in the in-service delivery.

Nevertheless, this was not the direction of the political economy in India since the post-reform period. Instead of shrinking back, the state reset its niche, with both market-oriented reform and an enlarged framework of welfare interventions. Since the beginning of the 2000s, welfare policies have become a renewed political and institutional focus, which is dictated by democratic compulsions, coalition politics, and increased electoral rivalry (Kohli, 2012; Jayal, 2013). The growing inequalities in the region, the uneven social consequences of development, and the endemic circumstances of agrarian, informal and marginalised groups added to the pressures on redistributive state intervention.

Such a two-sidedness, i.e. the economic liberalisation and welfare expansion, has become a hallmark of the modern model of Indian government. The welfare programmes are also becoming more of an instrument of social protection as well as a tool of political mobilisation and state legitimacy. With the development of governments that must deal with distributive conflicts not by structural redistribution but by specific welfare, democratic politics in India have contributed to the growth of the scheme-based government (Chatterjee, 2004; Manor, 2013).

A central place in this kind of framework is taken by education, health, and agriculture. These are sectors that form the basis of long-term human development, productivity and social stability, as well as providing politically relevant venues of welfare provision. Liberalisation in the education sector helped the speedy growth of the privatisation of institutions, especially higher and technical education, with the state still maintaining a high welfare focus on schemes including the Mid-Day Meal Scheme, fee reimbursement, scholarships, and the Right to Education Act, 2009 (Tilak, 2015). Such interventions aimed at reducing exclusion and gaining access even when market logics redefined institutional arrangements.

The same trend can be followed in the health sector. Although in the post-reform era, there was a boom in the growth of private healthcare, state-sponsored insurance and mission-mode interventions continued to be resorted to by the state policy in order to reach vulnerable populations. Other initiatives like the National Rural Health Mission, state-based insurance policies like Aarogyasri, and subsequent Ayushman Bharat represent a strategy in which welfare provision is delivered through a combination of state funds and privately provided services (Reddy et al., 2011; Hooda, 2020). The presence of liberalisation and welfare populism in health governance is stressed in this hybrid model.

Nonetheless, agriculture is the area where the welfare politics is most presently ingrained. The systematic agrarian distress, reduction of farm earnings and structural impediments have necessitated governments responding politically and through policy to loan waivers, minimum support price intervention, direct income transfer and input subsidies (Dev, 2018). They have significant consequences on fiscal federalism, electoral behaviour and centre-state relations and support the centrality of agriculture in populist political rhetoric.

In these fields, welfare programmes have become essential tools of political communication, defining the expectations of the citizens and reinstating the relations between the state and society. Welfare provision is becoming a mediating factor to democratic participation, where governance is no longer rights-based institutional provisioning, but scheme-based responsiveness. On the one hand, this model has led to inclusion and political engagement, but also raised issues of fiscal strain, policy disintegration and poor long-term planning (Rudolph and Rudolph, 2010; Mukherji, 2014).

It is on this basis that the current study analyses the influence of populism and welfare politics on sectoral change in the form of education, health, and agriculture in post-liberation India. Placing the aspect of welfare expansion in the bigger framework of market reforms, the paper will aim at contributing to the enhanced comprehension of the changing political economy in India as the democratic rights, development objectives, and the governance approach converge.

2. Conceptual Framework: Welfare, Liberalisation and Populism

Indian populism is not so much an ideology as a political strategy that is inherent in the democratic competition. It entails direct experiences of being in touch with the people, targeted welfare provision, personal leadership and policy tools that are meant to show sensitivity to the social distress (Mudde & Rovira Kaltwasser, 2017; Chatterjee, 2004).

Welfare politics is the application of redistributive policies, subsidies, social protection initiatives, and provisioning to overcome socio-economic vulnerabilities. Welfare in post-liberalisation India has increasingly become a matter of targeted and conditional programmes, which have been enabled by the administrative reforms, digitisation, and procedures to identify beneficiaries (Drèze and Sen, 2013).

Liberalisation, in its turn, is more concerned with efficiency, fiscal discipline, competition in the market, and the minimisation of direct state intervention. Welfare populism and liberalisation are both signs of the fact that India has been struggling to balance between growth-based reforms and the demands of democratic accountability and social justice.

6. The Politics of Welfare and the Education Sector

The reforms in the education sector that followed the liberalisation helped to promote a booming growth of the number of institutions and especially the higher and professional education, as the regulatory restrictions were relaxed and the market was opened to participation (Tilak, 2011; Kingdon, 2007). Although the expansion of the private sector in the industry brought greater capacity of enrolment and diversification of the educational provision, it also heightened disparities in access and quality based on socio-economic and regional differences and caste. The escalating cost of education, the unbalanced spatial dispersion of education providers, and quality disparities between the public and the private providers compounded apprehensions about social exclusion.

The state was responding to these structural imbalances with a lot of growth of welfare-based interventions to improve access, retention, and equity in education. The flagship programmes like the Mid-Day Meal Scheme were important in enhancing the school enrolment, attendance and nutritional performance of children with disadvantaged backgrounds (Drueze and Kingdon, 2001; Khera, 2006). Equally, the fee reimbursement schemes, Scheduled Castes, Scheduled Tribes, minority and other disadvantaged groups and special attention to first-generation learners were aimed to neutralise the cost-prohibitive market-based growth.

The adoption of the Right of Children to Free and Compulsory Education Act, 2009, was a tremendous normative change that entrenched elementary education as a right that can now be legally enforced. Although the Act strengthened the commitment of the state to universal access, its enactment was marked by the larger strains of post-liberalisation governance, such as the dependency on the private schools, uneven regulatory authority, and financial constraints of the state governments (Government of India, 2009; Mehendale, 2014).

In post-reform India, education welfare is therefore an indication of a hybrid form of governance where market processes determine the growth of institutions alongside the redistributive processes led by the state. Educational welfare programmes have been more discursive performances of state accountability, political responsiveness and social justice pledges. Meanwhile, they are scheme-based in nature, which has led to an episodic policy delivery and questions the long-term institutionalisation of public education structures.

7. Welfare Politics and the Health Sector

The post-liberalisation health sector reforms facilitated increased private-sector investment, financing through insurance policies, and the creation of partnerships between the state and the private sector, which primed the delivery of healthcare in India. Their result was the growth of the primary and tertiary care being provided by the private sector, especially in the urban and semi-urban regions, whereas the public health facilities were not balanced and were under-resourced and uneven (Baru et al., 2010; Sengupta & Nundy, 2005).

Here, welfare politics played a leading role in the access and affordability via mass interventions in health. In the year 2005, the National Rural Health Mission was initiated as an initiative aimed at empowering primary healthcare, institutional delivery and enhancement of maternal and child health outcomes in underserved areas (Government of India, 2005). Aarogyasri in Telangana and Andhra Pradesh were state-level schemes that marked a transition to insurance-based schemes of welfare, where the state funds are used to buy services provided by empanelled privately owned hospitals.

This practice was further institutionalised in 2018 with the introduction of Ayushman Bharat, which merged health insurance coverage under the Pradhan Mantri Jan Arogya Yojana (PMJAY) with the initiative to enhance primary care by introducing Health and Wellness Centres (Government of India, 2017; Hooda, 2020). These plans broadened financial coverage of weak groups, as well as increasing the political presence of healthcare delivery.

There are, however, growing issues with the rising dependence on insurance-based welfare, with concerns raised over how it has caused cost escalation, increased regional disparity, regulatory control of the service providers and the sidelining of preventive and public health functions (Reddy et al., 2011; Baru and Nundy, 2008). Nevertheless, these constraints notwithstanding, health welfare programmes have turned into a potent tool of political discourse, which influences voter politics and strengthens the vision of the state as a pro-active guarantor of social security within a liberalised economy.

8. Welfare Politics and the Agriculture Sector

The area with the highest levels of welfare-oriented populism and political implications in post-liberalisation India is the agricultural sector. The economic reform led to the farmers being exposed to a more integrated market, volatile prices, and ultimately competing with the global market as the government reduced its investments in irrigation and extension services and rural infrastructure. These restructurings led to agrarian distress, especially to small and marginal farmers, enhanced income insecurity, indebtedness, and increased exposure to climatic shocks (Reddy & Mishra, 2009; Dev & Rao, 2015).

Governments on both the Union and state levels responded by depending more on welfare-type interventions to stabilise the livelihoods of the rural populations and contain political unrest. Policies such as agricultural loan waivers increased minimum support price (MSP) procurement, fertilisers, electricity, and irrigation input subsidies, and compensation for losses of crops have become frequent policy instruments. A major change towards cash transfer-based agricultural welfare, with global tendencies towards social protection but still a strong populist bias, was introduced with the introduction of direct income support schemes, most notably the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) (Government of India, 2019; Gulati et al., 2019).

Regional-level programs, such as income support and debt relief programs, also serve to exemplify the nature of competition in terms of welfare populism at the Indian federal level. These interventions help in the short-run alleviation and increase political legitimacy, but critics contend that they could leave unresolved underlying structural problems, including land fragmentation, lack of productivity, market access, and institutional credit constraints (Chand, 2017). Thus, the policies of agricultural welfare demonstrate not only the shortcomings of market-driven reform but also the continuing centralisation of politics in India by the agrarian sector.

9. Welfare Populism, political implications

In the education, health, and agricultural sectors, the welfare programmes have essentially changed the way citizens expect the state in post-liberalisation India. Welfare delivery has also become one of the major means of political communication by which governments express responsiveness, care, and accountability to various social constituencies. A growing dependence on the scheme-based governance has enhanced the direct state-citizen connections and has frequently circumvented old institutional mediators (Manor, 2013; Chatterjee, 2004).

Welfare populism has been increasing the intensity of competition in the election process because social policy has become one of the main fields of political competition. Within politics, the welfare programmes are increasingly being packaged as an indicator of leadership effectiveness and the quality of governance, which further consolidates a politics of visibility and instantaneously. This has increased democratic participation and political inclusion of marginalised groups, especially in rural and semi-urban settings (Kohli, 2012).

Meanwhile, the increased welfare populism has created major governance problems. The growth of industry-focused plans has led to problems of policy fragmentation, financial strains, and administrative burdens, especially on the state governments. Most short-term electoral incentives are usually focused on distributive policy instead of long-term investments in structural reform, quality of public service, and institutional capacity (Rudolph and Rudolph, 2010; Mukherji, 2014).

Therefore, even though welfare populism has emerged as an intricate part of India's democratic and developmental path, it makes a multifaceted trade-off between political responsiveness and sustainable governance. The issue for policymakers is whether welfare-based legitimacy is compatible with strategic planning of long-term development in a liberalised economic system.

10. Challenges and Limitations

The co-existence of populism based on welfare and market-oriented liberalisation in post-reform India has posed a set of structural, fiscal and governance-related issues. Although welfare expansion has led to improvement in the political inclusion and social safety, it has also shown constraints in the policy structure, the institutional capability, and sustainability.

Among the most significant issues are fiscal pressure and limitation of the budget. The spread of welfare programs in industries has risen to a high rate of expenditure commitments at the Union and state levels. Without equivalent revenue collection or spending rationalisation, welfare populism may add to the fiscal strain, thwart capital accumulation and limit long-term growth and development spending (Rao & Chakraborty, 2013; Mukherji, 2014).

The second significant constraint is the weaknesses in implementation and disparity in administrative capacity. In India, the mediating factors involved in welfare delivery are the complexity of bureaucracies, inter-governmental coordination issues, and disparity in state capacity. Consequently, the outcomes of the schemes typically fail to meet the intent of the policies, where problems of exclusion errors, leakages, delays in the transfer of benefits, and unequal coverage across all regions interfere with the effectiveness (Drèze and Sen, 2013; Pritchett, 2009).

Further complications of welfare governance include policy discontinuity and changes in politics. The shift of political leadership and political party control is a frequent occurrence that may cause welfare programmes to be renamed, reorganized or nullified, in the wake of which institutional learning is disrupted, and the credibility of the programme is undermined. Such a preference to focus on political branding rather than policy consolidation helps to create a fragmented welfare architecture and diminish the capacity to have a cumulative long-term effect (Manor, 2013).

There also arises another major conflict between universal rights-based entitlements and focused welfare benefits. Although the targeting has justifiable reasons based on the consideration of fiscal efficiency, it may create errors of exclusion and defeat the normative principles of social citizenship. The growing dependence on the targeted schemes threatens to turn welfare into a rights-based model into a discretionary scheme-based model of social protection (Jayal, 2013; Chatterjee, 2004).

Also, the increased focus on visibility-based and short-term welfare has brought up the issue of strategic policy myopia. The incentives that are provided by the electorate usually support short-term and direct advantages as opposed to structural reforms, which include the reinforcement of civic organisations, improving services, and investing in human capital and rural infrastructure. This short-termism constrains the transformational potential of welfare interventions and undermines the role of welfare interventions in promoting sustainable development (Rudolph and Rudolph, 2010).

Collectively, these challenges highlight the importance of ensuring more policy integration, coordination of institutions and long-term strategies. To resolve the shortcomings of welfare populism, there is a need to go beyond the disjointed scheme-centred form of governing to a more integrated form of social policy that is both financially sound, democratically receptive, and developmentally efficient in a liberalised economy.

11. Conclusion

The post-liberalisation political economy in India reveals that market-neutral reforms and welfare-neutral populist politics have not been developed as opposite directions, but they are both constitutive components of democratisation. Instead of receding, the state has proclaimed itself by broadening its repertoire of welfare intervening especially in education, health and agriculture, which are at the heart of human development, social stability and political mobilisation.

As illustrated in the analysis, welfare programmes have had a two-fold role. On the one hand, they have alleviated part of the social and regional inequalities that have been enhanced by liberalisation, better accessibility to basic services and enhancing direct state-citizen connections. Alternatively, the welfare interventions have been increasingly operating as a tool of political legitimacy and electoralism, which inform policy priorities and political rhetoric. This dynamic represents the role of democratic pressures in India that have forced governments to reconcile growth-oriented reforms with redistributive pledges that can be seen (Kohli, 2012).
Meanwhile, the increasing dependence of scheme-based and targeted welfare has brought up critical normative and institutional issues. The move beyond universal rights to selective benefits has changed the social citizenship meaning, adding a sense of dependency, discretion and fragmentation to the governance of welfare (Jayal, 2013). Additionally, the focus on the short-term distributive benefits has frequently been achieved at the expense of long-term investment in the institutions of the state, administrative capacity and long-term developmental plans (Drèze and Sen, 2013).

The Indian experience, therefore, criticises the traditional dichotomies of state and market, reform and redistribution. It argues that welfare populism must be decoded as both a response to inequality and federal diversity as well as to competitive democracy, and it is also an adaptation of a liberalised economy. The biggest question that remains is how to make politics responsible and policy coherent to make sure that welfare interventions supplement, and do not replace, structural reforms and institutional strengthening (Mukherji, 2014).

To sum up, the issue of welfare populism has turned into a long-lasting characteristic of the post-reform administration in India that has transformed both the way democracy is practised and the level of development. Its success over the long run will be determined by whether the state can overcome the disjointed populist policies to a combined and durable system of social policy that would be both conducive to economic growth, social equity, and institutional resilience in a liberalised political economy.

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