

## **A Review on Political Regimes, Welfare Commitments and Populist Strategies in Indian States**

**Dr. SARANGAPANI BANOTHU**

BRS Mandal Party President & Ex MPP, Nallabelli, Warangal Dist, Telangana

### **Introduction**

India's federal political system provides significant autonomy to state governments in designing and implementing welfare policies. While the Constitution mandates the promotion of social and economic justice, the nature and extent of welfare commitments vary considerably across states due to differences in political regimes, party ideologies, administrative capacity, and fiscal priorities. In recent decades, welfare has become a central theme of electoral politics, with political parties increasingly competing through policy promises aimed at direct and immediate benefits to voters. This has led to the growing prominence of populist strategies, often characterized by universal subsidies, free goods, and direct cash transfers, which are justified in the name of social justice but are also driven by electoral considerations.

Political regimes—whether single-party majority governments, coalition arrangements, or regionally dominant party systems—play a crucial role in shaping welfare priorities and methods of delivery. Stable majority regimes may pursue long-term social investments in education, health, and infrastructure, while coalition or highly competitive regimes may prefer short-term, highly visible welfare schemes to consolidate political support. Regional parties, in particular, often frame welfare programs around identity, regional development, and social inclusion, thereby linking governance with localized political mobilization.

However, the expansion of welfare through populist instruments raises important concerns regarding fiscal sustainability, policy efficiency, and institutional accountability. High expenditure on subsidies and consumption-oriented schemes may crowd out productive public investment and strain state finances, leading to rising deficits and debt burdens. Moreover, the effectiveness of welfare cannot be measured merely by budgetary allocations, but must be assessed in terms of outcomes such as improvements in health indicators, educational attainment, and poverty reduction.

### **Concept of Political Regimes in a Federal Democracy**

In a federal democracy like India, political regimes at the state level represent the organizational and ideological configuration of governing authorities, which significantly influence policy priorities and administrative behavior. A political regime can be understood as the combination of the ruling party or coalition, its ideological orientation, leadership style, and institutional practices that guide decision-making and governance. States may be governed by single-party majority regimes, coalition governments, or regionally dominant parties, each presenting distinct administrative characteristics. Majority governments often enjoy greater stability and decision-making efficiency, enabling the pursuit of long-term developmental policies. Coalition governments, by contrast, require negotiation and consensus-building among partners, which can lead to compromises in policy priorities and selective allocation of welfare resources. Regionally dominant parties frequently align welfare programs with local identity politics and regional development concerns. In a federal democracy, this diversity of political regimes is crucial because it shapes not only the distribution of resources but also the responsiveness of the state to citizens' needs. By analyzing the role of political regimes, scholars

can understand variations in policy design, implementation efficiency, and governance outcomes across states. The regime type, therefore, serves as a critical lens for studying the political economy of welfare in federal systems.

#### Importance of Welfare Policies in State Governance

Welfare policies constitute a core instrument of state governance, reflecting a government's commitment to social justice, equity, and human development. In the Indian context, state governments are primarily responsible for implementing programs related to health, education, poverty alleviation, housing, and social protection. Welfare policies not only address immediate needs but also lay the foundation for long-term socio-economic development by enhancing human capital and reducing inequalities. Effective welfare governance ensures inclusive growth by targeting marginalized groups such as women, children, Scheduled Castes, Scheduled Tribes, and economically weaker sections. The design, scale, and efficiency of welfare policies significantly influence public trust in government institutions, citizen satisfaction, and electoral legitimacy. Beyond mere budgetary allocations, welfare policies reflect a state's priorities, administrative capacity, and commitment to evidence-based planning. States with strong welfare frameworks often witness improvements in health indicators, literacy rates, and poverty reduction. Furthermore, in a competitive democratic environment, welfare policies also act as a visible manifestation of political accountability, linking electoral mandates to citizen-centric outcomes. Thus, welfare policy-making is both a developmental and political imperative in state governance.

#### Rise of Populist Strategies in Competitive Electoral Politics

Populist strategies in state governance have emerged as a prominent feature of competitive electoral politics in India, driven by the desire of political parties to secure short-term electoral gains. Populism in this context refers to policy measures—such as direct cash transfers, subsidies, free goods, and welfare schemes—that are designed to appeal directly to large sections of the electorate rather than being grounded in long-term developmental objectives. These strategies often prioritize visibility and immediacy over efficiency, targeting mass consumption to create immediate political support. Electoral competition intensifies populist behavior, particularly in closely contested states or constituencies, where parties seek to outbid rivals through generous welfare promises. While populist measures can temporarily improve living standards, they often lead to fiscal stress, inefficient resource allocation, and a focus on symbolic rather than substantive development outcomes. Additionally, populism can influence policy continuity, as successive governments may adopt or expand populist schemes to maintain political favor, sometimes disregarding evidence of their developmental impact. In the Indian federal context, populist strategies vary according to regime type, party ideology, and regional dynamics, shaping the pattern of welfare provisioning and governance. Understanding the rise of populist strategies is essential for assessing the balance between electoral politics, fiscal sustainability, and long-term human development.

#### Defining Political Regimes: Majority, Coalition, Regional Dominance

Political regimes at the state level in India can be categorized based on the structure, stability, and ideology of the ruling party or coalition. **Majority governments** are those where a single party commands a clear legislative majority, enabling decisive policy-making and continuity in governance. These regimes often prioritize long-term developmental planning, as the ruling party has both the legislative strength and political stability to implement comprehensive welfare and infrastructure programs. By contrast, **coalition governments**

comprise multiple parties that must negotiate and accommodate diverse interests to maintain political survival. While coalition regimes can promote inclusive decision-making and represent broader social groups, they may also lead to compromises in policy formulation and fragmented implementation of welfare schemes. Policy priorities in coalition regimes are frequently influenced by the bargaining power of smaller partners, resulting in selective allocation of resources. **Regionally dominant parties**, on the other hand, control states through strong local identity, often drawing on caste, linguistic, or regional solidarity. These parties focus on welfare policies that reinforce their regional base, using schemes tailored to local social and economic dynamics. In India's federal democracy, the nature of the political regime profoundly affects welfare commitments, the scope and targeting of policies, and the choice between development-oriented programs and populist measures. Understanding these distinctions is essential for analyzing how regime type shapes governance outcomes and citizen welfare across states. It also allows scholars to explain inter-state variations in social indicators and fiscal performance, linking political configurations to tangible outcomes in human development.

#### Welfare State vs Welfare Populism: Conceptual Distinction

The concepts of **welfare state** and **welfare populism** are closely related but differ fundamentally in purpose, design, and outcomes. A **welfare state** is a governance model where the state assumes responsibility for ensuring social and economic well-being through systematic programs in health, education, employment, and social protection. It is guided by long-term developmental goals, emphasizing sustainable human development, equitable access, and poverty alleviation. Welfare state policies are often targeted, evidence-based, and embedded in institutional frameworks that ensure continuity and accountability. In contrast, **welfare populism** refers to policy measures designed primarily to gain political favor rather than achieve enduring developmental outcomes. Populist schemes are usually universal, highly visible, and immediate in their benefits, such as direct cash transfers, free commodities, or subsidies. While they generate short-term electoral support, they can strain public finances, reduce administrative efficiency, and sometimes fail to address structural inequalities. The key distinction lies in the orientation: welfare states prioritize development and capacity building, whereas welfare populism prioritizes political legitimacy and vote maximization. In India, both approaches coexist, with states sometimes blending long-term welfare policies with populist interventions to balance development needs and electoral incentives. Distinguishing between these two concepts is essential for analyzing the effectiveness, sustainability, and political motivations underlying welfare programs, particularly in a federal context where state governments have considerable discretion in social policy design.

#### Populism in Public Policy: Characteristics and Indicators

Populism in public policy represents a strategy where governments deploy policies primarily to attract political support, often prioritizing visibility and short-term appeal over sustainable development. **Key characteristics** include universal or highly visible benefits, immediate impact, high media coverage, and alignment with the interests of electorally significant groups. Populist policies frequently involve cash transfers, subsidized commodities, or highly publicized welfare schemes that are easily understood by voters. Unlike programmatic welfare initiatives that focus on structural improvements, populist interventions are often symbolic, emphasizing political messaging over developmental outcomes. **Indicators of populist public policy** include the timing of scheme announcements near elections, disproportionate allocation

to politically influential constituencies, and schemes that are easily marketable to the public, such as free household items or targeted subsidies. Populism may also be reflected in a preference for consumption-oriented over investment-oriented expenditure, resulting in potential crowding out of infrastructure or human capital projects. In the Indian context, populism varies across states, influenced by political regime type, competitive pressure, and regional socio-economic conditions. Its effects are visible in both fiscal stress, due to unsustainable subsidies, and in governance challenges, such as reduced focus on long-term planning and weaker monitoring mechanisms. Understanding these characteristics and indicators allows policymakers and researchers to identify the nature, scale, and implications of populist strategies, and to distinguish between politically motivated welfare distribution and development-focused social policy.

#### Link Between Electoral Incentives and Welfare Expansion

Electoral incentives play a critical role in shaping the design, scale, and timing of welfare policies in competitive democracies. In India, state governments frequently calibrate welfare expansion to maximize political gains, particularly in constituencies with closely contested elections or significant voter blocs. **Electoral incentives** influence both the scope of welfare programs and the method of delivery, often resulting in highly visible, short-term schemes aimed at immediate voter satisfaction rather than sustainable human development. Studies show that parties in power may increase social spending or introduce new subsidies during election years to signal responsiveness and secure electoral loyalty. Coalition governments, in particular, may expand welfare programs selectively to satisfy multiple political partners or influential social groups, leading to the proliferation of region-specific populist schemes. Electoral competition also encourages parties to adopt policies that can be easily communicated and understood by the electorate, such as free electricity, food grains, or cash transfers. While these measures enhance political legitimacy, they may create **fiscal stress** and undermine the long-term sustainability of welfare systems if not balanced with developmental investments. Moreover, electoral incentives can affect policy continuity, as successive governments may adopt or expand populist measures to maintain political favor, regardless of evidence-based outcomes. The link between electoral incentives and welfare expansion highlights the intersection of politics and governance, showing how democratic competition shapes state behavior. Understanding this relationship is essential for evaluating both the effectiveness of welfare policies and the broader implications of populist strategies on fiscal stability and developmental priorities in Indian federalism.

#### Regime-wise Welfare Expenditure Patterns

Welfare expenditure in Indian states varies significantly according to the political regime in power. **Majority governments** often allocate resources toward long-term social investment, emphasizing health infrastructure, education, and skill development programs, which have sustained developmental impacts. Their budgetary planning is generally stable, allowing for multi-year welfare schemes with measurable outcomes. **Coalition governments**, however, may display fragmented expenditure patterns due to the need to accommodate the demands of multiple partners, resulting in selective or constituency-specific allocations. This often leads to overlapping schemes, reduced efficiency, and a focus on short-term visible benefits. **Regionally dominant parties** frequently design welfare expenditure to reinforce their political base, targeting specific social groups, caste networks, or geographic areas. These regimes may favor populist allocations that maximize electoral support rather than long-term human development. Empirical data from state budgets indicate that high-populism regimes often spend a larger proportion of revenue on subsidies and consumption-oriented schemes, whereas development-

focused regimes maintain a higher share of capital expenditure and programmatic welfare. Understanding regime-wise welfare expenditure patterns is crucial for analyzing the trade-offs between political incentives, fiscal sustainability, and social outcomes in the Indian federal system.

#### Types of Populist Schemes (Cash Transfers, Subsidies, Freebies)

Populist schemes are designed to deliver immediate and visible benefits to voters, often emphasizing quantity and reach over developmental impact. **Cash transfers** are direct monetary payments to households, frequently targeted at women, farmers, or low-income groups, intended to create immediate economic relief and political goodwill. Examples include schemes providing financial support for education, maternity, or livelihoods. **Subsidies** reduce the cost of essential goods or services, such as food, electricity, or fuel, enhancing household consumption power while signaling government responsiveness. **Freebies** are tangible goods or services—such as free laptops, bicycles, household items, or fertilizers—distributed to gain voter approval. These schemes are particularly attractive in closely contested states, where short-term benefits can sway electoral outcomes. While populist schemes generate high visibility and immediate satisfaction, they can create fiscal strain, crowd out long-term developmental expenditure, and sometimes undermine administrative efficiency. The prevalence and type of populist schemes are influenced by regime type, electoral competitiveness, and socio-economic context, shaping both state budgets and public expectations. Identifying these schemes and analyzing their impact is critical to understanding the interplay between political incentives and welfare provision.

#### Welfare Outcomes in Health, Education, and Poverty

The effectiveness of welfare policies is best measured through social outcomes rather than mere expenditure levels. In **health**, indicators such as infant mortality rate, maternal mortality rate, immunization coverage, and access to public healthcare reveal the impact of state welfare programs. States with programmatic welfare approaches tend to show better health outcomes, whereas regimes focused on populist measures may see limited improvement despite high expenditure. In **education**, outcomes are assessed through literacy rates, school enrollment, retention, and learning outcomes. Long-term investment in education infrastructure, teacher training, and mid-day meal schemes correlates with higher quality outcomes compared to short-term benefits like free textbooks or scholarships aimed mainly at electoral gains. **Poverty reduction** is measured through metrics such as household consumption, employment generation, and targeted social assistance. States with well-structured, targeted welfare programs achieve more sustainable reductions in poverty levels than those relying primarily on universal freebies or short-term cash transfers. Comparing welfare outcomes across states highlights the relationship between political regime type, welfare priorities, and human development indicators. It also underscores the need for balancing populist appeal with programmatic efficiency to ensure equitable and sustainable social progress.

#### Electoral Timing and Policy Announcements

Electoral timing plays a significant role in shaping welfare policy announcements in Indian states. Governments often introduce new schemes or increase allocations to existing programs in the months leading up to elections, a strategy known as **electoral cycle spending**. These announcements aim to create immediate visibility, consolidate voter support, and maximize political advantage. For instance, cash transfers, subsidies, or free goods are strategically timed to precede state assembly or local body elections. The intensity and scale of

welfare spending often rise sharply during election years, reflecting the interplay between political incentives and governance priorities. Coalition governments and highly competitive regimes are particularly prone to this pattern, as short-term gains can be decisive in close contests. While such timing can temporarily enhance household welfare, it may undermine fiscal discipline and long-term planning, as resources are diverted from development-oriented programs to politically motivated initiatives. Additionally, frequent or poorly planned announcements can create implementation bottlenecks and reduce program efficiency. Understanding the link between electoral timing and policy announcements is essential for evaluating the motivations behind welfare expansion, assessing the sustainability of state finances, and designing accountability mechanisms that prioritize social outcomes over political expediency.

### **Policy Implications:**

**1. Need for Outcome-Based Welfare Evaluation :** Evaluating welfare policies solely on the basis of budget allocations or the number of beneficiaries often fails to capture their true effectiveness.

**Outcome-based welfare evaluation** emphasizes measuring the real impact of programs on social indicators such as health, education, poverty reduction, and employment generation. This approach enables policymakers to distinguish between expenditures that yield tangible developmental outcomes and those that serve primarily political or symbolic purposes. In India, while several states allocate significant resources to welfare schemes, discrepancies often exist between spending and improvements in human development indices, highlighting inefficiencies and implementation gaps. Outcome-based evaluation relies on robust data collection, monitoring frameworks, and independent assessment mechanisms to ensure transparency and accountability. By focusing on measurable results, governments can refine targeting, identify gaps in delivery, and allocate resources more efficiently. Moreover, it discourages the use of welfare as a purely populist tool, promoting policies that genuinely enhance citizens' quality of life. Implementing this approach requires both institutional capacity and political commitment, as it may challenge entrenched practices of visible, short-term welfare measures. Ultimately, outcome-based evaluation strengthens the link between social spending and development objectives, enhancing the credibility and sustainability of state welfare programs.

**2. Rationalization of Subsidies :** Subsidies are a key instrument of welfare policy, providing relief to economically disadvantaged groups. However, indiscriminate or universal subsidies can strain public finances, reduce fiscal space for long-term development, and sometimes fail to reach intended beneficiaries. **Rationalization of subsidies** involves targeting them effectively, ensuring that benefits reach the most needy populations while minimizing leakages, duplication, and misuse. Targeted subsidies, such as cash transfers or voucher systems, are more cost-effective than broad-based schemes that cater to all citizens regardless of need. Rationalization also entails periodic review of subsidy schemes, phasing out outdated programs, and integrating complementary services that enhance their developmental impact. For example, subsidized food programs combined with nutritional education can achieve both immediate relief and long-term health improvements. Efficient subsidy management strengthens fiscal discipline and allows governments to redirect savings toward capital expenditure or capacity-building initiatives. In politically competitive states, rationalization may be challenging due to pressures to maintain populist schemes for electoral gain. Nevertheless, aligning subsidies with social development priorities is essential for sustainable welfare governance, reducing fiscal stress, and ensuring that welfare policies genuinely improve the living standards of marginalized populations.

**3. Strengthening Fiscal Discipline** : Fiscal discipline is essential for sustainable welfare governance, particularly in states that face pressures from populist spending and high social expenditure. Weak fiscal management can lead to rising deficits, mounting debt, and reduced capacity to invest in development-oriented programs. **Strengthening fiscal discipline** requires a combination of legal, institutional, and managerial measures, such as adherence to state fiscal responsibility acts, transparent budgetary processes, and rigorous expenditure monitoring. Governments must prioritize long-term welfare and capital investment over politically motivated short-term spending, balancing social commitments with revenue availability. Maintaining fiscal discipline also improves investor confidence and ensures the continuity of welfare programs across electoral cycles. Effective fiscal management includes designing subsidies and welfare schemes with clear budgetary ceilings, targeting mechanisms, and performance indicators. Additionally, integrating multi-year financial planning and monitoring tools allows states to anticipate expenditure pressures and allocate resources efficiently. In a federal democracy, where state autonomy allows considerable discretion in welfare spending, disciplined fiscal practices are critical to prevent unsustainable debt accumulation. By emphasizing fiscal prudence, states can ensure that welfare policies are both sustainable and development-oriented, reducing dependency on populist expenditures while maintaining accountability and transparency in governance.

Focus on Capacity-Building Welfare Programs : Capacity-building welfare programs aim to enhance human capabilities and empower individuals to achieve long-term socio-economic development, rather than providing temporary relief. Such programs focus on education, skill development, health awareness, employment generation, and social inclusion, enabling beneficiaries to improve livelihoods and participate actively in economic and social life. Unlike short-term populist interventions, capacity-building initiatives are developmental in nature, fostering sustainable outcomes and reducing dependence on recurring subsidies. For instance, vocational training, entrepreneurship support, and healthcare awareness campaigns equip citizens with skills and knowledge to improve productivity and well-being. State governments can integrate capacity-building with existing welfare schemes to maximize developmental impact—for example, linking cash transfers to educational attainment or skill certification. Emphasizing capacity-building also strengthens institutional capabilities, as effective program delivery requires trained personnel, monitoring mechanisms, and community engagement. In politically competitive contexts, capacity-building programs may receive less attention compared to highly visible populist measures. However, investing in human and institutional capacity yields long-term dividends in terms of improved health, education, employment, and poverty reduction. Prioritizing capacity-building welfare programs ensures that social policies are not only politically expedient but also socially transformative, promoting inclusive and sustainable development in the state.

### **Conclusion**

The analysis of political regimes, welfare commitments, and populist strategies across Indian states highlights the complex interplay between governance, electoral incentives, and social development. Political regime types—majority governments, coalitions, and regionally dominant parties—significantly influence the design, targeting, and effectiveness of welfare policies. While majority regimes often emphasize programmatic, development-oriented welfare, coalition and regionally dominant regimes tend to adopt populist measures aimed at immediate voter appeal. Populist schemes, such as cash transfers, subsidies, and freebies, provide short-term

benefits and electoral visibility but can strain state finances and reduce the efficiency of social spending. Evaluating welfare outcomes in health, education, and poverty underscores that higher expenditure does not automatically translate into improved human development indicators; policy design, targeting, and implementation efficiency are equally critical. To ensure sustainable and inclusive welfare governance, states must prioritize outcome-based evaluation, rationalize subsidies, strengthen fiscal discipline, and focus on capacity-building programs that empower citizens and enhance institutional capability. Balancing short-term political imperatives with long-term developmental goals is crucial in a competitive federal democracy. By adopting evidence-based, accountable, and fiscally responsible approaches, state governments can enhance social welfare, reduce inequalities, and promote inclusive growth, ensuring that welfare policies serve both developmental and democratic objectives in India.

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