



## Poverty, Social Inequalities and Politics of Development in India

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### Abstract

The paper examines the relationship between poverty, social inequality and development in Indian context. Several studies and scholars established relation between poverty and social inequality. The paper highlights the same and attempts to relate both these with different opportunities for access to development. The upper castes, especially the dominant castes, and particularly the richer segments of them, who dominate every major political party in the country, have established a nexus over avenues of development and garner the fruits of the same. Consequently, the lower castes continue to be deprived and underdeveloped. The development itself is thus skewed. The impact of globalization is analyzed from the perspective of its impact on the lower castes and poorer sections of the people. The paper also suggests some ways to come out of such unequal setting.

**Keywords:** Poverty, social inequality, structural domination, caste-class synonymy, globalization.

That there is a close association between poverty and social inequalities has bothered and baffled the planners and social scientists alike since the First Five Year Plan. The relationship between poverty and social inequalities is not simple but complex in the Indian context. The present paper attempts to view it afresh, *albeit* from an inter-disciplinary perspective.

Several studies have emphatically established a close association between poverty and social stratification. Some social scientists bluntly put it this way, "there is a nexus between poverty and social inequalities." One cannot but agree with both the statements. I would only add that poverty and social inequalities *complement* each other, *feed each other* and *feed on each other*.

### Poverty

Poverty estimates given by Planning Commission, NSS, other independent agencies and individuals vary with reference to the income and calorie intake. Let us not go into debating how many of our people are still poor. However, there is a consensus that poverty still exists even after eleven Plans and thousands of crores of rupees having been drained already. It is said that people are falling into poverty in all regions even as other people escape from poverty. A few macroeconomic have pointed to the need for removal of some constraints like poor infrastructure, stagnant and often failing agriculture. It was also noted that agricultural growth lags far behind other sectors and increase in informal employment does not create any stable incomes and the resultant social development and inter-generational improvement in family's economic status.

The above situation prevails in spite of the fact that the country has the second largest number of affluent people in the world with three million households having over \$100, 000 of investable funds, which is just 1.25 per cent of households (Colin Todhunter, 'Poverty and Rising Social Inequality in India,' <http://www.globalsearch.ca>). What a contradiction and what a tribute to the commitment of the ruling class and dedication of the Planning Commission over sixty years of planning in eradication of poverty?

One among four of our people is sleeping every day without a meal. Fifty per cent of our children are undernourished. As per 2011 Global Hunger Index, the country stands at 73<sup>rd</sup> place with fifteen countries below us. In 2010, eight Indian states – Bihar, Chattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal – had a total poor population of 420 million, more than 410 million of the poorest African countries (ibid.).

While the GDP varied between eight to nine per cent in the last few years, annual poverty alleviation figure was 0.8 per cent. The average wages are falling in real terms as economists have been pointing out again and again. In such a context, to talk of 'inclusive growth' sounds utterly idealistic.

On the other, we are a witness to the government at the Centre and in the States going out of the way to please the corporate sector, Indian and foreign, by liberal sanction of land, water, mining rights for exploration, exploitation and enrichment, all in the name of strengthening the economy, creating more job opportunities, better living standards and other such hollow claims. A classic case of 'state-regulated capitalism' as Habermas would wish to call (S.L.Doshi, *Modernity, Postmodernity and Neo-sociological Theories*, 2003). The protesting organizations/associations/individuals were all dismissed as anti-national, anti-social or even as naxalites or Maoists. About 300,000 people have already been displaced forcibly so far for various projects like Special Economic Zones and dams. Remember the high hue and cry over the farmers' loan waiver a few years ago. The public were again and again fed over the media by the government that it cost the exchequer around 52,000 crores of rupees. What was concealed from the public was the amount defaulted by and waived for the corporate sector, which is, by any conservative estimate, more than four times of that figure. The rulers are prepared to go any extent to help and assist the affluent and the powerful class at the cost of the poor and the average citizen of the country. It is not difficult to comprehend the nature of this psyche given the class-caste association in the Indian setting.

## Caste and Class

Beteille has long since pointed out the class-caste synonymy in the rural context. Sharma also points to such a situation to a large extent when he says that the rich peasant class that emerged out the ex-*rayots* “generally belonged to the upper stratum of the intermediate agricultural castes, and to the formerly landowning upper castes who have now taken up agriculture as self-cultivators” and goes on to state, “the scheduled castes ... are still generally at the bottom of the socio-economic hierarchy ...” (Sharma: 1994). This has been corroborated by many later studies. Thus, there is a direct correlation between the caste and class. Lower the caste, lower is their class status too with only a few exceptions. Brahmins are not necessarily the richest in many parts of the country but dominant castes, yes.

In the pre-colonial era, the traditional structure was maintained, regulated and enforced undisturbed and unchallenged. The colonialism and policies of the British government disturbed it only to some extent with introduction of modern education, market system, an impersonal and rule-minded bureaucracy and such influences. But the introduction of *zamindari* and *ryotwari* systems of land tenure, in a sudden and swift manner, empowered the hitherto agrarian castes with land ownership. These are the present-day dominant castes which were agrarian labour and tenants who acquired the land-ownership with a policy shift of the then government. The Other Backward Classes and the Scheduled Castes, who were agrarian labour, occupational or service castes, were, thus, permanently deprived of land ownership and came to depend permanently on the agrarian-transformed-dominant castes. A study done on caste and class in rural Andhra categorically states, “The landlord class in coastal Andhra primarily consisted of ..... the *Kshatriya*, the *Velama*, the *Kamma* and *Reddy*”. Even in *ryotwari* areas, the landlords “overwhelmingly belonged to ..... *Reddis* in *Rayalaseema* and *Kammas*, *Rajus* and *Reddies* in coastal Andhra” (Satyanarayana:1994). The tenant-cultivators belonged to all *Sudra* castes in general. The *Harijans* constituted the bulk of the agricultural force. The status of the dominant castes became unassailable in respect of social superiority furthered by economic enrichment.

Independence provided yet another opportunity, that of political power, to them. Their social and economic superiority would not have them settled for nothing less than the rulers and not as subjects. This completed the structural domination by the dominant castes. No guarantees given in the Indian Constitution, in the name of equality, social and economic justice and others or legislations like in respect of land ceilings could make a dent in their power and supremacy.

Vote banks do matter in democratic politics given the awareness levels of general populace. Therefore, horizontal social and political unity of the dominant castes was an urgent prerequisite. Any person of the same caste, even if he is not rich, is welcome as he would serve their purpose at the grass-root level, given a lower-level political position or not. Even if such persons are a minority in number, the power that they wield because they are of the dominant caste is apparent in any corner of the country. The poor, low-educated lower and middle castes could easily be controlled as they are primarily dependent on them for sheer survival and props like reservations, subsidies, loans, loan waivers, populist measures like free rice, free power, etc. all of which only strived to consolidate the political base of the dominant castes.

All the families of the dominant castes are not uniformly rich or superior given the diversity of numbers, assets, land ownership, local specificities, etc. But the rich, enterprising and powerful of them have established a horizontal unity which remains unbreakable whatever may be the crisis – social, economic or political. They are the ones heading a majority of the political parties, civil service establishments and other decision-making or decision-influencing bodies. Therefore, it may be said that the upper class segment of the dominant castes is wielding the actual power in the country today. This may be referred to as dominant caste-upper class axis.

Economic policies of the government since independence and New Economic Policy, 1991, in particular, have only enriched and expanded the coffers of the above class given their domination in society and economy and unbroken power hold whatever may have been the party in power. As a consequence, the gap between the rich and the poor has been widening and the latter are getting more and more deprived in terms of access to common resources and lack of opportunities as Sen and Dreze pointed out. This has resulted in the alienation (extracting the Marxian concept in a different context) of the lower and middle castes who not only perceive the relative deprivation but also feel they are not part of the system.

The cumulative adverse result of all this is that we have a large number of poor, illiterate/low literate, highly disease-prone masses which is angry. It is not good for the powerful and ruling dominant caste-upper class combine. A small spark can ignite a massive revolution/upsurge which may, in due course, wipe them out. Chatterjee, thus, pointed to the real fear of class war. “If the effects on the poor and those displaced from their land livelihoods by primary accumulation are not reversed by government policies, he argues, it might turn them into “dangerous classes” (quoted in Gupta and Sivaramakrishnan: 2011).

## Politics of Development

Therefore, through the state they intervene under the high-sounding welfarism/developmentalism by introducing different schemes and programmes:

give a few cents or an acre or two of land *albeit* uncultivable; build one-room tenements, under housing scheme, whose life may not last even that of the first beneficiary himself/herself; grant loans or subsidies and later make them demand a waiver, grant it as a political mileage and make a hue and cry through the media and public platforms; and many such other programmes. Just doles aimed at providing short-term succor and relief and never meant to bring in status shifts.

Even in respect of availing some programmes like obtaining a BPL card or getting an old-age pension sanctioned or in matters such as these where only the objectivity of their conditions should see that the benefits are accrued to them in the natural course, the local leaders of the dominant caste-class segment play a decisive and influential role and, without their consent, the tehsil/district officials rarely venture to grant these schemes. ‘*Pampering the proletariat class*’ (to borrow from Habermas) so that they keep away from any civil upsurge. The beneficiaries and the general public also have a false consciousness that they are indeed sought to be developed from poverty. There is also a large-scale corruption in the implementation of these half-baked schemes among the local leaders and the officials and it is not the

purpose here to probe in detail. So from top to bottom, the sweep of the power and influence of the powerful segment is complete. They seek to maintain their superior hold at any cost by suppressing any opposition, often with aggression and, at the same time, rewarding the supporters with political or administrative posts. They even lure the vocal leaders of the lower castes into their fold in this manner (a kind of 'dependence psyche') and the latter merely lap it up utterly unconscious of the fact of acting against the interests of their own sections. Thus, the hegemony of the dominant caste-class segment, which has come to comprise both feudal and capitalist elements in the course of time, becomes total and unquestioned but only patronized. Ironically, given this situation, the State claims that it is welfare and development-oriented, perhaps an analogy of what Althusser calls 'Ideological State Apparatus' (S.L.Doshi:2003).

Till the time of economic reforms, the government had a near total control of education systems from primary education to the university level. It was responsive to the needs, aspirations and demands of the people. The students from middle and lower castes and classes were imparted high quality education by the trained teachers as a result of which they could rise to become doctors, engineers, civil servants, professors, even '*netas*,' and such others with minimum expenditure on the tuition fee. Such individuals could improve their social and economic status due to such educational and occupational mobility. These classes could also get free and specialized treatment in state-run hospitals.

The privatization changed the scenario totally. Liberalization meant lifting of restrictions of domestic production, decontrol of foreign trade, reduction of tariffs, and reform of company law to enable majority share-holding by foreign corporations in their Indian subsidiaries and new ventures. Such reforms were accompanied by internal changes, notably the entry of private enterprise in many core sectors like education, health care provision, telecommunications, transport, urban public health and sanitation, and energy supply and a sharp reduction in the number of people recruited into public services.

Globalization(also used as a pseudonym for liberalization, privatization and globalization) made it worse with increasing rich-poor gap, declining wages in real terms and the concomitant social and political tensions. Therefore, it may be said that the process of globalization started with a crisis in the development policy and approach of the state in the country. The process has also resulted in displacement of peasants from the land and artisans from their means of livelihood, decline in land available for food crops cultivation and increased the dependence of the family on market for food, increased men's control over income who were involved in marketing of cash crops and increased income in the hands of male members, which, in turn, led to increased alcoholism and reduced the income available for food consumption (Degaonkar: 2006). Faced with a restless workforce and competitive electoral pressures, the state has increased expenditures to enable people to meet their basic needs. This explains introduction of new programmes like Mahatma Gandhi National Rural Employment Guarantee Scheme(MGNREGS), the most expensive social programme ever launched in India and one of the most expensive programmes in the world. It also turned the state's educational and health systems into a bad shape and was shunned by the people.

The opening up of foreign investment in India through what is commonly referred to as Foreign Direct Investment(FDI) led to a competition among the States to lure multinationals and overseas Indians to invest in their states with large industrial and infrastructure projects. This has, in due course, undermined the dominance of agricultural interest at the state level without displacing them entirely. States have begun to favour industries by giving them subsidized land through the creation of Special economic Zones(SEZ), tax holidays, and other sops.

It is a pathetic sight to see auto-wallas and agrarian labour struggling with their finances to send their children to private schools and to go to private doctors/nursing homes for treatment of diseases as the public-health care delivery systems have not been able to meet even the basic health demands of the people. Jeffery and Jeffery have brought to attention the high cost of obstetric crises in U.P. as the poor and lower middle class people depend on private doctors and clinics (Jeffery and Jeffery: 2011). If the state hospitals cannot even undertake deliveries, the existence of their very purpose is defeated. Thus, globalization has "*fostered in India a growing inequity and marginalization of the weak. This has created a sense of social injustice and led to growing social political tension. The aspirations of the dalits, the backwards and women among whom poverty is entrenched have come up against the wall New Economic Policies that have resulted in growing under-employment and rising prices of basic goods*" (Pasricha, quoted in Dash: 2006).

The globalization may have served some latent functions unintended. Like the recruitment in private companies or MNCs on merit-cum-performance-cum-skill basis rather than on political or monetary grounds as it happens in the case of recruitment by public institutions in many areas of the country or the easy and fast availability of a telephone, a gas connection, or a wide range of choice of a vehicle, or such others. Thanks to globalization, there are believed to be over 70,000 Indians living in Silicon Valley with handsome salaries and the BPOs in India have employed about 250,000 high-paying jobs created by electronic communication of data sent from the US to India and sent back within 6-8 hours for use the next day (Roy: 2006). But that is no defence of the numerous negative consequences that globalization has resulted in.

## What is the way out?

The developmentalism/welfarism must, undoubtedly, go on *albeit* with more vigour, more broad-based, with greater access, without a trace of corruption and with more commitment for the really needy without any role for any middlemen. The official machinery is to be given a free hand in this respect and, they alone should be made more accountable for any lapses in the implementation of the schemes and programmes. But the benefits are not to be extended as doles, but as a basic responsibility of the State. Sounds idealistic?

This is possible given the **WILL** of the state/government. The country can see a marked change and progress in ten to fifteen years. Necessary conditions have to be created to realize this. The civil society organizations and social scientists can play a catalytic role in changing the false consciousness of the people. If the people are made aware of the 'power of the ballot,' and not to fall prey to the lures of the powerful classes for short-term gains thus sealing their own fate for the next five years, emergence of an egalitarian society with, at least, a near total absence of inequalities and opportunities for education, health and employment at no cost to them will not be far off. Not an utopian dream, but the hope that India with the largest number of democratic-minded people can achieve it.

If this sharing of thoughts has created more confusion, let it start questioning and a debate among social scientists. Hopefully, the clouds will clear soon.

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