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The Doctrine of State-bound Public Trust?

A recent nine-judge bench of the Supreme Court ruled that a royalty on mineral rights does not qualify as a tax. The 8:1 judgment in *Mineral Area Development Authority v Steel Authority of India* established that states can tax rights or permits for mineral prospecting and exploration.

While the judgment has reinforced the federal character of the tax devolution mechanism under the Indian Constitution, another interesting insight has come to the fore: one concerning the public trust doctrine. The Court's observations indicate an implicit recognition of how states individually impact the application of the general doctrine, subsequently demonstrating doctrines of "state-bound public trust."

Before presenting substantive arguments in the judgment, the Court provided a primer on the doctrine of public trust in India, beginning with a 2009 ruling that affirmed the status of the state as a trustee of public interest. The idea behind this notion of sovereign trusteeship stresses a legal duty, on behalf of the state, to shield (or manage) natural resources for future generations. Natural resources, including minerals, have been likened to national assets of great intergenerational importance and, as a result, a sense of equity must prevail in their management.

It is in this vein that the Constitution describes the legislative competence of both the union and states to regulate mineral development. The Seventh Schedule to the Constitution has empowered the union (under Entry 54-List 1) and the states (under Entry 23-List II) in this regard. It must be noted that the powers of state legislatures under Entry 23-List II are subject to parliamentary will. This qualification exists by design to prevent states with substantial mineral resources from shaping their independent brand of regulation as against what is delegated through the Constitution. The whole idea is to promote the sustainable use of critical natural mineral resources. The Sarkaria Commission reiterated this uniquely Gestalten

feature of the Indian state, where the interests of the states (parts) have previously been decided with due regard to the greater national interest (whole).

The lone dissent in the judgment, penned by Justice Nagarathna, focuses on the dangers of permitting states to decide taxation levies under List II. Against the majority, she alludes to the fail-safe in the form of barriers of legislative competence that have subjected the state's decisional autonomy to parliamentary will with regard to mineral development and regulation. Apart from the *superior clause*—in the form of Entry 54-List I—enabling the union to regulate, first, the Mines and Minerals (Development and Regulation) Act, 1957 is a manifestation of delegated legislation that embodies (and further executes) the superior clause's intent. It is clear that there may now exist a propensity to bypass the qualified mandate of Entry 50-List II. Justice Nagarathna further mentions that this might result in states imposing levies in addition to the royalties that are already applicable in the mineral space. This is where the doctrine of public trust splits into multiple strands of state-specific regulation.

Minimal literature exists on the influence states or administrative units exercise on a national conception of the doctrine of public trust. However, Lyness (2022), in the article titled "The Local Public Trust Doctrine," posits that local governments, as regulators, deal with varying degrees of delegated autonomy to decide how to execute their duties as trustees under the general doctrine. This is also because administrative units below the federal entity are almost always in close proximity to the resources held in trust. Therefore, the regional possession of public trust resources enables states to decide how the public experiences said resources—of course, qualified by federal law in most parts. If we transpose this understanding to the Indian federal setup, we can see how the majority decision

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in the Mineral Area Development Authority has not only reinforced Lyness's argument but also opened the gates for uneven tax regulations across states bearing mineral resources.

According to the judgment's logic, a state like Chhattisgarh (mineral-rich) will now have the upper hand in imposing taxes in addition to royalties on mineral rights as opposed to states like Uttar Pradesh (mineral-deficient). Such a situation runs opposite to the intent of the general doctrine under the Indian law, which is predicated on uniformity and consistency.

In allowing states to decide taxation on mineral resources under List II, the Court has implicitly signalled that trusteeship is relative to regional requirements. This has further expanded Indian jurisprudence on the doctrine of public trust. It would be appropriate to state that after this judgment, the doctrine of public trust is state-bound and, in this case, is manifested through expansive taxation powers concerning mineral rights. Although the judgment explicitly restricts itself to the domain of mineral rights, it would be interesting to see how the general doctrine appreciates the cooperative federalism the Indian apparatus strives to maintain.

Bhaskar Vishwajeet

NEW DELHI

Gender Rhetoric in the Bharatiya Nyaya Sanhita

In the realm of legal reforms, the Bharatiya Nyaya Sanhita (BNS), 2023 has been touted as a significant step towards modernising India's legal framework. Promising to streamline judicial processes, enhance access to justice, and uphold the rule of law, the BNS arrived amid much anticipation and fanfare. However, as the dust settles and its provisions are scrutinised, it is pertinent to question whether the BNS is truly a revolutionary change or merely a cosmetic upgrade to an antiquated system.

In recent years, the conversation surrounding gender identity has evolved significantly, emphasising the urgent need for societal and legal recognition of the rights of lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons. The BNS, 2023 uses gender-neutral

terminologies to be more inclusive but omits to include the only provision of the then Indian Penal Code (IPC) that addressed non-consensual sexual intercourse between people of the same sex (the infamous Section 377 arguably had an anti-LGBTQ+ legacy). While there are loud voices advocating for inclusivity, the new criminal laws enacted by the legislature appear to be a rusty old sword in a shiny new scabbard.

Section 377 of the IPC, which criminalised consensual sexual acts between same-sex adults, was partially struck down by the Supreme Court of India in 2018, a landmark decision hailed globally. This decision allowed some degree of sexual autonomy to LGBTQ+ individuals but explicit protection against sexual abuse was left to a later legislation to reform legal, police, medical and social attitudes.

Some reports suggest that over 40% of LGBTQ+ individuals suffer from a form of sexual abuse before turning 18. Despite this chilling fact, the omission of explicit protection of members of the LGBTQ+ spectrum from sexual abuse within the "modern" BNS highlights a missed opportunity to ensure equal protection under the law for all and partially reverts to the silence and irrelevance approach adopted earlier. Penalising sexual abuse against all individuals, touted as the "ultimate goal" for decades, was deferred yet again. This was despite courts declaring the right against sexual harassment as a facet of the right to life and personal liberty.

This community continues to face systemic discrimination and violence, exacerbated by gaps in legal protections. The absence of targeted provisions within the new laws not only undermines their stated goals of inclusivity but also perpetuates a legal framework that fails to reflect the diverse realities of modern India. The BNS reflects a broader societal challenge of reconciling traditional legal frameworks with evolving norms of equality and human rights. Such omissions underline a reluctance to fully embrace the principles of equality before the law, leaving vulnerable communities without adequate protection from discrimination and prejudice. By incorporating comprehensive

protections and provisions that explicitly recognise and safeguard LGBTQ+ rights, the legislature could have demonstrated a commitment to fostering a more inclusive and equitable society.

In parallel, international human rights standards increasingly emphasise the importance of legal frameworks that protect individuals from discrimination based on sexual orientation and gender identity. The BNS, in its current form, risks falling short of these benchmarks, thereby hindering India's progress towards becoming a truly inclusive society that upholds the dignity and rights of all its citizens.

Protection against sexual offences should extend to all members of society, including men, transgender individuals, and other members of the LGBTQ+ spectrum. The absence of explicit provisions in the BNS addressing these specific vulnerabilities perpetuates a legal vacuum that fails to protect these individuals adequately. This oversight not only undermines the principles of justice and equality but also perpetuates societal stigmatisation and discrimination.

In conclusion, while the BNS, 2023 holds promise as a catalyst for legal reform in India, its failure to address the specific legal gaps affecting LGBTQ+ individuals underscores a critical missed opportunity. True progress requires legislative courage and a commitment to inclusivity that goes beyond surface-level reforms, ensuring that all members of society can access justice equally and without the fear of discrimination. As India navigates its path forward, it must heed the call for justice and equality by embracing reforms that reflect the diverse realities and rights of its citizens.

Bhumika Pardesi, Raj Varma

PUNE

Erratum

In the obituary note titled "Professor CT Kurien (1931–2024): A Recollection" by V K Natraj (*EPW*, 3 August 2024), the reference to V R Nedunchezian as "three time chief minister and minister of education" on page 30 should have read as "minister of education."

The error has been corrected on the *EPW* website.

The error is regretted —Ed

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Budget 2024 Does Not Prioritise Social Sector

There is continuity in the policies of the last 10 years according lower priority to the social sector expenditures.

Dipa Sinha writes:

The recent union budget was presented in the context of distress among the poor and marginalised sections of our country, who have been left out of growth recovery over the last few years. Various data show that we have been witnessing a k-shaped economic recovery, with rising profits but the lower sections facing stagnant wages and lack of employment opportunities. Even though the economic policy of the government over the last few years has not responded adequately to this situation, many expected that the orientation might change this time. Failure to respond to unemployment and low incomes was at least partly seen as an explanation for the ruling party's performance in the recent general elections where it came back to power but with far fewer seats than earlier and not achieving a single-party majority in Parliament. The *Economic Survey* acknowledged the problem of unemployment and also that agriculture can be an engine of growth. While the finance minister's budget speech was also along these lines, in terms of budgetary allocations, there is continuity in the policies of the last 10 years.

The strategy for achieving economic growth and the generation of jobs has been through higher capital expenditure spending and continuing tax breaks to rich corporates. At the same time, the agenda of fiscal consolidation has also been maintained, with the fiscal deficit declining from 6.4% in 2022–23 to 4.9% in 2024–25 (BE). On the other hand, the total union budget expenditure as a proportion of gross domestic product has declined from 15.6% to 14.8% during the same period. It is the social sector spending that has borne the brunt of this strategy, with the combined share of 16 social sector ministries in the union budget declining from 22.9% in 2022–23 to 21.3% in 2024–25 (BE) (as estimated in a report by the Centre for Budget and Governance Accountability). Lower priority to the social sector expenditures has been observed from 2014 onwards, with some improvement during the COVID-19 years when the health budget was increased. The Reserve Bank of India statistics shows that social services expenditure as a proportion of the total expenditure was on average 8.48% during 2004–05 to 2013–14 and declined to 5.34% during 2014–15 to 2023–24. An analysis by the HAQ: Centre for Child Rights shows that the share of children in the union budget has fallen from 4.5% in 2014–15 to 2.3% in 2024–25.

As a result, the allocations for critical social sector schemes have fallen in real terms over the last 10 years. The budgetary allocations for the Integrated Child Development Services (anganwadi scheme) and school mid-day meals (PM-POSHAN) have reduced

in real over 30%. The budget 2024 continues with this trend, where the actual expenditure for the PM-POSHAN was ₹12,681 crore in 2022–23 and yet the budget allocation for 2024–25 is slightly less at ₹12,467 crore, with the allocations for 2023–24 being even lower. In the case of the Saksham Anganwadi and Poshan 2.0, the main flagship programme for addressing malnutrition as well as the only scheme addressing children under six years of age, the budget allocation for 2024–25 at ₹21,200 crore is slightly higher than the actual expenditure of ₹19,876 crore in 2022–23 in nominal terms. However, if we take inflation into account, this is lower. Considering recent inflation in food items, these reduced allocations are reflected on the ground in the form of poorer-quality meals for children, with fewer pulses and vegetables being included. The case with other schemes, such as the National Social Assistance Programme, is also the same with stagnant budgets in nominal terms and real decreases. The budgets for the welfare of Scheduled Castes and Scheduled Tribes also see only a marginal increase of less than 5%.

A further issue is the constant repackaging of schemes which makes it difficult to compare across years. Schemes such as the Pradhan Mantri Matru Vandana Yojana and Palna (creche scheme) are now part of Mission Shakti and their allocations are not reported separately. Although these are relatively small schemes in terms of their budgets, they are critical schemes addressing some of the most vulnerable sections of society. These are the only schemes through which maternity entitlements and child-care services are made available to women in the informal sector.

Budgets for even major schemes such as the public distribution system (PDS) and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), both of which contributed significantly to households during the COVID-19 pandemic, have not increased. The allocation for MGNREGA at ₹86,000 crore is the same as the revised estimates for 2023. This does not even take into account the small wage increases announced in March 2024, suggesting that the expected number of workdays to be created is lower. While the free grains under the Pradhan Mantri Garib Kalyan Anna Yojana (given through PDS) have been extended for another five years, the budgetary allocation is at about ₹5,000 crore less compared to the revised estimates (₹2.11 crore in 2023–24 [RE] to ₹2.05 crore in 2024–25 [BE]). The food subsidy in fact needs a massive increase taking into account not only the higher procurement prices but also the need to extend the coverage to at least 10 crore more individuals in accordance with the current population. The National Food Security Act

entitles 67% of the population to subsidised rations, however, the current priority card quotas have been set on the basis of the Census 2011 population. Given the delay in the conduct of Census 2021, these numbers have not been updated. Even the Supreme Court has suggested that this should not be held up and the number of cards should be increased based on projected population figures.

The flagship schemes of this government—mainly the Pradhan Mantri Awas Yojana (PMAY) and the Jal Jeevan Mission (JJM)—also see only small increases. While the allocation for PMAY-urban has increased from ₹25,103 crore in 2023–24 to ₹30,170 crore in 2024–25, the PMAY-rural allocation remains almost the same,

₹54,487 crore in 2023–24 and ₹54,500 crore in 2024–25. Further, the revised estimates for PMAY-rural for 2023–24 at ₹32,000 crore show that a large amount was not spent in that year. The budget allocation for JJM is also slightly increased from ₹70,000 crore in 2023–24 to ₹70,162 crore in 2024–25.

Overall, what one sees is the continued negligence of the social sector. It is detrimental to the country's development in the long run given that we are already suffering the consequences of poor education, health and nutrition as well as inadequate social infrastructure.

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FROM 25 YEARS AGO

ECONOMIC AND POLITICAL WEEKLY

VOL XXXIV, NO 32

AUGUST 7, 1999

Indian Democracy: Exclusion and Communication
Dipankar Sinha

The democratic process in India, as it is formally initiated in legal-institutional terms since the independence, is quite impressive. The introduction of the Constitution of India, the establishment of the republic (in which the people become the ultimate repository of power), the right to equality, the abolition of untouchability, the introduction of universal adult franchise, the centrality of parliament as a debating arena of representatives of the people – all show how people, irrespective of their ascriptive identities, are given an array of rights and freedoms. The democratic roots are further strengthened by having an efficient army which shows little inclination to

replace the civilian rule even in times of worst crises. On the economic front, the main plank of the five-year plans, at least theoretically, was redistributive justice which despite its controversial relations with democracy, remains an essential condition for establishing a democratic ambience in the third world states. The idea of the ‘mixed economy’, characterised by the public sector “as a national project”, was a realistic strategy to initiate eradication of economic inequality among the citizens of a newly independent country, based, as it was, on attempt to utilise the potential of both the state and the market.

Well-being, however, does not necessarily lead to well-being. Having such enumerated rights and privileges is impressive only in an apparent sense unless it is supplemented by their equitable exercise in reality. The gulf between the process of enumeration and that of implementation widens to a dangerous level if the state, amidst ritualistic tributes to democracy, effectively caters to the interests of the few at the cost of many. Taking cue from the point, one can note that even in

adopting various policies in the ‘interests of the common people’, the state does so unilaterally without paying much heed to the felt needs of those for whom they are meant. Being armed with the legitimating rationale of ‘nation-building’, described by a veteran commentator as “a polite term for cultural and ideological homogenisation”, the state (more specifically, those who wield its power) feels little need to reach out to the people ‘down below’ by way of a valid and extensive process of communication which would induce involvement of people and develop their empathy for the activities of the state. Though the common people remain at the centre of the statist discourse of governance, they are largely treated in terms of amorphous macro-collectivity. The state’s communicative dynamics – constitutive of its voice, and feedback in the form of the voice of the people – remain half-formed, with the majority of people remaining silent and inactive in the business of governance. This blocks consolidation of democracy and prevents its organic integration with society.

FROM 50 YEARS AGO

ECONOMIC AND POLITICAL WEEKLY

VOL IX, NO 32

AUGUST 10, 1974

The Upsurge in Gujarat

Ghanshyam Shah

The political upheaval which shook Gujarat for full two months was unprecedented in the history of post-Independence India. No town had remained untouched by the upsurge. Tensions also prevailed in some parts of the countryside. The agitation was spearheaded by the student community.

The agitation took various forms such as processions, demonstrations, fasts, gheraos, bandhs, stone-throwing, hijacking of buses and looting and arson of private and public property — including college and court buildings, municipal buildings, milk booths, provision shops, grain godowns, cloth shops, tea stalls and pan shops. Prohibitory orders,

arrests, tear-gashing, lathi charges and even firings could not stem the tide of the people's wrath against the government. During the agitation about one hundred persons died and a large number were injured in police firings at different places. Some policemen and officers were also wounded in stone-throwing. Stray attempts were made to snatch away rifles from police personnel.

The Chief Minister, Chimanbhai Patel, despite his claim of having a majority in the state Assembly, resigned on February 9, 1974. The Assembly was suspended and President's rule was imposed in the state. Later, 95 of the 168 MLAs resigned from the house. Consequently, the Central government was compelled to dissolve the Assembly on March 15, 1974. Corporators of Ahmedabad, Baroda and Surat resigned *en bloc* and the municipal corporations were superseded. Several Congressmen resigned from the party.

Different socio-economic and political groups participated in the agitation for different purposes, raising issues like corruption,

blackmarketing, price rise, denationalisation, rationing, civil liberties, injustice to Gujaratis and Gujarat, etc. But finally all the purposes converged on two common demands, resignation of the Chief Minister and later dissolution of the state Assembly. The reasons for making these demands differed from group to group. To the majority of the agitators, it was a demand to overthrow 'corrupt' politicians. The opposition political parties were interested in dethroning the Congress party in the state which they could not do by constitutional means. Some were interested in discrediting 'progressive measures', such as the wheat trade takeover, land legislations, etc., of the ruling party. Some groups considered the demands as marking the transition to socio-economic change. Some wanted to establish partyless democracy. While some others wanted to instil confidence in the public mind for future struggles against the state. Thus there was neither unity nor clarity regarding the steps to follow after the dissolution of the Assembly.

Sustainable Development Goals

Achieving the 2030 targets will be an enormous challenge both at the national level and in the states.

The Sustainable Development Goals (SDGs) India Index 2023–24 report, published by the NITI Aayog, provides interesting insights into the progress made in achieving the SDGs by 2030. The composite SDG index, which is collated by using 113 measures for computing 16 indicators for the union and the states, shows very uneven progress. The index that has been computed for 2018, 2019–20, 2020–21, and 2023–24, and fine-tuned over the years, is not strictly comparable in the true sense. But then it still provides some guidance on the direction and nature of the improvements so far. The SDG index score can vary from 0 to 100 with the latter denoting full achievement of the goal.

Overall, at the national level, the improvements in the composite score of the SDG index have fluctuated substantially over the years. In 2019–20, it registered a 5.3% growth over the base year (2018) level of 57 and then the pace of improvement almost doubled to 10% in 2020–21. However, the index only improved by 7.6% to 71 by 2023–24.

So, the composite SDG index has improved by a quarter in the last five years since 2018, that is, at an annual average rate of 5%. If these trends persist till 2030, which is highly unlikely as the improvements are likely to lose some traction at much higher levels as seen in the case of the leading states, the overall index may settle at around 92 in the next six years. That is, the composite index may be almost one-tenth short of the target by 2030, the final year.

As of now, data is only available on 15 individual SDG indicators and the trends indicate that the improvements since 2018 range from a low of -16.7 in the case of life on land to a high of 112.8% in the case of sustainable cities and communities. Among the individual indicators, the most progress has been made regarding six indicators, which are now less than a quarter or even less short of meeting the 2030 targets, and can most probably attain it. They include life on land (75), good health and well-being (77), responsible consumption and production (78), sustainable cities and communities (83), clean water and sanitation (89), and affordable and clean energy (96).

Similarly, in the case of another four indicators, which are now between two-thirds and three-fourths of the mark, attaining the target will not be too difficult if the union and state governments press ahead with accelerated action on multiple fronts. These indicators are climate action (67), decent work and economic growth (68), no poverty (72), and peace, justice and

strong institutions (74). A well-focused action plan to boost progress on these fronts will ensure that there is a fair chance of attaining targets within the time period. However, achieving the targets will be a very humongous challenge in the case of the remaining five indicators which are still stuck between half and two-thirds of the 2030 marks. They are reduced inequalities (65), quality education (61), industry innovation and infrastructure (61), zero hunger (52), and gender equality (49).

One of the main reasons for the insufficient progress in reducing inequality is the high Gini coefficient of 0.2 at the national level which ranges from a low of 0.1 (in states like Kerala, Punjab, Tamil Nadu, and Telangana) to a high of 0.27 in Jharkhand. The low ratio of female to male technical and professional workers is another factor that encourages inequalities. Equally pertinent is the high ratio of crimes against Scheduled Castes and Scheduled Tribes. In the case of quality education, the major hurdles are the high dropout rates at the secondary level, the large share of schools without computers, and the low gross enrolment levels in higher secondary class and in the overall higher education segment.

Progress in the innovation, industry and infrastructure indicators has been held back by the lagging share of employment and gross value added in manufacturing and services, and the low innovation index score. The indicator on zero hunger is constrained by the large percentage of underweight and stunted children under five years, the high share of anaemic pregnant women, and women with a low body mass index. As to the most laggard indicator, gender equality, the main reasons for the poor performance are the lower sex ratio at birth, female labour force participation, share of landholdings and managerial positions, and wages and earnings. The large spousal violence is yet another factor.

As to the spatial disparities in the progress of the SDG indicators, a quick glance indicates that the progress varied from a low of 11.6% in Himachal Pradesh, a front-runner state, to a high of 56.5% in Uttar Pradesh, a laggard state. The current scenario indicates that as many as eight states are very likely to attain their 2030 targets as their composite indices have crossed the three-fourths threshold over the five years since 2018. They are Kerala, Uttarakhand, Tamil Nadu, Goa, Himachal Pradesh, Punjab, Sikkim, and Karnataka, all generally smaller states.

Another 13 states have a more challenging task with their indices stuck between two-thirds and three-fourths of the

The Paytm Story

What Went Wrong?

DIPALI KRISHNAKUMAR, RICHA VERMA BAJAJ

The regulator invoked Section 35 of the Banking Regulation Act, 1949 on 31 January 2024 imposing stringent operational restrictions on Paytm Payments Bank. In this light, the issues facing Paytm on account of persistent non-compliance, governance and operational failures are assessed. Governance issues such as complex corporate structure, lack of separation in governance of companies within the Paytm universe, related party transactions, are highlighted.

Over the years, Paytm, an Indian multinational financial technology company, had become a household name in the Indian retail payments system. In pursuit of creating a brand name equivalent to the functionality, for example, just like “xerox” means photocopying, Paytm was trying to emerge as a synonym for electronically sending retail money in India. Thus, there was an element of surprise in the recent regulatory action of the Reserve Bank of India (RBI) against Paytm. The RBI invoked Section 35 of the Banking Regulation Act, 1949 on 31 January 2024,¹ imposing stringent operational restrictions on Paytm Payments Bank Limited (PPBL), which largely indicate that the bank would need to shut down its services. What went wrong?

Current Regulatory Actions and Impact

The RBI invoked Section 35 of the Banking Regulation Act, 1949 on 31 January 2024, imposing the following restrictions on PPBL: (i) deposits or credit transactions into customer accounts, prepaid instruments, wallets, FASTags, etc, were disallowed after 29 February; (ii) no banking transactions to be provided by the bank after 29 February with the exception that customers may utilise the balance in their savings bank, current account, prepaid instruments, FASTags, national common mobility cards (NCMC), etc, up to the extent of the available balance; (iii) requirement to terminate nodal accounts of One97 Communications and Paytm Payment Services no later than 29 February and a mandate to settle all pipeline transactions in nodal accounts by 15 March.

Primarily because of the widespread use of Paytm, customers, stakeholders, small and large merchants were shocked by these strictures. The Paytm brand name today is ubiquitous with online

payments; the scanner is prominently visible at the street vendors selling vegetables and also at luxury brand stores in high-end malls. The company website boasts of more than 20 million businesses using Paytm for digital payments and more than 300 million individuals paying for services. Before the regulatory announcement, the Paytm app had a market share of 10% (Figure 1) by value as of January 2024.

Market Reaction to Regulatory Announcement

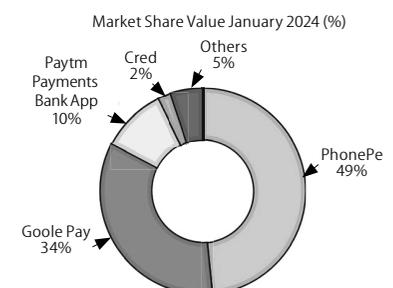
How did stock prices react to such news? To capture the market reaction, we also attempt to assess the stock prices of One97 Communications (Ticker: Paytm). As shown in Figure 2 (p 32), the stock crashed when the news broke of the regulatory actions against PPBL. It is interesting to note that within two days, shareholders’ wealth declined, resulting in market value loss of over \$2 billion for Paytm.

Interestingly, Figure 3 (p 32) presents that the share price of the company is down by 72% since its first listing in 2021. The much-hyped initial public offer (IPO) of One97 Communications crashed on debut and has remained below the issue price of ₹2,150 at the time of its IPO. Critics argue that it lacked a clear business model² and faced increasing regulatory scrutiny³ over the years.

Financial Regulation and Consumer Protection

The regulatory restrictions imposed on PPBL are a matter of grave concern and have huge repercussions for customers, especially merchants. The question being raised is whether the regulator

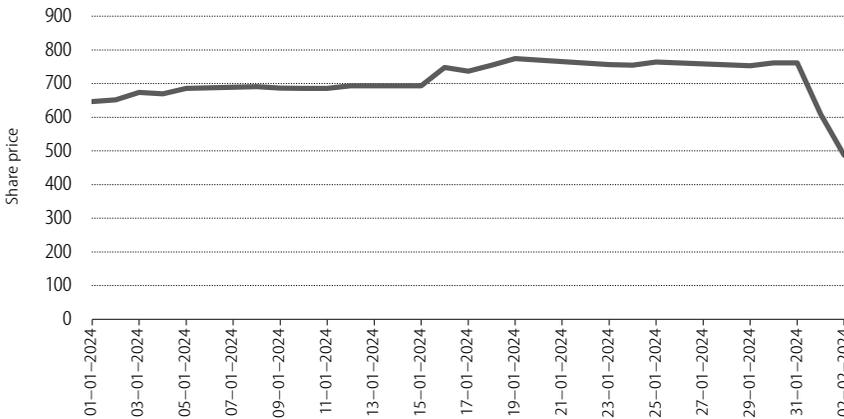
Figure 1: Market Share of UPI Apps by Value



Source: Computed by authors from data available at <https://www.npci.org.in/what-we-do/upi-ecosystem-statistics>.

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Figure 2: Stock Price Reaction to Regulatory Announcement in January 2024



Source: Graph by authors based on stock market data.

Figure 3: Paytm Stock Performance since Listing



Source: Graph by authors based on stock market data.

was too harsh. For instance, Ashneer Grover, the co-founder of BharatPe, another fintech, has harshly criticised the action stating that the move would kill the fintech sector.⁴ Lane (2017) explains that financial innovation has formed an intricate world for consumers, making consumer protection crucial. Considering the interests of customers (including merchants) who may find it difficult to make alternate arrangements in a short time, the RBI issued a circular on 16 February 2024,⁵ extending the last date until when customers can make deposits into their accounts and also avail banking services from Paytm until 15 March 2024 from the earlier date of 29 February. The RBI also issued a frequently asked questions (FAQ) on 16 February⁶ with detailed answers to multiple concerns raised by the public.

Further, in a press release dated 23 February 2024,⁷ RBI clarified various aspects which would make it possible for a customer using the Unified Payments

Interface (UPI) handle @paytm to transition to other banks in a manner which is both seamless and reduces the possibility of concentration risk. These include the condition that the @paytm handle is to be with four to five banks with the ability to process high-volume UPI transactions. Customers using Paytm QR codes may open settlement accounts with other payment service providers other than PPBL.

A Chequered Past

Was the regulator too harsh? Were the strict actions really warranted? We examine this question by briefly tracking the history of Paytm. In 2015, Paytm's founder Vijay Shekhar Sharma received an initial approval from RBI to set up a payments bank. The payments bank was set up with 51% ownership by Sharma, the founder of the now listed entity One97 Communications, and the balance 49% shareholding by One97 Communications. After setting up the payments bank in 2017, the Paytmwallet which

was initially issued by RBI to One97 Communications was transferred to Paytm Payments Bank. PPBL started its operations in 2017. The troubles for PPBL started almost immediately. These issues are chronologically listed below:

(i) On 20 June 2018, PPBL was banned from onboarding new customers following an audit by RBI which found issues with the onboarding and KYC process at the bank. This ban was lifted in January 2019.

(ii) On 6 March 2019, PPBL received a notice from the banking ombudsman for not monitoring an account that breached RBI's KYC norms.

(iii) On 20 October 2021, PPBL was charged a monetary penalty of ₹1 crore under Section 26(2) of Payment and Settlement Systems Act, 2007.⁸ The charges were for the submission of incorrect information which did not reflect true facts.

(iv) On 11 March 2022, RBI imposed restrictions under Section 35 of the Banking Regulation Act, stopping the bank from onboarding new customers with immediate effect. PPBL was also directed to conduct a comprehensive audit of its information technology (IT) system, with the direction that new customer onboarding would be permitted after reviewing the results of the audit report.

(v) On 12 October 2023, the RBI imposed a monetary penalty of ₹5.39 crore on PPBL for multiple deficiencies, including: (i) failure in identifying beneficial services onboarded for payout services; (ii) failure to conduct risk profiling and monitor transactions for payout services; (iii) breach of ceiling on end-of-day balances in some customer accounts who were availing payout services; (iv) delay in reporting of cybersecurity incidents; (v) failure to implement SMS delivery receipt checks that were required; and (vi) failure to prevent connections from outside India for video-based customer identification.⁹

(vi) On 31 January 2024, the circular issued by RBI clearly states that the action is being taken on the basis of a Comprehensive System Audit report validation by external auditors which pointed to persistent issues and continued material supervisory concerns which warranted the actions.

Table 1: Related Party Transactions of One97 Communications

Particulars	March 2023	March 2022
Rendering of Services	(₹ crore)	
Paytm Payments Bank Limited	709	638
Paytm Payments Services Limited	457	172
<i>% of Total Income from rendering services to the two entities</i>	<i>14</i>	<i>15</i>
Services received from related parties		
Payment processing charges		
Paytm Payments Bank Limited	783	971
Paytm Payments Services Limited	486	275
Processing charges to the two entities as a % of total expense	13	17

Source: Annual Report of One97 Communications.

The list of issues highlighted above and the final actions taken seem to indicate that the bank had been given sufficient opportunities to correct the issues but failed to do so. In this context, it is important to note what the ex-governor, Raghuram Rajan, had said in 2016, "Paytm is an innovative firm and innovative firms are not always comfortable with the regulators."

Governance Concerns

The article so far drew attention towards persisting non-compliance in Paytm. But the story does not end here. There were many governance issues which are detailed below.

Lack of separation in governance between entities:

There are concerns relating to separation in management between Paytm Payments Bank and the rest of the Paytm universe. For instance, Sharma, the chairman and managing director of One97 Communications, owned 51% of Paytm Payments Bank shares. Until 27 February 2024, Sharma was a director on the board of Paytm Payments Bank and also the part-time chairman. He is said to have spearheaded the payments bank's strategy and vision. Another board member, Bhavesh Gupta, the chief executive officer (CEO) of lending and offline payments at One97 Communications, was also on the board of PPBL until he too stepped down on 27 February 2024.

Parentage and Chinese connections:

One97 Communications, which holds 49% of PPBL, is classified as a professionally managed firm with no identifiable promoter. Sharma was declassified as promoter ahead of the IPO of the company in 2021.¹⁰ This move was opposed by the advisory firm, Institutional Investor

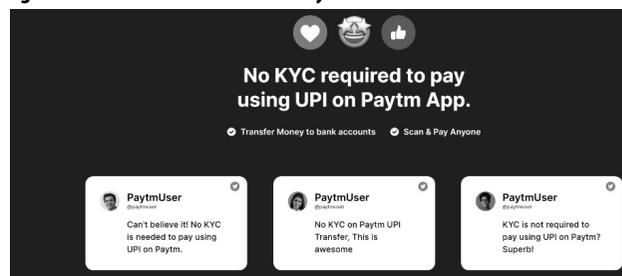
Advisory Services (iias) as they asserted that for all practical purpose Sharma controlled the entity and this should be recognised.¹¹

Early investors in One97 Communications include Alibaba.com and Antfin, both firms with Chinese origins. There has been a feeling of discomfort with China in recent years, and a number of Chinese apps were banned by the Government of India.¹² Alibaba.com, the Chinese wholesale marketplace co-founded by Jack Ma, reduced its stake during the IPO of One97 Communications and subsequently exited the company completely through a block deal in February 2023.¹³ Antfin, a Chinese tech giant, continues to be a major investor in One97 Communications with a shareholding of 24.94% as of December 2023.

A Complex Corporate Structure

While the brand name Paytm gives the impression of one company, the services under the Paytm brand are provided via a host of subsidiaries and associate firms. As of 31 March 2023, the company had 29 (list will be provided on request) subsidiaries. Paytm Payments Services Limited (PPSL) is the company's largest subsidiary. PPSL too has been in the news regarding regulatory concerns in recent days.

Apart from 29 subsidiaries, One97 Communications also has 10 associate firms on which it has significant influence as of 31 March 2023. The largest associate firm is PPBL, 49% of which is owned by One97 Communications and 51% by Sharma in his personal capacity. One97 also has three joint venture companies, one in India, China and Singapore, respectively. Two of these joint ventures are related to gaming. A review of the list of associates and subsidiaries indicate an

Figure 3: Information Available on Paytm Website for UPI Funds Transfer

Source: <https://paytm.com/money-transfer> (viewed on 17 February 2024).

aspiration to be a one-stop financial services conglomerate, offering services ranging from banking, financial services, life insurance, general insurance, etc.

Related party transactions: The complex corporate structure with a large number of subsidiaries and associates brings with it issues of related party transactions. One97 Communications has significant related party transactions with two entities, the first being its associate firm, Paytm Payments Bank, and the other its 100% subsidiary, PPSL.

The annual report for One97 Communications for the year ended 31 March 2023 provides the data that is presented in Table 1.

One97 Communications earns about 14% of its revenue from these two related parties and they also account for 13% of its expenses.

Misleading advertising on Paytm website:

It is interesting to note that the Paytm website for money transfer advertises the fact that no KYC is required for UPI transfers as a selling point (Figure 3). This seems to foster an attitude of irreverence towards regulatory norms.

The Way Ahead

The issues highlighted in the article clearly point towards operational failures, governance issues and persistent non-compliance in Paytm. To avoid such incidents, there is an urgent need for a strong risk and compliance culture in fintech firms. Thus, each fintech firm needs to have strong governance and risk and compliance (GRC) functions to ensure healthy growth of the business. There is also a need to improve internal controls and timely monitoring to better manage the risk inherited in the fintech

sector. The design of system-driven alerts to provide early warning signals and to avoid instances of deviation from regulatory norms are the need of the hour.

The imposition of frequent regulatory fines in the last few years is an important move from the RBI to improve compliance in the financial sector. A recent global survey suggests that a third of banks spend more than 5% of revenue on compliance, recognising the importance of avoiding reputational risks and penalties associated with non-compliance.

The Paytm incident has had a large reputational damage on the Paytm brand. It has adversely impacted stakeholders, including small merchants, by causing widespread anxiety among users. The RBI has taken various moves to alleviate the harm to customers by extending the time for transition to new banking channels. However, customers who were using Paytm may be reluctant to migrate to other service providers such as PhonePe of Walmart and Google Pay: two giant rivals of the company, as occurrences like these are sufficient to hamper customer confidence in such fintechs

which are at the forefront of widening financial reach of the retail clients.

As we write this article, we are informed that Sharma has just resigned from the board of Paytm Payments Bank and a new board is being appointed. We will wait and see what is the final outcome of the Paytm saga. In the final analysis, financial innovation has to keep pace with common interest and regulatory discipline. It is important to remind ourselves, what Shiller (2013) said:

Finance remains an essential social institution, necessary for managing the risks that enable society to transform creative impulse into vital products and services, from improved surgical protocols to advanced manufacturing technologies to sophisticated scientific research enterprises to entire public welfare systems.

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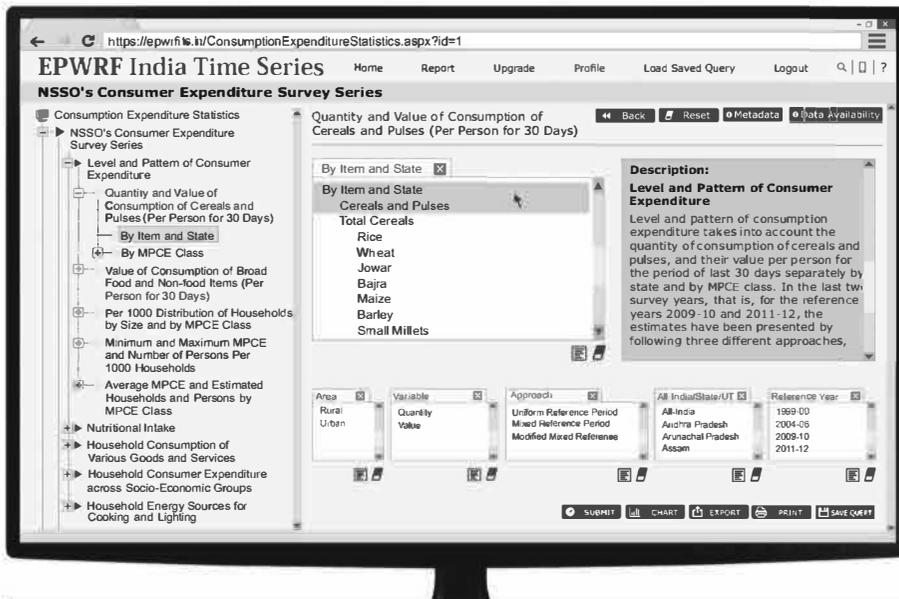
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Xi's Well-calculated European Visit

What Was the Agenda?

HEMANT ADLAKHA

Xi Jinping's three-nation state visit to Europe may not have been a repeat of his "charm-offensive" tour to the continent in 2019, but this time around, the Chinese President went with a definite agenda. And, he did not return empty-handed.

Unproductive," "unable to fulfil the aim of reviving rosier China-EU ties," "failure to dispel dark clouds hovering over bilateral relations with Europe," "plenty of pomp and a few concessions" and "Xi aims to drive a wedge in European unity" is how the mainstream media in Europe and in the United States (us) reported and reacted to the Chinese President's first European tour in five years. A section of the Western media even attributed the chief purpose of Xi Jinping's visit to "show the Chinese public that China is a major respected power on the world stage at a time of geopolitical confrontation abroad and relative economic stagnation at home" (Tharoor 2024).

Interestingly, the media in the Asia-Pacific region—especially in countries "hostile" to China but close allies to and friendly with the us—carried a far more realistic and credible coverage of Xi's exploits in Europe. *Asia Times*, the Asian region's largest English-language digital news platform, claimed in a commentary, Xi's big, adventurous visit was aimed at keeping Europe "open and onside" (Feher 2024). In Japan, at the end of Xi's visit, the *Japan Times* applauded the tour for "solidifying Beijing's footprint on the continent and countering growing European 'de-risking' efforts" as *Nikkei Asia* chose to highlight Xi's focus on "trade as challenges pile up" (Pene-Lassus 2024). In Singapore, the *Straits Times* (2024) described Xi's European mission "to convince it can offer more opportunities" to Europe than the us.

In China, typically, both before and at the end of the tour, the state-run media had predicted and applauded the visit as a triumph. Two days before Xi was to embark on the European tour, a commentary in the Communist Party of China's official mouthpiece *People's*

Daily (2024) paying glowing tributes said,

Xi's state visits to the three European countries will undoubtedly further strengthen mutually beneficial cooperation between China and the EU, will provide more stability to a turbulent world and inject more impetus into global development.

China's leading "semi-independent" financial and business media group, *Caixing*, headlined on the day Xi arrived in Paris as saying "Xi looks to cement friendship and enhance trust" on European tour (Wang Kelly and Xu Hequan 2024).

Macron Rolls Out Red Carpet

While no one particularly noticed in France but the official Chinese media ensured not to miss highlighting the fact that this was President Xi's third official visit to France. Dismissing Xi's visit, *Le Monde*, France's leading newspaper said China likes to claim that it wants a "strong Europe," but nothing could be further from the truth. "Its [China] aim is to weaken Western democracies, thereby undermining the transatlantic relationship," the French daily wrote in an editorial ahead of Xi's landing in Paris (*Le Monde* 2024). On the other hand, the state-run Xinhua news agency of China published a news report on the final day of Xi's visit to France featuring at least 25 highlights of the successful visit, including important bilateral agreements such as visa-free short-term visit to China from France and 11 other countries, exchange of 10,000 students with France over next three years, to deepen cooperation with France in various fields, including AI, climate change, aerospace and aviation, etc, and so on.

Although the timing for two-day stop-over in France was carefully timed to mark the 60th anniversary of France-China diplomatic ties, it was too obvious that Xi chose to visit Macron to thwart the mounting pressure from both the EU and NATO countries on Beijing to stop "helping" Russia and Iran in the fight against proxy wars launched against them by the us in Ukraine and Gaza. Apparently, this explains why the French host chose to ask Ursula von der Leyen to travel to Paris in order to put up a "joint front" to confront the "adamant"

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Chinese leader. While Macron demanded “Beijing abstain from selling any weapon, any assistance to Moscow,” von der Leyen denouncing Chinese exports to Russia of “dual use” threatened China for “its over production and exports of electric vehicles and other high-tech products” (Higgins and Buckley 2024).

Xi, on the other hand, categorically rejected “charges” levelled against Beijing by both Macron and von der Leyen, respectively. To Macron’s demand that Beijing “bow to NATO’s demand that China cut off ties with Russia and Iran,” Xi promptly reiterated China’s stance saying neither did Beijing start the Ukraine crisis nor is it a party to or participant in it; while the Chinese leader did not mention Iran but on Gaza, President Xi categorically denounced genocide carried out in Gaza by Israel and said: “This prolonged tragedy is a test for human conscience. The international community must act. We call on all parties to work for an immediate, comprehensive and sustainable ceasefire in Gaza,” dismissing von der Leyen’s claim of China’s surplus production Xi simply responded by saying “China’s overcapacity problem does not exist” (*People’s Daily* 2024).

Despite of the Macron–Leyen pair grilling the authoritarian Chinese leader on Beijing’s “new” economic model, and notwithstanding the reports that it was none other than the French President himself who sponsored “a blockbuster investigation into subsidies” for the Chinese electric vehicle sector, President Xi left for Belgrade smiling after spending 48 hours in Paris during which he signed 37 bilateral cooperation agreements. Politically speaking, Xi might have surprised Macron by agreeing to the latter’s call for an “Olympic Truce,” but the Chinese leader was actually aiming at luring Macron into considering Paris participating along with Moscow in the Chinese initiative of holding a peace conference on Ukraine this summer (Standish 2024).

Xi’s ‘Divide and Conquer’ Europe Spirit

The “choreography” of the opulent red carpet welcome President Xi received in Paris, continued uninterrupted in “China-friendly” capitals Belgrade and

Budapest. Despite some hard questioning by Macron and the French President along with the EU president playing “good cop” and “bad cop” with Xi, the Chinese leader concluded visits to Serbia and Hungary with the announcements of a series of “new strategic partnerships and investments that will further cement China’s relevance in Central and Eastern Europe. Summing up Xi’s high-profile tour in his highly acclaimed Newsletter “China in Eurasia” column in Radio Free Europe/Radio Liberty (RFE/RL)—declared an “undesirable organization” by the Russian government, Reid Sandish (2024) wrote:

While Xi’s trip dealt with everything from trade ties with the European Union to China’s relationship with Russia amid the war in Ukraine, the tour can be boiled down to one overarching message from China: Xi leads a rising global superpower that can’t be contained and its influence in Europe is here to stay.

Underscoring the key role of China’s “sincere friend” Serbia in BRI and the New Silk Road, Slavica Stamenic (2024), who is a member of the political science faculty at the University of Belgrade, said: Serbia can, by advocating transparency and fair trade, deepen China–EU cooperation, thus positioning itself as an important figure in a major geopolitical narrative. Echoing Stamenic’s perspective on Sino–EU cooperation, Wang Wen (2024) of the Renmin University in Beijing wrote in a recent column in Mandarin that the

strategic scales look set to tilt in China’s favour because Europe is eager for economic recovery more than ever. Europe is having a rethink: after losing Russia, it can’t afford to lose China, too.

In addition to a number of high-tech, AI, space research agreements signed with France and a total of 28 cooperation agreements inked between Beijing and Belgrade during the visit, besides promising to speed up the construction of high-speed Belgrade–Budapest rail link, Xi inked 18 new investment projects with the Hungarian leader Orban and his visit further promised to elevate Hungary’s position as “new bridgehead” for China’s influence in Central and Eastern Europe. In an article in *Magyar*

Nemzet (2024), which is controlled by Orban’s governing Fidesz party, Xi called for Hungary to “lead” the region’s relations with Beijing. He said that China wanted to work closely with Budapest on Belt and Road Initiative (BRI) projects (Xi Jinping 2024).

While the timing of Xi’s arrival in Serbia seemed meticulously planned to coincide with the 25th anniversary of NATO’s “accidental” bombing of the Chinese embassy in Belgrade, the occasion was aptly turned into an opportunity by the Chinese foreign ministry to criticise NATO. Even Xi did not let go of the opportunity to directly warn NATO—or some say, to even dare NATO, by choosing the site of the debilitated Chinese embassy building as his first stop to pay homage to the Chinese martyrs killed in the attack in 1999. A day before he arrived in Belgrade, in a signed article published in the Serbian newspaper, *Politika*, Xi wrote: “The Chinese people cherish peace, but we will never allow such tragedy to repeat itself” (Stamenic 2024).

To conclude, contrary to the reasons, the Western media is telling us why Xi chose to visit only the three “friendly” countries in Europe China is left with, a “friendly” Russian expert explained that realism more than friendship was the determining factor as the visit was scheduled at a pivotal moment. “Continental Europe is a mixed bag, and depending on the political status quo there are some states who are favourable to China, and some who are not (such as the Baltic states), and thus China sees it important to uphold the bastion of support where it can. As a result, Xi has dedicated his visit to three countries who are currently favourable towards Beijing,” opined Timur Fomenko (2024), a leading Russian political analyst.

Although Fomenko did not refer to the reason why Xi’s limited European itinerary included France as the first stop, commentators elsewhere did point out the highly symbolic 60th anniversary of diplomatic relations between France and the People’s Republic of China coinciding with the NATO powers demanding China to cut ties with both Russia and Iran, especially as the war in Ukraine

and Gaza continues. Furthermore, it is of no less significance either to recall President Xi's open letter in the French newspaper *Le Figaro* on 6 May—a day before his landing in Paris. In the letter, Xi Jinping hailed the strategic vision of General Charles De Gaulle, who is fondly remembered in China for restoring diplomatic relations with Beijing in 1964 at the height of the Western bloc's Cold War hostility towards China. Hoping to lure Macron to follow in the footsteps of De Gaulle—while commentaries in the West have interpreted Xi's shrewd move aimed at creating a “Europe–us split”—Xi proposed in the open letter a “global Sino-French partnership” for “cooperation in the world.” Perhaps also aiming at holding the us responsible for the current global instability and several war-like scenarios, Xi did not forget to add in the open letter in *Le Figaro*: “Since the foundation of new China 70 years ago [in the 1949 revolution], China has never started a war” (Lantier 2024).

A few Chinese sceptics at home have been less than optimistic about the positive outcome of Xi's European tour, saying the two outstanding issues between Beijing and Brussels, or Beijing and Paris—if you like—namely Sino-Russian relations in the context of the ongoing Ukraine war and the game between China and EU centring around the surplus production and exports of electric vehicles are far from resolved. Writing for his regular column “In Focus” in the Chinese language digital version of the *Financial Times*, Beijing-based veteran Chinese political analyst Cao Xin (2024) observed:

As far as the meetings between the heads of state of China and France and the European Union are concerned, at least the meeting between the heads of state of China and France eased the bilateral conflicts in diplomacy and economic and trade. The meeting between the heads of state of China and the heads of state of Serbia and Hungary actually established a link between China and the EU.

Overall, as mentioned, Xi's first European tour in five years had all the characteristics of meticulous planning, political and diplomatic calculations, and a strategy to win over the three European nations to the Chinese side. As

Fomenko (2024) wrote in his analysis, well-received in China:

France led by Macron has been more than keen to go against the grain and has continued to engage with Beijing; Hungary—Xi's second stop in the three-nation tour, under Viktor Orban has carved out a niche as being the most pro-Beijing state in the whole of EU; and Xi's final destination on the tour Serbia, is a country China is hoping to turn into a place where China can invest and thus, sell to Europe, without EU and NATO interference.

It is important to note that, Serbia is also a country China hopes will be the next to join BRICS. From Beijing's perspective, Xi had embarked on the six-day tour of France, Hungary, and Serbia with the sole objective of China wanting to preserve and strengthen its foothold in and around the EU. To that purpose, Xi's European tour has been a “mission accomplished.”

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The Changing Face of Indian Elections

Notes on the Lok Sabha Elections, 2024

IMTIAZ QUADRI

Upholding constitutional morality and the free and fair character of elections calls for a normative reorientation in the study of elections and the need for political and electoral reforms.

Since the emergence of systematic efforts at studying elections in India, scholars have sought answers to the questions: How do voters vote? Why do voters vote? The two questions correspond to the methodological choice of either election surveys based on large-N data or ethnographic field studies, respectively. The “How” question is answered by identifying patterns in voting behaviour, including tentative predictions of likely winners and losers. On the other hand, the “Why” question seeks to understand the meanings attached to the act of voting itself, such as the vote as a right, an instrument to gain power or goods, or a duty, by various groups of voters. Further, some scholars have called for methodological pluralism in light of the complexity of elections in India but also as an acknowledgement of the limitations of the above methods. However, unprecedented circumstances during the Lok Sabha elections in 2024 have brought into question the hitherto established norms of free and fair elections and call for a methodological reorientation in the study of elections.

Such a reorientation would argue that the procedural aspects of elections cannot be separated from normative ideals and constitutional principles such that the requirement of freedom and fairness is understood in a holistic and meaningful way. A reading of the Constituent Assembly debates and the jurisprudence on electoral law shows that universal adult suffrage has to be understood together with ideals of democracy and equality. Recent judicial interpretations of the constitutional right to vote have situated it with the fundamental right to freedom of speech and expression, and citizenship. An emphasis on normative

ideals allows us objective distance and a big-picture perspective to bring to the fore a secular decline in institutions such as the Election Commission, rather than analysis focused on contingent and highly volatile grounds such as changing voter preferences or victory or defeat of candidates.

Democracy and the Right to Vote

The debate in the Constituent Assembly on the Election Commission can be argued to be centred on two principles: First, the right to vote—later enshrined in Article 326, and second, the independence of the Election Commission from the executive.¹ Both these principles formed the basis of the Supreme Court’s judgment in the *Anoop Baranwal v Union of India* case, arguably one of the more important cases towards creating a structurally independent Election Commission. The verdict assumes importance for the connection it makes between the constitutional right to vote and the infrastructure necessary for its implementation, that is, an independent Election Commission, and for the broader claim that any law made by Parliament in fulfilment of Article 324(2) must satisfy the framing intent of the said article, and the constitutional expectation of an EC that is independent of the executive (Bhatia 2023).

The independence principle is thus read to flow from the first principle of the right to vote, and the equality of the vote, that is, the principle of one person, one vote, one value. The principle of one vote-one value situates the Election Commission as the enabling institution as part of a transformative—and not merely regulatory—project of overcoming social hierarchies based on ascriptive identities, and the realisation of citizenship. The Election Commission is thus a unique institution which while being a part of the state and adopting practices of the state such as secrecy, bureaucratic hierarchy, etc—nevertheless performs a function of transformative democracy (Roy and Kumar 2019). In practice, however, a series of actions by the Election Commission have cast doubt

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on its role as an enabler of the right to vote, and of a democratic transformation in the 2024 elections—it has displayed a complete lack of transparency and accountability on questions of implementing the Model Code of Conduct (MCC) and discrepancies on voter turnout.

Situating the study of elections within the perspective of normative ideals such as the right to vote, and democracy, serves to highlight the selective implementation of the MCC not merely as the lack of autonomy of the Election Commission but as part of a wider ethnicisation of the right to vote, and of elections at large. The MCC has been central to understanding elections as festivals of democracy in India. The MCC is argued to be the centrepiece of understanding elections as inaugurating a “special time” in which the quotidian experiences of social hierarchy and government apathy are transcended. Instead, the special time provides in the life of the masses “such a unique moment of procedural fairness, equality, rule of law, efficiency, unity of enterprise, citizenship, meaningfulness, and festivity, that they have taken on the mantle of ritual in the deepest sense, transcending quotidian experience” (Banerjee 2014). The rituals include the procession for the filing of nomination by the candidate, the polling day, the attitudes of polling officers, and the experience of voting itself.

This approach seeks to understand the emic or insider meanings to the act of polling itself, and not to etic or outsider impositions such as the instrumental meanings of vote buying on an economic quid pro quo basis. A key assumption of this ethnographic approach is that the insider–outsider group distinction corresponds to the voters, the poor, or citizens at large, and politicians seeking their votes. The ethnographic theory seeks to overcome the democratisation as modernisation thesis and traces instead the “social imaginary” of democratic ideals among the Indian electorate. However, social imaginaries do not exist in isolation or in the singular. They exist together with entrenched communal imaginaries, which deny the principle of one vote one value. The ethnicisation of elections, drawing upon communal

imaginaries, is seen in numerous instances where members of a particular community allegedly found their names missing from the electoral list (Abdullah 2024),² were intimidated, or were “silenced.” The silence here refers to the phenomenon of “silent voting” where if voting by one community is more “visible,” it leads to speculations of higher voter turnout among them, and hence, to calls for higher voter turnout by the other community, that is, communal polarisation.³

The ethnicisation of the right to vote calls for an understanding of how voters, especially from marginalised communities, seek to use silent voting not as an instance of strategic or tactical voting to defeat a political party but as reclaiming the promise of the secret ballot based on the transformative constitutional ideal of one vote one value. Instead, such silent or tactical voting must draw attention to the “uncivil publics” manufactured by political parties based on exclusionary invocations of religious symbols and controversial speech during campaigning, and the crisis of civility facing Indian democracy (Waghmore 2021).

Citizenship

The act of voting affirms the voter’s citizenship, that is, membership in the political community, and not simply the enactment of an individual right. In the history of the Indian independence movement, the right to vote is a paradigmatic case of the co-constitution of who is a citizen and what are the rights of citizens. Elections, and democracy more generally, were understood not only as instruments for accountability and limited government but as an important part of the making of nationalism, albeit a civic nationalism, based on equal suffrage for all citizens. Such a reading places democratic election together with civic nationalism and can provide insights into the phenomenon of decreasing voter turnouts in the Lok Sabha elections, in 2024. While controversy and debate surround the voting percentages and absolute number of votes cast, leading to claims of consistently low voter turnouts, it is commonly agreed that voters are not as enthusiastic and more apathetic in the ongoing elections. The

low voter turnout, especially in the first and second phases, has led political parties to rethink their poll strategies, especially to bolster their supporters.

It is in this context that a speech delivered by the Prime Minister in Banswara, Rajasthan must be understood and critiqued. While this speech has been rightly understood as an attempt at communal polarisation, stereotyping members of a particular community, and as hate speech, its invocation of the tropes of family, property, and “honour” has remained little discussed. A long view of the elections brings to the fore the consistent decline of civic nationalism—simply the parasitic appropriation of the institutions, language, and practices of the civic community by a narrow project of cultural and religious nationalism. The speech shows that the act of voting is now parasitically drawing upon private obligations of individuals to protect one’s family, property, and the “honour” of family’s women, from “infiltrators.”

In other words, voters are not called upon to vote as a political obligation but as a private obligation in the fulfilment of private interests (Westbrook 1990). In this context, a normative reorientation in the study of elections is needed to adopt a holistic approach, and not simply one based on the aggregation of discreet voting preferences. This includes a study of institutions’ role in embodying not individual will but the general will of the electorate and constitutional ideals.

Institutions

As envisaged in the Constituent Assembly, the role of the Election Commission has been argued to be a quest for “procedural certainty to ensure the democratic uncertainty of the electoral outcome,” and “electoral integrity to ensure the deliberative content of the election” (Roy and Kumar 2019). While the MCC has been understood as the primary means of ensuring a level playing field such that the ruling government does not enjoy any unfair advantage over the opposition, the unprecedented circumstances preceding the elections demands a study requirement of procedural certainty more widely. In fact, a series of developments can be argued to create procedural uncertainty

instead, thus pushing the requirement of democratic uncertainty and electoral integrity into question. Beginning as far back as the series of defections and collapse of governments in Karnataka, Maharashtra, Madhya Pradesh, and Manipur, the provisions of the Tenth Schedule, that is, the anti-defection laws, have failed in their stated objectives of providing stability to elected governments. Thus, a legal vacuum exists on questions of debarring defecting members of the legislative assembly (MLAs) and members of Parliament (MPs) from holding office or even ministerial positions, and splits without mergers in political parties are not covered in existing provisions.

The legal vacuum has led to an institutional crisis involving the governor, speaker, Election Commission, and the judiciary. Questions have been raised on the independence and neutrality of the speaker, as further reform is needed requiring the speaker-elect to sever his or her ties from their political party. In 2020, the Supreme Court was constrained to invoke its special powers for the first time to instruct the speaker of the Manipur assembly to disqualify minister T S Shyamkumar for defecting from the party on whose ticket he contested elections. Presiding Judge Rohinton Narian observed that Parliament should consider constituting an independent or permanent body to consider disqualification, and questioned if the speaker be vested with the power to be the sole adjudicator. In the recent events of a split without a merger, speakers have chosen not to invoke the anti-defection laws, as the “rebels” instead approach the governor for a floor test and the Election Commission for the allotment of the party name and party symbol. Eventually, it is argued that only through the electorate’s actions of either supporting or punishing the split parties in the Lok Sabha elections 2024 that the confusion is sought to be cleared up.

Today, the question of whether India will continue to be an electoral democracy is often posed, albeit rhetorically. But, even if its existence as an electoral democracy were not in doubt, it is important nevertheless what kind of electoral democracy India is turning into. The Lok

Sabha elections are being understood as an opposition between constitutional democracy and populist democracy, resulting in a deinstitutionalisation of institutions regulating elections. B R Ambedkar’s warning against bhakti in politics is relevant today against attempts at embodying popular sovereignty in the figure of a leader, and the disembodiment of institutions. In the post-Emergency period, the weakening of the executive and the shift away from the one-party system had set the stage for the reassertion of the judiciary, and the enactment of institutional safeguards through the 44th Amendment. A similar revival is needed today.

Ideas, Manifestos, and Mandates

The right to vote has been interpreted as a part of the fundamental right to freedom of speech and expression. This allows us to understand the act of voting as part of a wider political and public discourse, albeit conducted within a highly unequal and exclusive public sphere. Only such decisions as are discussed and debated within an equal and inclusive public sphere are to have the status of norms. In that case, there is a need to examine the many barriers to entry and monopolies distorting the public sphere.

Today, study of elections, and psephology particularly, is focused on the question who is the choice of the people and not what is the choice of the people.⁴ While this may be presented simply as a case of personality cults and the quest for electoral majorities, the marginalisation of the role of ideas has led to obfuscation of the mandate of the people.

The mandate is a renewal of the social contract between citizens and their government, that is, it requires us to understand not only what citizens are demanding but what parties hoping to form a government are offering, and the synergy between the two. A study of important campaign themes across political parties shows an inconsistency in ideas, as political parties go back on their ideas, instead of defending them, in the face of backlash from opposing parties, the media, or civil society. For example, there was an evident and abrupt change in political discourse roughly at the end of the second phase of polling. The ruling party had hoped at the beginning of the elections that such familiar topics such as cultural nationalism seen in the construction of the Ram Mandir, the abrogation of Article 370, the removal of triple talaq, or the government’s record

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for the past 10 years would remain the primary grounds for seeking re-election. However, roughly corresponding with the reduced voter turnouts in the first two phases of the election, the party changed tack completely to make unsubstantial and reactive claims that the opposition's promise of a caste census and redistribution was in fact a communal ploy.

This shift is important for two reasons. First, it showed a clear decline in the brand value of the party's leadership. Especially in 2014 and 2019, Narendra Modi sought to position himself as a brand, offering voters a cognitive shortcut when faced with the difficult decision of choosing between different parties, manifestoes, and representatives. This brand was sought to be capitalised in 2024 with the slogan "Modi ki Guarantee." Second, it showed that local and regional issues and variations were beginning to reassert themselves. They could not be accommodated within the existing narratives crafted by the ruling party and thus had to be distorted to fit into it. It can be argued that at this crucial juncture, the opposition alliance, and especially the Congress party was very inconsistent in politically communicating, and defending its idea of a socio-economic wealth census, the rising unemployment rate, and joblessness in the country. Despite winning state elections in Karnataka and Telangana on similar promises, it could not communicate its message in the face of distortions and obfuscations produced by an unequal and exclusionary public sphere. This is particularly so with the Congress's promises of a socio-economic wealth census—the so-called x-ray of Indian society.

While the Congress leadership has carefully avoided presenting itself as the message and has adopted the route of direct contact with the people with the Bharat Jodo Yatra, the lack of cohesion in its messaging lies precisely in the fragmentation of support for the manifesto within the larger alliance. Alliance partners have framed individual manifestoes, and have tended to focus on local and regional-specific issues, without arriving at a common minimum programme at the national level. With a personal brand message on the one hand and a

fragmented message on the other, interpreting the mandate is so much more difficult, leading to a lack of accountability and the renewal of the social contract.

Electoral and Political Reforms

Looking back upon the election campaign from the vantage point of election results, the election has been deemed not to be a "critical" election like 2014 which saw the emergence of a one-party dominant system, or even akin to the 2019 elections which saw a further entrenchment of this system. Instead, the 2024 elections have been understood as a restoration, where the popular mandate against the government restored checks and balances in the polity. They proved to be an important exercise in re-making the social contract between the people and the government.

First, while scholars continue to debate the transition to a one-party dominant system, or even the emergence of a party-state, the elections saw the re-emergence of regional parties, albeit successful regional parties were part of either of the two national coalitions—except the TMC. Second, the reinvention of Hindutva or cultural and religious nationalism was understood as ideologically intertwined with the decline of the centrist position. However, Hindutva may no longer be argued to be the pole around which social, economic, and political positions are determined. The elections in the 1990s gave rise to a social contract consisting of three basic elements—one, electoral democracy must lead to good governance; two, assertions of nationhood must lead to recognition and dignity for community identities; three, growth in the economy must result in increased livelihood opportunities, especially for the poor (Palshikar 2014). Today, all three elements of this contract stand violated by the government.

The most under-discussed aspect of the results is the assertion of the poor and the rural electorate. Agrarian castes, especially the Marathas, Jats, and Gurbars rejected the ruling party decisively, and the party performed poorly in those states where food inflation had peaked in the months leading up to the elections. A Centre for the Study of Developing

Societies (CSDS) post-poll survey shows that while the BJP retained its rural vote share from 2019 at an all-India level, this was not the case in Punjab and Uttar Pradesh—pointing to the strength of opposition from the farmers' movement. The Congress too secured most votes in cities, but was helped by its coalition partners in villages. The assertion of community identity saw a return of reinvented Mandal politics, focusing on the non-dominant among the marginalised castes. The perceived threat to reservations from a party with a super-majority reflected in a significant shift to opposition parties, which proved decisive in the unravelling of the "subaltern Hindutva" coalition in certain constituencies. While the perceived threat had a differential impact with more Dalits than backward class voters shifting away from the BJP, the opposition clearly gained in setting and forcing the BJP to react to, a narrative centred on the Constitution.

The opposition gained by offering a new social contract to the electorate, akin to a "New Deal" for India. It is important to note that electoral, legal, and political reforms are an important part of the manifesto and campaign of many political parties to ensure that the establishment does not subvert popular sovereignty. While the Lok Sabha elections have been argued to be the least free and fair elections in India's history, comparison across countries does not place India in a favourable position either—in a context where 64 countries are going to polls this year. The Supreme Court in Anoop Baranwal noted that the manner of appointment of Chief Election Commissioner (CEC) and Election Commissioners by the executive places India as an outlier; Mexico and South Africa, both comparable countries that went to the polls recently have provisions for public funding of elections at a time when the Supreme Court's judgment in the *ADR and Others v UOI* case revealed the urgent need for reforms in electoral finance in India; the six-week period of elections is arguably one of the longest both within India and internationally, with some constituencies voting across three or four phases, etc. In India, there is a pressing need for electoral, political,

and legal reforms that go beyond merely technocratic or economic solutions, or red herrings such as the proposal of “one nation, one election.” In India, while the opposition has not been able to provide a common minimum programme, individual parties have pledged legal and election-related reforms such as reviewing the role of governors and the anti-defection laws, appointing new heads for the Enforcement Directorate, Central Bureau of Investigation (CBI), and National Investigation Agency (NIA), and revoking the much-maligned Prevention of Money Laundering Act (PMLA), which has given extensive police powers to the Enforcement Directorate, and political reforms such as scrapping the Unlawful Activities (Prevention) Act (UAPA), not to implement the Citizenship (Amendment) Act (CAA) and restoration of statehood to Jammu and Kashmir.

What creates a sense of hope for the reforms is that the opposition has not fallen into the habit of blaming the voter for their political debacles, and has not seriously questioned or refused to accept the verdict. Unlike the oft-repeated argument that coalition arguments are not conducive to reforms, history shows that most reforms have been undertaken in the period of coalition governments. This is because reforms are not merely questions of institutional design but of their political costs and dividends. Many more in the political class support the above reforms than oppose them, and a coalition government is more likely to accommodate demands raised by people’s movements. Importantly, the ruling party may soon find itself to be in the opposition, and may perceive a threat from the oppressive instruments it has itself crafted. Constitutional morality requires that political parties not treat their obligations to uphold the rule of law differently when they are in power than when they are in the opposition. Supporters of a decisive government based on a brute parliamentary majority must take heed of the failure of the electoral bonds scheme or the ruling party’s failure to implement its agenda of economic reforms, especially in agriculture. The real message of the Lok Sabha elections could well be that the ruling party

has managed to get the numbers but has lost the mandate of the people. It is now the responsibility of the opposition to play its role to fulfil the mandate of the people, including the restoration of a level playing field and free and fair elections in India.

NOTES

- 1 The debate in the Constituent Assembly brought to the fore the difficulty in arriving at a consensus on the mechanism of appointment of the members of the commission to keep the office free from executive interference. B R Ambedkar, S L Saxena, and H N Kunzru were especially aware of the possibility that the President, acting on instructions of the Prime Minister, may appoint a “party man” to the post of Chief Election Commissioner. While Saxena suggested the provision of a two-thirds majority in Parliament, and Ambedkar proposed an Instrument of Instructions to the President, these measures could not garner the required support in the assembly. It was eventually decided that Parliament would make a law to ensure the appointment without executive interference.
- 2 For a detailed study on missing names from the voters’ list, see Shariff and Saifullah (2018).
- 3 While the phenomenon of silent voting—where voters do not share or openly discuss their voting preferences in the campaign phase—has been observed among many different groups of voters, silent voting is arguably most likely among voters of marginalised communities as the risk of reprisals or violence against them is higher.
- 4 While the politics of ideas and politics of presence are argued to be inseparable from each other from the perspective of marginalised groups, this argument assumes that the entry of marginalised groups into the political process brings with it a specific set of ideas, and

not that there is a hierarchy or separation between the two as is the case in political parties’ election discourse today.

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The 2024 Electoral Battle and Adivasi Identities in Telangana

JADHAV PRATHAP SINGH

Electoral battles open up new avenues for competing Adivasi communities to assert their identities, seek space for their representation, and associate with centres of power. Nevertheless, in socially and ethnically diverse and complex Adivasi areas, parties employ different strategies to select the candidates for soliciting ethnic- or identity-based votes. Based on extensive field visits to tribal areas in Telangana, it is observed that political parties' efforts during elections shape the political and identity discourse of Adivasis, thus creating a new battlefield for diverse Adivasi communities as well as political parties.

India, the largest democracy in the world, concluded its 18th Lok Sabha elections in June 2024. Political parties' campaigns and mobilisation strategies have gained significant traction for understanding electoral politics, particularly in ethnically diverse and complex areas. There is a widespread acceptance of the fact that Indian elections are not only about common concerns of all the voters and governance issues, which are supposed to be the central topic of the electoral discussion, but they are also about the expression of different identities' group assertion and their attempt to seek or claim political space by extending their electoral support to ethnic/ caste candidates or parties. Elections, thus, become a political instrument to rack up ethnic conflicts and identity assertions by various groups for seeking representation and involvement in the exercise of claiming political power. In this context, it is interesting to comprehend how political parties accommodate competing tribal¹ groups in the Scheduled Tribe (ST)-reserved Adilabad constituency in Telangana and how these communities perceive political parties' electoral strategies.

Consolidation or Division of Ethnic Votes

Out of 17 parliamentary constituencies in Telangana, two constituencies, namely Adilabad and Mahabubabad, are reserved for STs. This article focuses on the former. The Adilabad constituency, reserved for the STs after the delimitation exercise of 2009, has 16.5 lakh voters (Srinivas 2024). The constituency witnessed a fierce triangular electoral battle between the Congress, Bharat Rashtra Samithi (BRS), and the Bharatiya Janata Party (BJP) in the 2024 elections. Initially, a difficult task for the three main parties was to select candidates from diverse tribal communities in the constituency, as its result is determined by either ethnic

en bloc voting or by breaking community votes. Out of 16.5 lakh voters, the composite tribal communities constituted 5.5 lakh votes, while non-tribals formed 10.5 lakh votes. Alliances or supportive understanding between the major tribal communities and non-tribal communities/ castes play a decisive role in determining the election results in this constituency. The Gonds, including Naikpod, Pradhan, and Thoti voters number 3.5 lakh, whereas the Lambadas make up nearly 2 lakh voters as per the 2011 Census. Among all these groups, the Gonds and the Lambadas, given their significant numbers, are key players in the constituency.

When we examine the 2009, 2014, and 2019 parliamentary elections, the Telugu Desam Party (TDP), BRS and BJP have registered their victory in the constituency respectively. In 2009, the principal fight was between the Congress, the TDP, and the BRS. The TDP could win the election because it gave a ticket to Ramesh Rathod, who was seen as an important Lambada community leader, and he got 3,72,268 (43.11%) votes, while the Congress had given its ticket to Kotnak Ramesh, who received 2,57,181 (29.78%), and Praja Rajyam Party (PRP) candidate Mesram Nago Rao gained 1,12,930 (13.08%) votes. Both the Congress and the PRP candidates belong to the Gond community, so the Gond votes were divided, whereas the Lambada votes remained consolidated behind Ramesh Rathod, who won the seat with a 13% victory margin. A similar scenario of two candidates belonging to one community and dividing the community votes unfolded in the 2014 elections, when Ramesh Rathod again contested on behalf of the TDP, and Naresh Jadhav, another Lambada, was a Congress candidate. This time, however, the BRS gave its ticket to Godam Nagesh who belongs to the Gond community. Nagesh won the seat with 4,30,847 (40.82%) votes by gaining en bloc votes from the Gond community, whereas Ramesh Rathod got 1,84,198 (17.45%) votes and Naresh Jadhav received 2,59,557 (24.59%) votes.

Again, in the 2019 elections, there was a triangular fight between the BRS, the BJP, and the Congress in the constituency. Notably, this election came against the

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backdrop of the violent conflict between the Gonds and the Lambadas in 2018 over the share of reservation. The Gonds contended that the Lambadas are taking the lion's share of reservation in employment and educational opportunities, so they should be "de-scheduled" from the ST list. The Lambadas were defending their position in the ST list by saying that they have all the characteristics and criteria to be STs and constitute the majority (70%) within the ST population in the state. Given this conflict, the BJP and the BRS preferred to give tickets to candidates from the Gond community, while the Congress troughed its weight behind the Lambada candidate.

Interestingly, Soyam Babu Rao, the BJP's candidate, registered victory in the constituency by receiving 3,77,374 (35.48%) votes, while the BRS candidate Godam Nagesh, who stood second, received 3,18,814 votes (29.97%), and Congress candidate Ramesh Rathod stood in third position with 3,14,238 votes (29.54%). Unlike earlier trends, in the 2019 elections, the BJP candidate won the election despite having two main party candidates from the Gond community because of two probable reasons. First, the BJP had given the ticket to Babu Rao, a leader of the anti-Lambada movement. So, the Gonds voted en bloc for the BJP candidate; thus, he did not face significant competition from other candidates in the same community. Though the BRS candidate stood second in the battle, he did not receive any considerable support from his community because there was a perception among the Gonds that he has never strongly stood for the de-scheduling of the Lambadas from the ST list. The second factor that helped is the Narendra Modi wave among the non-tribal voters. The combination of these factors gave victory to the BJP. The Lambadas stood behind the Congress candidate in this tough fight, but he did not get considerable support from non-tribal voters.

These trends indicate that the Adilabad constituency cannot be considered a bastion for a particular party; it depends on the mood of the voters and the support of major tribal communities, such as the Gonds and Lambadas, in deciding the winning chances of a party in the

constituency. Thus, along with the Gonds and Lambadas, non-tribal communities such as Dalits, Muslims, and Other Backward Classes (OBCs) hold the reins of political control due to their numbers as well as ethnic influence. It is the parties' effort to build an "ethnic coalition" that is the determining factor in winning the seat. Earlier, this constituency was known for its low enthusiasm for electoral politics with a strong presence of left-wing extremist activities. Of late, the constituency has attracted significant interest from political parties, and star campaigners such as Prime Minister Narendra Modi, the current chief minister of Telangana Revanth Reddy, and K T Rama Rao, the working president of the BRS, have all visited the constituency for their electoral campaigns.

BJP's Inroads in Adivasi Areas

In the 2024 elections, the BJP wanted to retain this parliamentary seat but faced a stiff challenge from both the Congress and the BRS candidates. The morale of the BJP and its members seemed upbeat because apart from winning the Adilabad seat in 2019, the first time it registered a victory in the constituency, it also won four out of seven seats² in the 2023 assembly elections, while the TRS won two seats and the Congress won one seat. Notably, out of the eight seats BJP won in Telangana in the 2023 assembly elections, four seats came from this parliamentary constituency itself. Thus, we can draw an inference that the BJP has made inroads into the tribal areas and it has developed

the party support base in this parliamentary constituency. Thus, this area is considered as a strong base for the BJP in Telangana.

Nevertheless, in the 2024 elections, the BJP denied a ticket to Babu Rao, the incumbent member of Parliament (MP), due to anti-incumbency and factionalism. There were many aspirants for the BJP ticket from both the Gonds and the Lambadas, and many leaders from the BRS and the Congress switched to the BJP in lieu of getting the party ticket. However, the BJP picked a former MP from the Gond community, a turncoat who shifted from the BRS, just before the election. The BJP, by giving a ticket to a Gond candidate, again tried to ride on an "alliance of extremes,"³ that is, the alliance between the Gond tribes and non-tribals in the constituency. Though the BJP has ignored many long-pending issues of the tribal communities, it has been championing the Hindutva identity-based mobilisation and Modi's leadership factor in their election campaigning.

The BJP depended mainly on engineering its Hindutva influence on Adivasis, OBCs, and Dalits. At the same time, the Congress and the BRS tried to build a broad-based coalition of Adivasi communities, Dalits, Muslims, and OBCs. The BRS and the Congress fought for the minority communities' votes, but the BJP had the least expectations from Muslim-minority votes. Traditionally, the Adivasi region has been under the influence of left and community-based identity politics, which has been developed opposing

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Hindutva politics, and the BJP is perceived as an upper-caste/mainstream party. But, the BJP is trying to shed this perception/image, and assimilate the Adivasis under the larger rubric of the Hindutva fold. Thus, the BJP is seeking to consolidate its coalition of extremes, that is, caste Hindus and tribals, and making inroads into tribal areas.

Congress and BRS's Attempts

Regardless of the Congress's standing in the third position in the 2019 parliamentary election, the demand for Congress tickets in the 2024 election was high in view of the perceptible groundswell in favour of the party in Telangana after its victory in the assembly elections of 2023. Noteworthy ticket aspirants were from the Gond and the Lambada communities. Aspirants felt that the winning chances would be higher if they got the Congress nomination for three reasons: first, the BRS lost ground after its defeat in the 2023 assembly elections. Second, the anti-incumbency towards the BJP would work in their favour. Third, those associated with the Congress and ideologically left-leaning Adivasi view that the Adivasi leaders who were associated with the BJP are compromising the Adivasis' self-respect by joining the upper-caste and Hindutva-based party.

Finally, Congress nominated a Gond woman, Athram Suguna, a schoolteacher by profession and a dynamic social activist who had experience fighting for human rights, particularly for the rights of Adivasi communities. She has been active in various Adivasi organisations and heads the Adivasi Mahila Sangam. She recently ventured into mainstream party politics by joining the Congress before the 2024 elections. Suguna approached Adivasi voters by highlighting that she was the person who knew the Adivasi communities' issues, and she could protect the identities and interests of the communities while challenging the communalisation of Adivasis by the BJP. She also tried to restore the Adivasi ethos and ethnic fabric in the area. In order to attract the tribal votes, the Congress party and its candidate, who is ideologically left-leaning, pointed to the failure of the BJP-led union government to protect the rights of

the tribal communities by highlighting that the BJP is ignoring the perennial tribal issues of denial of forest rights, conflict with the forest department and their harassment of tribals, land alienation by non-tribals, weakening of legislations such as the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, (FRA) 2006 and Panchayat (Extension to Scheduled Areas), 1996. Suguna also highlighted that the BJP posed a greater threat to the Adivasis' self-governing rights, identity, and autonomy. Further, to attract non-tribals and tribal votes, the Congress candidate's campaign also drew public attention to implementing guarantees by the Congress government and establishing democratic governance in the state by changing the autocratic style of governance by the previous BRS-led government. The Congress party further highlighted that there is an understanding between the BRS and the BJP as they are hand-in-glove to defeat the Congress while making all efforts to dethrone the party from power (Reddy 2024).

The BRS candidate, a Gond, has been vocal about the Gonds' rights and is an active member of an identity-based political organisation such as the Tudum Debba. He was the elected member of the legislative assembly (MLA) of the Asifabad constituency twice on the Congress party ticket in the 2009 and 2018 assembly elections. However, after winning the 2018 assembly elections, he defected to the ruling BRS party. He had justified his defection on two grounds: first, the conventional justification, that is, he wanted more developmental funds for the constituency by being in the ruling BRS. Second, the political but personal reason, that is, he won the seat with a wafer-thin majority, securing just 160 votes more than the BRS candidate. The BRS party had challenged his electoral victory in the high court on the grounds of recounting the result. In order to elude the problem of legal entanglements and secure his seat, he joined the BRS. Nonetheless, he was denied a ticket in the 2018 assembly elections on the grounds of his unpopularity in the constituency. Still, the BRS leadership had promised to give him a ticket in the 2024 general elections.

After its defeat in the 2023 assembly elections, the BRS looked weaker as the party faced the problem of not having enough BRS MLAs in the Adilabad parliamentary constituency, and many leaders having deserted the BRS for the Congress and the BJP. The BRS campaign invoked welfare schemes, particularly farmer welfare schemes provided during their rule, and pointed to the Congress government's failure to implement all its electoral promises. The BRS also banked on its candidate's role in the Gond identity movement, but the majority of Gonds are dissatisfied with the BRS because of their perceived ill-treatment by the BRS government during the de-scheduling campaign in 2018. Both the BJP and Congress candidates, as they were actively involved in Gond identity and rights movements, held some extent of influence among the Gond voters, but there is no certainty that goodwill would be translated into consolidated en bloc votes for either of them.

Lambadas' Perceived Political Marginalisation

The Lambadas constitute a significant number of votes not only in the Adilabad constituency but also play a vital role in 15 out of 17 parliamentary constituencies in the state as they are spread all over Telangana except in the Hyderabad district. Despite having a significant number of votes in the constituency, major parties did not prefer ticket-aspiring candidates from the Lambada community in the 2024 elections. The Lambadas are upset and express a sense of resentment at their perceived marginalisation in the state's political space and complete sidelining in the constituency. All three parties contended that the candidates were selected based on their "winnability," but this did not cut much ice with the Lambadas.

Though the parties did not prefer their candidates, they did try to get the electoral support of the Lambadas. Among all three parties' candidates, the BJP candidate enjoyed a certain level of goodwill among the Lambadas as he neither took extreme steps nor made any extreme comment against the Lambada community, whereas the Congress and the BRS candidates stoked communal feelings

among the Gonds against the Lambadas. Additionally, the BJP has been working to assimilate the distinct Lambada community's culture and spiritual aspects within the Hindutva religious fold. The BJP leaders have been making all efforts to appropriate the Lambadas' spiritual-reformist movement and their highly revered and celebrated Guru Sri Sevalal, who sought social and spiritual reformations within the community and recognition of the community's unique identity and language for self-respect and dignity in the 18th century. The BJP is not only appropriating the Sri Sevalal Guru's spiritual identity but also conveniently painting his struggle as a struggle against Muslim rulers in the Hyderabad and Mysore states in the 18th century. Thus, the BJP has been banking on the saffronisation of the Lambadas' culture and past to influence the Lambada voters.

Meanwhile, the leaders of the BRS appealed to the Lambada voters by highlighting the welfare measures, identity recognition, and developmental work carried out under the BRS government and how the Congress is ignoring the Lambadas. Some of the Lambada leaders perceived that the BRS government was better and gave a certain priority to their community. Out of the 12 ST reserved constituencies in Telangana, the Lambadas now represent only four seats, while during the BRS rule, they represented eight seats. The BRS government also gave the Lambadas a ministerial berth, a seat in the legislative council, and various nominated posts. Apart from providing political representation, the BRS government created small Lambada hamlets as panchayats, accorded recognition of their land rights under the FRA 2006, officially recognised and celebrated Sri Sevalal's Jayanthi, constructed a Banjara Bhavan (a community hall) at Hyderabad, and also extended other welfare schemes' benefits to the community.

Many Lambada leaders, who have been associated with the Congress for a long time, were aspirants of the party ticket. However, ignoring their long association with the party, the Congress preferred to give the ticket to a Gond woman who joined the party before the ticket was announced. The Lambadas considered

that the Reddy-led Congress in the state was not giving importance to them. They contended that the Congress prefers minor or numerically less significant communities such as the Koya tribe, whose member has been made a minister in the state government, whereas the Lambadas were not given any posts. The BRS made all efforts to project a positive image of the party among the Lambadas by highlighting that the community was given priority during their rule, but the Reddy-led government is anti-Lambada and ignoring their concerns. The BRS and the BJP hope that ignoring the Lambada community's concerns could affect the electoral prospects of the Congress not only in this constituency but also in other constituencies.

In Conclusion

By understanding ethnic communities' assertions for political representation and parties' electoral strategies, it is observed that on the one hand, the identity differences and competitive claims by Adivasi communities to seek political space and

representation, and, on the other, political parties' efforts to win seats in reserved constituencies significantly shape the political and identity discourse in Telangana, and makes Adivasi areas a new battlefield for both ethnic and electoral politics.

NOTES

- 1 The terms such as Adivasi, Scheduled Tribe, tribal, and indigenous are used interchangeably.
- 2 The Adliabad parliamentary constituency comprises seven assembly segments, including Asifabad (ST), Khanapur (ST), Adilabad, Boath (ST), Nirmal, Sirpur and Mudhole.
- 3 Brass (1968) used the concept of "alliance of extremes" to describe the strategic alliance between the two extreme groups on the social hierarchical scale or the ideological scale coming together for political interests.

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Report of the Expert Committee on Own Sources Revenue of Rural Local Bodies

A Critique

MAHI PAL

The critique of the Expert Committee Report on own sources of revenue of rural local bodies has been carried out based on the existing position of provisions of taxes and non-taxes included in the state panchayat acts and the quantum of own resources mobilised by panchayats at different levels. The glaring deficiencies have been recorded in the ECR while comparing it with one of the recent State Finance Commission Reports, Haryana which could have been present in other states/union territories too.

The availability of sufficient revenue to panchayats is one of the preconditions for awarding them functional autonomy. The lack of financial resources for panchayats could be traced back to their evolution itself. For instance, various committees, study teams, and commissions, such as the Local Finance Enquiry Committee in 1951, the Taxation Enquiry Commission in 1954, and the Santhanam Committee of Panchayati Raj Finances 1962, were constituted to suggest measures to establish financial autonomy for rural local bodies (RLBs). Besides, the Programme Evaluation Organisation of the then Planning Commission in 1958 also zeroed in on the resources of panchayats in its study on the working of panchayats, Ashok Mehta Committee in 1978, and about a decade later, in 1996, the Singhvi Committee also stressed on mobilisation of financial resources by the panchayats.

In light of the suggestions of these committees and commissions, the states have made provisions in their respective panchayati raj acts. However, as the elections to these institutions could not be held regularly, the conditions created in the acts remained only on paper. The Constitution (Seventy-third Amendment) Act in 1993 has given a new lease of life to the panchayats as a measure for strengthening them financially. Therefore, the question of financial autonomy for panchayats also got currency.

It is interesting to note that well before the recommendations of the committees as mentioned above and the commission, what Sardar Patel said about the finances of panchayats in 1935, and M K Gandhi in 1937, is worth quoting here. In his presidential address to local bodies in 1935, Patel drew

attention to local finance in the following words,

It is being said that the franchise of the electorate has been enlarged, and the local bodies have been given wide powers. True, I accept it. But what good would come out of it unless and until the question of local finances is settled first? The extension of the franchise and widening the scope of duties would be like dressing a dead woman. (Jathar 1964: 134)

Gandhi, in 1937, commented in the following words after seeing the unwillingness of financial contribution among villagers,

There are in our villages inexhaustible resources, not for commercial purposes in almost every case. The greatest tragedy is the hopeless unwillingness of the villagers to better their lot. (Jathar 1964: 134)

The Fourteenth Finance Commission's recommendation for performance grants (10% to gram panchayats), national workshop on increasing own source revenue (OSR) by panchayats, videoconference meeting on increasing OSR, national webinar/virtual interaction with beacon panchayats and other well-performing panchayats, iconic week celebrations during *Azadi Ka Amrit Mahotsav* and a study by NCAER, New Delhi which the Ministry of Panchayati Raj (MoPR) supported are the recent events towards mobilising own resources by panchayats.

It has emerged from the above discussion that the own resources of panchayats are a must for their vibrant working. Because of the importance of OSR, the MoPR constituted the *Expert Committee Report (ECR) on Own Source Revenue of Rural Local Bodies* on 13 May 2022, with the following objectives: (i) to review the current status of acts/rules/framework prevalent in the states for enablement of OSR generation by RLBs; (ii) to suggest broad guidelines on which the state finance commissions (SFCs) can make recommendations for the augmentation of OSR generation by RLBs; (iii) to suggest specific strategies for the augmentation of OSR levels of RLBs; (iv) to study best practices of OSR generation by RLBs and suggest suitable benchmarks; (v) to prepare a broad road map for implementation by states/RLBs with specific targets and timelines towards the augmentation of

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OSR of RLBS; and (vi) to make any other suggestions having a bearing on the subject under consideration. It was expected from the committee to submit its report within six months. However, it was submitted by the committee in April 2023.

The report has been divided into nine chapters. Chapter 1 presents the context of the OSR for panchayats; Chapter 2 deals with panchayats' financial resources, indicating that 6% of the total resources are the OSR of panchayats at the national level. However, it differs from state to state. Chapter 3 discusses the OSR of panchayats. A detailed account of OSR, the number of taxes and non-taxes to be imposed by panchayats across the states, innovation in tax collection, and potential measures are included in this chapter. The critical part of the chapter in the context of OSR is the extension of managing the fiscal deficits within controllable limits, as done at the state and central levels when panchayats emerge as local governments with desired powers and authority.

In Chapter 4, the legal framework concerning financial resources has been given in the 73rd Amendment Act. The recommendations of SFCs and their application have been included in this chapter. The status of OSR across the states and provisions of tax and non-tax collection of the state panchayat acts are given in Chapter 5. Some best practices available in different states/union territories for the augmentation of OSR are included in Chapter 6. The analysis of OSR, which includes state- and tier-wise factors affecting the augmentation of OSR, is included in Chapter 7. Recommendations for the augmentation of OSR SFC-wise, tier-wise, tax-non-tax-wise, and PESA area-wise have been given in Chapter 8. The capacity development framework for the augmentation of OSR at different levels of RLBS is provided in Chapter 9. This is followed by references and annexes. Detailed OSR and their related issues in the report may be helpful to panchayats in improving their existing work.

Critique

The critique of the report has been carried out based on the existing position of the provisions of taxes and non-taxes

included in the state panchayat acts and the quantum of own resources mobilised by panchayats at different levels. In the critique, other issues dealt with in the ECR are not included because such an exercise would not be helpful when there are deficiencies in presenting existing situations of OSR. For instance, when data on which analysis has been carried out is faulty, suggestions for improving OSR, training, and other measures suggested for enhancing the level of OSR warrant no comments. Before commenting on the report, let us present the context of OSR and its relationship with effective governance through accountability mechanisms at the grassroots level.

Context

The whole issue of mobilising OSR of panchayats revolves around accountability, which is one of the crucial determinants of good governance—the contribution brings about accountability. In this context, the *Economic Survey (2017–18)*, for the first time, brought out a chapter on the local government encompassing both rural and urban governments under the title, “Reconciling Fiscal Federalism and Accountability: Is There a Low Equilibrium Trap?” This chapter mainly addresses the issue of accountability regarding the contribution of revenues in both tax and non-tax modes by villagers for the services they are getting at the decentralised government level.

While addressing this issue, it is mentioned that taxation is not merely an instrument to collect revenue by the state, but it is also critically important for economic and political development. Besley and Persson (2013) state that there is a social contract between citizens and the state. The role of the state is to develop supportive conditions for all by providing essential services and protecting the vulnerable sections through redistribution. The citizens hold the state accountable if it does not honour the contract (Besley and Persson 2013, quoted in *Economic Survey 2017–18*: 55).

In contrast, citizens do not have a stake in holding the state accountable if they do not pay in a visible and direct way for the services the state commits to providing them. If a citizen does not pay,

they become a free rider (using the service without paying) and cannot complain if the state provides a poor quality service. They will try to hold the state accountable only if they pay and use the service (*Economic Survey 2017–18*: 55).

What is said about the state is entirely applicable in the case of panchayats because the contribution of these bodies through OSR is negligible if they compare their total expenditure from different sources. For instance, panchayats' OSR is merely 6% (GoI, Expert Committee on Own Sources Revenue of Rural Local Bodies 2023, p 23). The point to be stressed here is that the fiscal performance of panchayats can broadly be considered a proxy for panchayat-level accountability and result in better governance (Pal 2020: 372–73).

Second, one should know the mandate of the Constitution concerning panchayats—whether they are institutions of self-government at their levels.

The extent of the mobilisation of OSR by the panchayats may determine their level of autonomy or status of self-governance in their functioning. As mentioned in the ECR, Article 243G of the Constitution (Seventy-third Amendment) Act is the pivot around which the entire act revolves because it determines the tasks to be performed by the panchayats. The committee has provided a detailed framework for the states to study various recommendations by putting them into action to create awareness about the importance of mobilising the resources by the panchayats in their effective functioning. The best practices given in the report have shown the freedom panchayats have enjoyed in preparing and implementing the plan and integrating various schemes in such plans. It is expected that the states would come forward to study the recommendations of the committee and operationalise them in the field for better outcomes. The task of the training institutions is to engage themselves in imparting training to elected representatives and officials at grassroots levels.

Article 243G of the Constitution deals with the powers and authority of the panchayats. However, the Constitution, instead of defining these or describing them, authorised the state legislatures

to devolve on panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government (ISG) and prepare the plan for economic development, including 29 subjects listed in the 11th Schedule of the Constitution. It is also interesting to note that, in the Constitution, to perform the above-cited tasks by the panchayats, the power to impose taxes, etc, is given in Article 243H, the constitution of the SFC given in Article 243I and the provision for audit of accounts for panchayats is given in Article 243J.

But the fundamental issue concerning OSR is that among the three provisions mentioned above, only the constitution of the SFC is mandatory on the part of the state, and the rest are enabling provisions and their application is based on the sweet will of the states. However, there are some comments on ECR to be looked into for its rechecking/revisions to implement the recommendations effectively.

Data/information deficiency: The existing situation of the OSR and other related aspects of it should be based on factual information/data. Will the analysis and projection be correct if incorrect information or data is applied? Information/data available with the MoPR is supposed to be updated, authentic, and correct. As far as finance is concerned, that can be obtained from the central finance unit in the Ministry of Finance. The relevant data can be obtained from the states/union territories. Some information/provisions are available in the state panchayat acts; getting them from there should not be a problem. However, data/information provided in the ECR needs to be updated or corrected if compared to information/data provided in the report of the SFC on the issue of OSR. For instance, Table 2.2 of the ECR contains state/union territory-wise financial resources of panchayats in three streams: central finance commission (CFC), SFC, and OSR. During 2017–18, for Haryana, OSR was shown as ₹51 crore in the ECR, whereas it was shown as ₹302.15 crore in Table 5.4 of the report of the Sixth SFC Haryana (SSFCH), 2021. Using the SSFCH percentage of OSR, it is 20 of the total resources of the year

under reference, whereas using the data given in Table 2.2 of the ECR, it is merely 4%, showing a yawning difference of 16%. Similar is the position in 2018–19, where figures differ not only in the case of OSR but also in the case of CFC and SFC. For example, OSR is shown as ₹109 crore in Table 2.2 of the ECR, whereas ₹327.9 crore in Table 5.4 of SSFCH, which indicates a difference of ₹218.19 crore. Similar is the difference in CFC figures in both the tables. Using data of SSFCH, the percentage of OSR to the total funds of panchayats worked out to 18.85%, whereas it is merely 7%, worked out using the data of Table 2.2 of the ECR. No data for 2019–20 and 2020–21 is given in Table 2.2; it is available in Table 5.4 of SSFCH. A case of one state, that is, Haryana, is shown here to indicate the issue of data reliability. There might be the same problem of data reliability in the case of other states as well, which needs to be investigated. Figures of OSR for 2019–20 and 2020–21 in Table 2.9 of the ECR also differ from those given in the SSFCH in Table 5.4.

Potential and realisation of house tax: Table 3.2 of the ECR shows the potential of house tax in rural areas. In the case of Haryana, this table shows ₹1,179 crore as potential, and the source of it is the Fifteenth Finance Commission 2021. In contrast, Table 5.3 of the SSFCH shows two pieces of information: demand for house tax (that is, potential) and house tax collected is the actual realisation (in crores) year-wise from 2015–16 to 2020–21. After subtracting house tax realised from the demand for house tax, the potential is derived. It was ₹10.74 crore during 2020–21 in SSFCH, whereas the ECR shows ₹1,179 crore. Table 4.3 of the ECR shows the status of the SFC's constitution (SSFCH 2021). In Haryana, the latest figure is taken from the SFC-V; however, in December 2021, SFC-VI submitted its report to the state government. These are a few examples of an SFC vis-à-vis the ECR, which depict incorrect data being given and updated figures not being included.

Status of implementation of the recommendations of SFCs: Table 4.6 relates to the status of SFCs and implementation

of their key recommendations. Here too, details of the SFC-V of Haryana are given by mentioning sources as compiled by MoPR in 2020. It is surprising to note that the ECR was submitted in 2023, and the SFCs' status was given in 2020. It appears that the ECR had not made concerted efforts to collect the latest data/information. At least the example of Haryana bears it out.

Distribution of funds among panchayats and municipalities: Table 4.4 of the ECR relates to the distribution of funds across different tiers of the local government—rural and urban—in (in %). In the case of Haryana, the reference of the SFC-V mentioned that no specific criteria are indicated. However, if one sees the report of the SFC-V of Haryana, one can find that the commission decided on two criteria. One relates to the population of 2011 which was given a weight of 80% and the area with a weight of 20%. As mentioned, the SFC-VI of Haryana submitted its report in December 2021. It gave detailed criteria for allocating funds horizontally and vertically, but its recommendations have not been included in the ECR, even though it was submitted in 2023.

Also, there are gaps in the report that have appeared because of not using the latest data. And when data itself is not accurate, the inferences and recommendations may not be considered authentic to be applied in the field.

Provisions for finance and taxation in the state panchayat acts: Table 5.2 of the ECR shows the source data for 30 states/union territories, whereas data/information for only 10 states is given in this table. Data concerning 20 states/union territories is missing. Why is the data of all states/union territories not been provided in the table? Tax collection is shown as zero for Haryana in Table 5.3, which is incorrect. Table 5.4 shows the non-tax details of 10 states. Here, in 10 states, Haryana's details are provided but are incomplete. Sections 39, 41(1), and (2) for gram panchayat, Sections 88, 89, and 91 for panchayat samiti (intermediate panchayat) and Sections 147 and 149 for the zilla parishad of Haryana

Panchayati Raj Act could have been studied to give the correct position of tax and non-tax provisions in the report. Table 5.6, which relates to Haryana, does not provide an accurate picture of non-tax mobilisation by the panchayats. The ECR could have gone through the report of SSFCH, which had already seen the light of the day well before the submission of the ECR to the Government of India.

Analysis of OSR: Chapter 7 of the ECR discusses the analysis of OSR. But what would be its depth and critical element when the analysis is based on incomplete data? Factors affecting the collection of OSR are also mentioned in this chapter. Many factors are mentioned, but the primary reason is that the elected representatives are not interested in levying taxes on families and individuals in the gram panchayat area because they do not want to be unpopular among villagers. There might be some exceptions, but we have to see the psychology of villagers in general. It would be better if tax or non-tax-imposing institutions were not close to people, as in the case of gram panchayat. In this regard, two suggestions are given for consideration. First, zilla parishad may be empowered to impose taxes and non-taxes, and the amount so raised may be distributed among the panchayat (gram panchayat, panchayat samiti, and zilla parishad) at different levels based on a criterion evolved by the district planning committee whose status might be elevated as the district government. In this way, the issue of the unpopularity of imposing a tax would be resolved because members of the zilla parishad represent a larger geographical area and demographic size of the panchayati raj system. For instance, in Uttar Pradesh, one member of zilla parishad represents a population of 40,000. Second, the size of the gram panchayat may be made viable demographically for optimal economic activity. The size of most gram panchayats is such that even installing an *atta chakki* does not appear feasible in the entire gram panchayat area.

There are umpteen studies available on the ineffective functioning of panchayats. One study sponsored by the

MoPR to KDS, New Delhi, in 2019 found that 60% of gram panchayats' decentralised planning process needed more systematic, enabling support to undertake economic development activities at the panchayat level. A gram panchayat has prepared a separate plan for MGNREGS and also prepared the gram panchayat development plan (GPDP), while MGNREGS might have been subsumed in GPDP. There was no unified plan for the entire gram panchayat. Database in most of the panchayats was absent. The study also found that functionaries did not have the desired capacity and institutional mechanism for the preparation of plans for the economic development of gram panchayat. In such a situation, it is challenging to think about resource mobilisation at the local level. The issue of OSR has to be seen in an integrated mode, keeping in view the implementation of Article 243G of the Constitution.

To conclude, it is worrisome to note that glaring deficiencies have been recorded in the ECR while comparing it with one of the SFC reports. There is a likelihood of such gaps in the case of other states/union territories. It is time to relook at the ECR to collect, collate, and analyse existing updated data/information and prepare strategies, etc, on the theme accordingly.

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Never Let a Serious Crisis Go to Waste

Case for Parliamentary Reforms

RUPAK KUMAR

The impending reforms of India's Parliament are one of the effective solutions to tackle the democratic aberrations and the dangers of the lingering decline of the institution under one-party dominance. Moreover, the larger issue of parliamentary effectiveness, including the functioning and working of committees, and the impartiality of the speaker and the chairpersonship can only be dealt with instrumentalising radical parliamentary reforms in the Lok Sabha and the Rajya Sabha.

Amid the cacophony of declining Parliament, the indispensability of the impending reforms of India's public institutions, be it Parliament, judiciary, Election Commission of India (ECI), police, or panchayati raj institutions (PRIs) remains undeniable. A mere adaptation of the Westminster model of political system and institutions is not sufficient when reforms and governance based on sociopolitical suitability are consistently ignored by successive governments. The emphasis on parliamentary output over dialogue and deliberations engulfed the contemporary parliamentary scenario over the last decade.

Stifling of parliamentary conventions, traditions and even the rules and procedures was astounding to witness in Parliament, for instance, there was no deputy speaker in Lok Sabha between 2019 and 2024; standing committees were relegated to the sidelines; demands from the opposition benches were mostly ignored by the treasury benches; even crucial bills were simply passed or bulldozed by the voice votes in Parliament. Adding insult to injury, almost 150 opposition members of Parliament (MPs) were suspended in December 2023 to pass three new criminal bills without debate or discussion.

However, the political scenario post-2024 general election has changed. The one-party majority is replaced by the exigencies of running a National Democratic Alliance (NDA) coalition government led by the Bharatiya Janata Party (BJP). Moreover, now there is a recognised leader of the opposition party (LoP) in the Lok Sabha from the Congress party after 2014. The experiences with previous coalition governments in India suggest that such parliaments usually evolve better ways of consensus-building

and deliberative techniques, for instance, major reforms like liberalisation of the economy, PRIs, the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, Right to Information Act either passed in minority or coalition governments. The opposition has also strengthened in the Lok Sabha after 2024 as compared to the last 10 years. Nevertheless, the reckoning of Parliament's effectiveness depends on the extent to which the institutionalisation of its sub-institutions like the committees, the office of the LoP, zero hour, question hour, impartiality of the office of the speaker and the demands of the opposition's agenda in Parliament are ensured. The chances are rare unless the alliance partners of the NDA push for such reforms at the level of functioning and structures.

Parliament is an essential institution for Indian democracy. Legislatures worldwide have been described as the "grand inquest of the nation"—a place where acts of the government are examined to ensure nothing is amiss (Hasan 2023). In the Indian context, the National Commission to Review the Working of the Constitution (NCRWC 2002: 1218) described Parliament as the "supreme institution of the people." By virtue, it needed to capture the twin transformation of the 1990s India, that is, the new economic policy and the sociopolitical churning in the functional realm of institutions. As early as 2002, the NCRWC argued that the

reforms and urgent remedial action seem imperative for making parliamentary institutions and processes effective ... for ensuring sustainable economic growth ... as New Economic Policy led to cutting back on the government involvement and drastic reduction in the role of parliament and its committees. (NCRWC 2002: 1217)

In such circumstances, the need was to go for "fundamental institutional-structural, functional, procedural and organizational change" (NCRWC 2002: 1217). At the same time, the sociopolitical changes brought out by the advent of coalition politics at the national level began to impact the institution of Parliament itself. The assertion of the regional stakeholders at the national level and the corroding strength of the Congress party

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made the entire establishment uncomfortable. The politics of the subaltern and hitherto unrepresented completely changed the *modus vivendi* of the working principles of the institutions, including Parliament. Despite signalling inevitable reforms of Parliament, it remains a distant dream to this day. Turning Nelson's eye to the changing socio-economic and political scenario hampered Parliament's effectiveness. As a result, Parliament in terms of its substantiveness has been saturated in the absence of any meaningful political reforms. With the advent of a one-party majority government after 2014, the cracks and malaise of Parliament are manifested in terms of its effectiveness and functions. The present crisis of Parliament must be seen in the context of BJP dominance unlike the imperatives of the erstwhile coalition governments, often the inter-party permutations and combinations would ensure the parliamentary accountability of the government. In a majority government, parties do not have any compulsion to generate consensus in passing legislation or quenching the thirst for the opposition's questions in Parliament.

The Framework

A meaningful relationship between the government and the opposition is a prerequisite for Parliament. It is democracy's necessity (Kumar 2021: 2) that a substantive functional relationship exists between the actors of the legislature. Moreover, the opposition in Parliament is also essential for the imperative of governance (Kumar 2021: 4) as the legislature is instrumental in seeking accountability, policymaking, formulation and scrutiny. To begin with, Parliament might be a norm in parliamentary democracy, but a substantive and effective Parliament is a democracy's necessity for a political system. Along with this, the opposition MPs, as part of the legislature, are equal partners in the policymaking and governance agenda that come across Parliament; therefore, a government-opposition relationship vis-à-vis Parliament must be modulated by the governance imperative of both the stakeholders. It is in this context that parliamentary reforms should be envisioned

and adopted by the political class. The opposition plays an indispensable role, first as democracy's necessity by keeping the government in check inside and outside Parliament and erecting guardrails around the executive's power to ensure that constitutional values like fundamental rights, separation of power, checks and balances are not subverted or violated; and second, as the governance imperative by ensuring that the opposition has an effective role to perform in the policy legislation and lawmaking processes, along with instrumental use of the parliamentary tools and techniques, such as question hour, zero hour, adjournment motion, no-confidence motion, and censure for scrutinising the government and ascertaining its accountability in matters of governance. Both aspects were blunted after 2014 by reducing Parliament as a "default" platform for simply assenting to the government's wishes and decisions. The way bills and resolutions were either passed in Parliament resembles the high-handedness of the one-party majority government. Adding insult to injury, ordinances also undermined the role of Parliament in legislation.

The functioning of various state assemblies is even more concerning as compared to Parliament. For instance, state assemblies have declined so rapidly and comprehensively that a round of reform is too late to ignore. PRS¹ data shows that Rajasthan and Madhya Pradesh (MP) have no deputy speaker in the house. Chhattisgarh, MP, Mizoram, Rajasthan and Telangana assemblies met for less than 30 days in a year in which the average length of sitting was at the most seven hours in Rajasthan and even four hours in MP. As compared to an average sitting in Rajasthan for the first 10 years after independence, it was 59 days, now reduced to 29 days; in MP, it reduced from 48 days to 21 days. Almost half of the bills in these states were passed within a day of introduction, tabling and debate. There was hardly any time spent on serious deliberations on the bills. Karnataka assembly met for 33 days in its Fifteenth Legislative Assembly despite the Karnataka Conduct of Government Business in the State Legislature

Act, 2005 mandating that the legislature meet for at least 60 days in a year. This has been a trend since 2002. Punjab's 15th assembly only met for 14 days in a year on average. Even Punjab Assembly Rules mandate at least 40 sittings a year. PRS² study shows that between 2016 and 2021, 23 state assemblies have only met for 25 days on average in a year. Similarly, very few bills are referred to committees in the state legislatures.

Situating the Crisis of Parliament

To everyone's surprise, the Congress Manifesto (2024) for the 2024 Lok Sabha election promises long-impending reforms in Parliament. It promises that

the two houses of Parliament will each meet for 100 days in a year ... along with the revival of certain 'great traditions of parliament.' (p 21)

Along with this allocation of dedicated days to the opposition benches to decide the business of the house. The speaker and the chairperson of the two houses will be given an autonomous role and will act as a neutral chair in the real sense. The promise of parliamentary reforms is the logical outcome of the experience of the Congress party as opposition for the last 10 years. There have been watershed moments in Parliament on various occasions. Even if one seems to discount the treasury benches' attitude towards hurrying legislative proposals and bills, introducing and bulldozing legislations hours before actual voting like the passing of Farm Bills in 2020, a bill to revoke certain provisions of Article 370 from Jammu and Kashmir and reducing a full-fledged state to the union territory. Even a discussion in the house was hardly allowed, let alone referring these bills to the standing committees or joint committees for detailed deliberation. Institutionally speaking, the relevance of committees has shrunk exponentially. Besides, the space for the opposition inside Parliament, in the given framework, largely depends on the government. Witnessing this, the Congress's promise to bring reforms if elected to power is a watershed moment in a parliamentary system. Unlike India, all the political parties in Britain are constantly raising the issue of reforms in

Parliament. In the ongoing 2024 general election in Britain, the manifestos by the Labour, Liberal Democrats, Reform UK, Green Party and Scottish National Party have promised to bring substantial reforms in the House of Commons as well as in the House of Lords. The Labour Party is promising to set up a Modernisation Committee to recommend crucial reforms, “such as reforming the private member’s bill procedure, or improving the scrutiny of delegated legislation” (Russell 2024).

However, when it comes to the Indian Parliament, the political class has seldom advocated such reforms. Parliament is effectively reduced to be just another instrument of the executive whose primary function is to enact legislation by abiding by the government and business advisory committee. The legislature revolves around the executive, whereas, in ideas and theory, the former are meant to be scrutineers and demand accountability from the executive. The executive is responsible to Parliament when it comes to ensuring accountability and demanding scrutiny. In other words, the executive is collectively responsible to Parliament (Article 75[3]). Moreover, the inhibition to adapt to the changing institutional transformation stagnated the parliament’s qualitative functions, however, not necessarily compromising with the mere output in terms of data and

statistics. As a result, a contrast can be seen in output versus outcome, and quality versus quantity of Parliament due to the executive’s impertinence after 2014. PRS analysis shows that only 16% of bills were referred to committees for detailed scrutiny which is the lowest in the last three Lok Sabha.³ Similarly, about 80% of the budget has been voted on without discussion between 2019 and 2023. In 2018 and 2023, the entire budget was passed without discussion.⁴

In this context, the constitutional mandate of parliamentary autonomy from the executive is heavily compromised due to *de facto* control of the government in the Lok Sabha. If the government is sure of a majority in the Lok Sabha, it is not inclined towards ensuring accountability or even fulfilling the task of responsibility towards the legislature. Adding insult to injury, the anti-defection law⁵ proved to be the last nail in reducing the stature of Parliament as a body for ascertaining accountability, fixing the responsibility of the government and demanding answers from the executive. The individual will of the MP was completely subsumed into the party whip, thereby, only the collective voice makes sense inside Parliament and the individual MP has no space vis-à-vis a party. The need is to limit the application of the party whip and anti-defection act to crucial legislation like a no-confidence

motion or budget-related bill as the government’s survival depends on whether these bills or motions are passed or not. One of the background papers of the NCRWC (2000–02) “The Working of Parliament and Need for Reforms” observed that “little effort had been made to develop the essential prerequisites for the success of parliamentary polity-discipline, character, high sense of public morality, ideologically oriented two-party system and willingness to hear and accommodate minority views” (Book 3, Vol II, p 1217). Despite serious symptoms of institutional ailing of Parliament, successive governments have turned nelson’s eye towards it. The Indian Parliament seems to be still in its nascent phase of institutionalisation.

Parliamentary Reforms: Past and Posterity

The introduction of the Departmentally Related Standing Committees (DRSCs) was the last meaningful reform undertaken by Parliament in 1993. The introduction of the committee system had the potential to transform Parliament into an effective institution. This was termed as “a new phase in the evolution of the parliamentary system ... to ensure the accountability of Government to Parliament through more detailed consideration of measures in these Committees ...” by the then Vice-President K R Narayanan (Devi and Gujar 2017: 930). This step signified the government’s connection that the mounting task in legislation, increasing the need for specialised and focused policymaking keeping in mind the target group instead of the entire population, can only be addressed effectively in closed group meetings as the house remained in flux in the absence of majority government. Negotiations were going on to stabilise the government. Amid all these, what could not be left untouched were the policy and lawmaking. The very beginning of the Sectional Manual of Office Procedure (SMOP 2010) of Department-Related Parliamentary Standing Committee Sections of the Rajya Sabha explains the genesis of the committees in terms of the “tremendous increase in governmental activities over the years and Parliament

Table 1: A Glimpse at the Interval of Reforms in Parliament—India and Britain

Year	India	Britain
1979		Introduction of Comprehensive Select Committee system (revised after the 1960s)
1989	Constitution of Three Committees from Department of Agriculture, Science and Technology and Environment and Forests	
1993	Introduction of 17 different Department-related Standing Committees (DRSCs)	
2002		Prime Minister appears before Liaison Committee for Scrutiny (Now Thrice in a year) Modernisation Committee’s recommendation regarding the selection of MPs from various committees defeated in the House of Commons
2004	Expansion of 17 DRSCs to 24 DRSCs	
2009		Wright Committee reforms accepted. Comprehensive transformation in the election of the Speaker ensuring neutrality and impartiality, Chairman and the members of the committees
2024	Congress manifesto promised to reform Parliament	Manifesto of all the political parties in the UK promising to reform Parliament, be it the House of Commons or the House of the Lords. Promised to constitute Modernisation Committee to suggest effective reforms

Source: Compiled by the author.

was finding it difficult to exercise its constitutional role of ensuring accountability of the executive” (p 1). In such circumstances, the departmental committees in India came into effect comprehensively in 1993.⁶ As the NCRWC report (2002) on Parliament and State Legislatures observed, the initiative of Departmental Standing Committees was a

path-breaking innovation that provided Parliament with the wherewithal to handle complex economic and social issues with growing levels of competence and sophistication. It is in these committees that the demands for grants of the ministries and departments can be examined in depth in an atmosphere of objectivity and freedom from partisan passions. (Chapter 5)

This reform was aimed at bringing technical expertise to legislation along with ensuring the smooth and better functioning of the parliamentary deliberations. The idea was to revamp the functional aspect of Parliament by attempting its institutionalisation. Despite the scope for improvements like electing the chairperson and the members, their powers, terms of references and proceedings are the awaited reforms. Now, committees largely play a ritualistic role in Parliament. Over the years, the percentage of bills referred to parliamentary committees has drastically reduced from 71% in the 15th Lok Sabha (2009–14) to 27% in the 16th Lok Sabha (2014–19), and to only around 13% since 2019 (Hasan 2023). The executive managed to usurp the scrutineer power of the committees by either ignoring further improvements or reducing it as another structural arrangement of Parliament.

The present need is to focus on the substantive changes instead of looking just into the procedural aspects of these committees, for instance, incorporating some of the reforms that the parliaments like Britain have adopted in the domain of committees, selection of its members and speaker through in-house competitive and closed ballot elections. The success of parliamentary reforms by implementing the committee system depends upon how effectively they can contribute to pre-budget scrutiny of the estimates and Demands for Grants before the vote in the house, examining the government’s

action, monitoring and evaluation of departmental performance, financial aspects and policy goals, scrutinising legislative proposals and bills, and bringing in expertise and specialisation in legislation. The DRSCS system in general is supposed to discuss the demands for grants of each department. However, the practice usurps the imagination; even today, most of the budget is just guillotined. The data shows the dismal performance of this aspect (Lok Sabha Secretariat 2014).⁷ In his work on Parliament, M R Madhavan argues that huge percentages of demands for grants of various departments are guillotined. As per his compilation, in 2005, 85% of grants were guillotined and only four ministries were discussed. The trend continued to be the same till date. The percentage of demands for grants guillotined is as high as 95% in 2007, 63% in 2008, 79% in 2009, 84% in 2010, 92% in 2012, 100% in 2013, and 94% in 2014 (Kapur et al 2017: 86–87). This trend raises serious questions on the substantive reforms of Parliament even regarding legislating the budget which is one of the principal concerns and responsibilities of Parliament.

First, the government’s high-handedness rendered the opposition ineffective in deciding the business of Parliament due to institutional limitations of the parliamentary system. Second, the scattered opposition is also unable to forge a united agenda or functional alliance on the floor of the house to ensure the accountability of the government. Moreover, the alliance (pre- or post-poll) is considered in government formation, whereas such alliances are not considered as the opposition in the Lok Sabha. Due to this, if any political party fails to get 10% of MPs in the Lok Sabha, it does not get the official status of the leader of the opposition. Third, the government, at no point in time, seems to be in the mood to take the opposition along in passing various legislation, bills or amendments. Consequently, most of the time, legislation either appears to be bulldozed over the opposition or tables moment before the actual discussion and voting as witnessed after 2019. Fourth, the role of the parliamentary committees has significantly reduced over the last 10 years

when it comes to discussing, deliberating and pondering on the proposed bills in detail. The government has been shy of sending the proposed bills to the parliamentary committees where greater unity, bipartisanship and detailed deliberation can be ensured, including scrutinising the substantive aspect of the bills. PRS data shows that almost 35% of bills were passed with less than an hour of discussion in the Lok Sabha. The corresponding figure for the Rajya Sabha was 34%. Moreover, only 16% of bills were referred to the committees. Sixth and most importantly, the government hardly considers the opposition as a stakeholder in the governance imperatives of the country, therefore, it often tries to short-circuit the parliamentary network, where legislators, irrespective of party affiliation, play a significant role.

Similarly, even for the opposition, inhibiting or disrupting Parliament becomes a tool where mostly the actual governance agenda is hampered. The opposition’s recourse to hampering the legislation is to be the only avenue to compel the government to accept their wish or highlight the grievances, ultimately contributing to the same narrative of the decline of the effectiveness of Parliament. The ineffectiveness of Parliament is gradually inducing democratic aberration in the parliamentary political system. Any agenda for proposed parliamentary reforms demands bipartisanship across the political parties as the decline of institutional effectiveness, functioning and autonomy is inimical to the constitutional mandate of parliamentary democracy.

The Way Ahead

The only plausible and reasonable way to ensure such a non-partisan approach in Parliament is that the members enjoy the maximum possible confidence of the entire house, including ruling as well as opposition parties in various sub-institutions of Parliament. It is possible when the mode and method to constitute these sub-institutions are bipartisan in nature and spirit, like promoting intra-party members’ elections in the house. It is a kind of intra-party accountability and transparency before venturing into demanding

executive accountability. Indian Parliament hardly ventured into this domain to promote a competitive spirit for the membership of various committees, chairpersonship and speaker in a truly competitive manner within the respective parties. Often, there has been a debate that the Rajya Sabha is no longer relevant if it is used to block the legislation passed by the Lok Sabha. So, the need is to reduce the powers of the Rajya Sabha in the wake of the concept that it is blocking bills passed by the directly elected representatives of the Lok Sabha, inimical to the concept of “democracy.” Other voices are talking about the necessity to bring reforms in the Lok Sabha per se. For instance, MP Baijayant Panda argued that we have been “so far treating parliamentary disruptions as the disease, whereas they are merely the symptoms” (Panda 2011). He asserted that “India’s Parliament contains many obsolete rules and conventions that desperately need changing, without which it is illogical to expect a lasting change in its functioning” (Panda 2011). Further, Panda observed that

successive governments ... are happy to treat Parliament as a platform for the opposition to vent its ire, but not to the extent that it can exert true pressure. That would be too uncomfortable, requiring the government to mobilise, utilise its political capital, and sell its agenda to the nation. Instead, every government strongly prefers the easy option of treating Parliament as a toothless debating house, listening to the opposition with an indulgent smile, and then doing exactly as it pleases. (Panda 2011)

In the words of Madhavan, the plea is “to reduce the discretion of the Speaker and the Business Advisory Committee” (Kapur et al 2017: 79). Limiting the discretion of the Business Advisory Committee implies restricting the role of the government that ends up preventing parliament from conducting any work according to its wishes. It should take the views of the opposition as well in deciding the subjects that should be discussed on the floor of the house. Both Madhavan and Panda offer solutions to this. Panda suggests that

voting motions should be commonplace in Parliament ... so the best way to balance ... is to do away with consensus and discretionary

powers to decide what should be a voting motion; instead, replace those with a precise rule requiring a demand from a substantial minority of MPs, say 33 Percent. (Panda 2011)

That is, if one-third of the house demands voting on any matter, it should be accepted by the house. Or, as Madhavan argues, adopt the British system to accommodate the opposition’s demands by fixing a certain number of days dedicated to the issues and matters raised by them (Kapur et al 2017: 79). One of the reform mechanisms would be to institutionalise the opposition’s space in Parliament rather than frequently resorting to parliamentary disruptions, oftentimes so indiscriminate as to render entire sessions paralysed. As of now, “almost the entire time when the Parliament is at work, barring the Question Hour every day and two-and-half hours on Fridays, is at the disposal of the government for government business” (Annual Report, MPA 2022–23: 12).

As stated above, the reforms are not only applicable to Parliament but equally relevant to the various state assemblies. Even if the union government and the combined opposition cannot initiate serious reforms in Parliament, other parties ruling in various states must take such institutional reforms in the state legislative assemblies. An array of reforms of legislative assemblies has the possibility that could nudge the central government to initiate awaited and effective reforms. In the changing political scenario after the 2024 general election, the possibility of parliamentary deliberation and discussion has enhanced due to the revival of coalition politics at the level of the union government. The crisis of dialogue under one-party dominance will be replaced by the possibility of generating consensus and bipartisanship given the absence of the majority of any one party in Parliament. There is no longer a crisis of the opposition in Parliament. However, to be an effective opposition is not prescriptive in nature, but rather instrumental—how substantively the opposition plays its role to be a democracy’s necessity and recognise their potential in the governance imperative will define and shape the parliamentary politics in India.

NOTES

- 1 <https://prsindia.org/legislatures/state/vital-stats/functioning-of-legislative-assemblies-of-chhattisgarh-madhya-pradesh-mizoram-rajasthan-and-telangana>.
- 2 <https://prsindia.org/legislatures/discussion-papers/working-of-state-legislatures>.
- 3 <https://prsindia.org/parliamenttrack/vital-stats/functioning-of-the-17th-lok-sabha>.
- 4 <https://prsindia.org/parliamenttrack/vital-stats/functioning-of-the-17th-lok-sabha>.
- 5 https://loksabhadocs.nic.in/Refinput/New_Reference_Notes/English/15072022_111659_1021205175.pdf.
- 6 However, in 1989, three committees were constituted to look into legislation related to the departments of agriculture, science and technology and environment and forest. The committees were responsible for data collection and expert testimony, examining proposed legislation, scrutinising budgets, recommending policies, and monitoring bureaucratic implementation of legislation within the overall mandate of Parliament.
- 7 <https://loksabhadocs.nic.in/our%20parliament/Parliamentary%20Committees.pdf>.

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Defining Nostalgia

From 'Home' to 'Homing Desire' in Partition Narratives

CHANDRIMA KARMAKAR

The creative writings that have emerged from the mass migration of “Indians” across the border in 1947 highlight the role of nostalgia in a migrant’s life. In most cases, we associate this nostalgia with the “home” left behind. Though nostalgia helps us locate “home”(s) in the temporal grid, it is argued that there is an “other side” of nostalgia which gives rise to a “homing desire.”

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A nation constructs and colonizes specific communities even as it claims political independence as a post-colony Eventually these voices sought to write their own histories when they realized that dominant culture narratives refused them representation, or worse misrepresented them. (Nayar 2008)

Historical statistics do not elaborate much on the idea of national belonging and citizenship of the huge population of migrants who were uprooted and displaced in the aftermath of the partition of India in 1947. This is particularly true in the case of the population that migrated from erstwhile East Bengal, (later East Pakistan-present-day Bangladesh) to West Bengal and vice versa. Riots and communal violence that broke out in erstwhile East Bengal leading to partition and its aftermath resulted in a steady inflow of refugees into West Bengal. Millions were uprooted and displaced from their “homeland.”

In 1950, the refugee situation became worse. As communal riots and violence spread across East Pakistan and West Bengal, most people felt insecure in their own “homes.” A sense of being dis-owned cast its shadow on millions of people. Their “homeland” had turned hostile and peace and security seemed possible only on the other side of the border. Hindus left East Bengal (later East Pakistan), where Muslims were in majority and many Muslim families left West Bengal to take refuge in East Pakistan. This gave rise to a significant population of displaced people. They were forced to search for a new “home” away from their homeland. The steady inflow of migrants continued in multiple phases and for a prolonged duration. “By the end of 1962, West Bengal had received 4.26 million refugees from East Pakistan” (Sengupta 2021). India, thus, became the “promised land”

for millions of “deracinated” people from East Bengal.

The sense of alienation continued even after the migrants had crossed the border. For once they had successfully survived crossing the border; they faced the larger problem of sustenance and of being “homeless.” Basic necessities like food and drinking water were difficult to procure. Women who ended up on the streets and in refugee camps did not have the same privacy that they once enjoyed back in their “home.” These displaced people who ended up being refugees had migrated to India in order to save their lives and ensure their families’ safety. However, once they had migrated, they had nothing else to do but wait to move on from their traumatic experience, wait to start their life afresh, wait to establish a life that bore at least some resemblance to the normalcy that once characterised their lives. Wait to assimilate into their adopted land, to be accepted as a member of the newly independent nation state.

Border-crossing and Hopes of Return

Everything that had once been a part of their regular lives seemed to be in the distant past. This was a disillusioned population that was well aware that there would be no return. The fleeting hopes that they might have nurtured while crossing the border disappeared once they started spending their days on railway platforms, refugee camps, and squatter colonies.

The refugees in Sealdah station had come away leaving behind all to live here with self-respect. They could never guess what death in life awaited them in West-Bengal. They got their first poisonous taste in Sealdah station ... What did this merciless city give them? The refugees have come by train to Sealdah. As long as they are not sent elsewhere, they will continue to live here. As soon as they arrive, they will stand in a queue to be inoculated against cholera and other diseases. Then, along with all family members, they will have to stand in front of the office of the relief and rehabilitation department where they will be given a certificate stating they are eligible for shelter in relief camps. (Sengupta 2016: 119)

The feeling of alienation and the immediate necessity to assimilate posed a huge challenge for the deracinated, displaced, and “homeless” population. Assimilation in their adopted land was not easy and they often had to bear the burden of being humiliated for being refugees. Oral history narratives suggest that socially the term “refugee” often had a derogatory connotation. While interviewing first-generation partition migrants on behalf of the 1947 Partition Archives, I came across oral narratives expressing the pain of being categorised as “refugees”; narratives that echoed my grandmother’s lament of being home-tutored because her parents were too scared that boys in the neighbourhood might tease her if she attends school as a newly admitted “refugee” girl. My grandmother’s words came rushing back to me while interviewing M Gupta¹ (name abbreviated for maintaining interviewee’s confidentiality) at his Kolkata residence in 2019.

Gupta had migrated to Berhampore, Murshidabad district of West Bengal when he was in Class 8. Post-migration, they lived with their paternal aunt who was serving as a matron in the Berhampore Sadar Hospital and had agreed to lodge them till they had a house for themselves. I distinctly remember his eyes welled up in tears as he recalled how students in his new school in Berhampore called him “*Ripu*” (a derogatory acronym used to remind him that he was a “refugee”; to remind him that he did not “belong;” that he was a *udbastu*).² A similar strain of sorrow underlined the oral narrative of M Choudhury who had migrated to Birati, North 24 Parganas (West Bengal) with her husband during the partition. She recalled their fear when they initially settled down in Birati; she was warned to not step out of the house in the evening because she was an “outsider.” These oral history narratives piqued my interest in partition literature. Primarily rooted in the observation that there are not many narratives that help us understand the process of assimilation of the migrants and refugees in their newly found communities, oral history narratives gain significance and in turn imply a deeper

understanding of memory, history, and forgetfulness that provides a new dimension to these narratives.

The migrants and refugees³ were not a heterogeneous population. They hailed from different social and economic statuses. They belonged to different castes. Class, caste, and gender were significant factors that played a role in determining the experience of partition-induced refugees and migrants. From August 1946 onwards, many families belonging to the upper echelons of society started deliberating over migrating to West Bengal. Some of them had friends and relatives in Calcutta or in other cities of West Bengal. They also had adequate resources for finding better accommodation. While conducting interviews of first-generation partition-induced migrants on behalf of the 1947 Partition Archives, I came across several oral-history narratives where the interviewee was regularly travelling between Calcutta and East Bengal because they were either studying/working in Calcutta while their family was in East Bengal. Once they realised their predicament, they gradually encouraged their family members to migrate to Calcutta. In several such instances, the elders of the family were the last to migrate. Though they were worried about the deteriorating situation, they held on to the hope that maybe they would finally be able to retain their “home,” and once the situation improved, they could ask the younger members of the family to return to their “homeland.”

I came across one such narrative while interviewing⁴ late S C Guha at his residence in Kolkata in 2019. He recalled that he kept travelling to and fro between Munshiganj (in present-day Bangladesh) and Kolkata because his family still stayed back in Dhaka. However, on one such visit, his father had informed him that they were planning to migrate to Kolkata. The primary reason for the decision was one violent incident that Guha’s elder brother and his wife had witnessed. He then elaborated on the horrendous Dhakeswari Cotton Mill incident. In one of the instances of communal violence, Muslims attacked the Dhakeswari Cotton Mills in Narayanganj and set fire to it. His brother had somehow managed to

escape from there with his family. They had finally taken shelter in a refugee camp to save themselves from the mob. In his narrative, he further mentioned that post-partition communal violence had rapidly increased in Narayanganj. Conditions were so bad that mobs would sometimes grab young children by their feet and smash their heads against tree trunks. These incidents led Guha’s father to decide that they would migrate to India.

However, not everyone had access to similar resources or had friends or family in India. Most landed upper-middle-class individuals and farmers from East Bengal underwent the arduous journey of crossing the border and ending up in refugee camps and squatter colonies that dotted the city of Calcutta in the aftermath of the partition. They had left everything behind and had little to no resources to start a new life in India. The refugee situation became worse in 1950. More than 1.18 million refugees reached West Bengal that year. It has also been documented that for the first time, the Dalit community of East Pakistan like the Namasudras constituted a significant section of these refugees. This section of the refugee population “lacked the mobility capital of relatively high levels of literacy or other portable skills, and some transferable assets” (Sengupta 2021).

Several of these migrants spent days and months on the Sealdah platform. Anwesa Sengupta (2021), in her article, “Bengal Partition Refugees at Sealdah Railway Station, 1950–60,” describes the Sealdah Railway station as a site of refugee “settlement” in the aftermath of British India’s partition. Sengupta further elaborates that the platforms of Sealdah remained crowded with Bengali Hindu refugees from East Bengal for the prolonged duration from 1946 to the late 1960s. Though Sealdah⁵ remains mostly invisible in the partition narratives, there is no denying that despite severe infrastructural limitations, the platforms offered a space for the refugees to take shelter and offered certain new opportunities.

As stated earlier, this angst and plight were accompanied by a very long period of wait and resilience. The refugees waited to

“maximize the chances of making a fresh beginning ... and exercising their own agency to rebuild their lives” (Sengupta 2021). Several scholars have now shifted their focus of attention from causes of the partition to its experience. Their research is trying to connect the dots between the gaps in partition narratives. Therefore, there is a shift from national to more regional histories of the partition.

Theoretical Framework

How does one understand the shift in narratives and the “everyday lived realities” of the partition-induced migrants and refugees? I have tried to understand these experiences and the resulting memories and nostalgia which have given rise to a huge creative writing oeuvre using a theoretical framework derived from phenomenology and interpretivism. The ontology of partition narratives is constructivist in nature as they are constructions of experiential truth, which have been constructed relying heavily on memory. The experience of partition has been widely represented across several media—literature and cinema being the two most popular ones. The art of storytelling and oral history, which seem more appealing, also confounds us with its verifiability and “truthfulness” as historical sources. More critical questions such as the unsettling nature of memory and nostalgia affecting oral history and partition narratives, and the charge that “collective memory over-totalizes a variety of retrospective products, practices and processes” (Hoskins 2016) similarly baffle us.

Anyone with an amount of interest in the “historicity” of partition will realise that the horrors of the western front are far more well documented and well represented as compared to the ones on the eastern front. Many visitors to the partition museum in Amritsar have lamented that Bengal has not found a place in the memorialisation of the partition of 1947. This observation is often justified by stating that the eastern front did not witness an “ugliness” or “madness” of the human spirit as profound as the western front. Another possible reason could be the multiple waves of migration that characterised the exodus from East Bengal to

West Bengal. Other probable reasons could be the fact that the circumstances of migration in East Bengal were characteristically different from that of the Punjab province. Bengal’s experience of both the event of partition, and its aftermath and afterlives, has been markedly different from the Punjab. It must be reiterated that Bengal as a region experienced partition not once but thrice—in 1905, 1947, and 1971.

A considerably large literary oeuvre has emerged from the mass migration that took place across the borders. It is imperative that alongside the historical events, cognisance must be taken of the everyday “lived realities” of the deracinated people who crossed the border to ensure sanctity and continuity of normalcy in their lives. This was not a population which merely cherished nostalgia of a “homeland” left behind or lamented their loss; they were characterised by the fortitude to “belong”⁶ to their land of migration and rebuild a life that would mark a fulfilment of all the hopes that they once harboured. The alternative archive to understand the “life-world” of the partition migrants comprising oral history narratives relies heavily on memory. It therefore becomes important to develop an understanding of the relationship between memory, history, and forgetfulness. Though this triad has been discussed in the context of several interdisciplinary studies, partition narratives are not often discussed from the lens of this triad. Understanding a socio-political event like the partition and its “historicity” is feasible if we consider the event as “having been and no longer being only in relation to the future” (Ricoeur 1996). Therefore, understanding the narratives—oral history, literature, cinema—from the optics of memory, history, and forgetfulness will help us recognise the importance of the assimilation of migrants and the process of nation-building alongside the larger history of the events leading to the partition.

Partition, Longing, and Belonging

Here, I shall refer to the theoretical framework proposed by Meenakshi Mukherjee (1992) in the article, “Narrating a Nation.” While we read the partition narratives,

we must remember that they have not only emerged out of a culture but it is through these narratives that one can construct and define the culture that each migrant had to leave behind, and which gives rise to a nostalgic past. A past that is often pined for and attempted to be recreated because “stories and communities are bound together in a symbiotic relationship” (Mukherjee 1992: 138). Narratives, therefore, have the ability of to draw people together and instil an interest in a reader who is either a second or third-generation member of a migrant family, or an individual who is interested in understanding the sociopolitical history of the partition of India.

“Nostalgia” becomes an underlined keyword and not just a descriptive noun that can be pushed to the margins of partition studies. Defining or understanding nostalgia therefore becomes the fulcrum of understanding partition narratives. Nostalgia varies from one generation to the other. Loss is the core experience which determines the optics of nostalgia. For the first-generation survivors of the partition, nostalgia is not only about the loss of a space and time but a complete estrangement. Partition narratives are commonly assumed to be painful tales of the longing for a lost “home”; passed down from one generation to the other. They are often criticised for presenting a typified version that can influence the optics of the succeeding generation. My argument in this article is that partition narratives related to nostalgia are not just tales of loss but they also importantly entail a longing for “belonging,” for assimilation into a new network and for a “homing desire.” As Boym (2001) has argued, “longing and critical thinking are not opposed to one another, as affective memories do not absolve one from compassion, judgement, and critical reflection.”

However, the larger question that one must address here is the reliability of reconstructing a past using memory narratives. Andrew Hoskins (2016), in his article “Memory Ecologies,” has quoted Ferrarotti to elaborate on how “memory is not simply an individual question. It has a base, a link with the community. It is at bottom a community experience. It

involves the group, the collective unconscious, a stream of consciousness which links everything.”

The uprooted people had to find ways to sustain themselves in a relatively lesser-known territory. These were migrants who not only had to bear physical violence and humiliation but were burdened with a precarious future and an irreparable occupational loss. Each individual migrant story is a tale of loss and survival in a new land; a story of being uprooted and leaving behind a “home.” Narratives of partition spell out the agonies of a displaced population with hyphenated identities. In order to understand these narratives and develop a phenomenological assessment of their historical consciousness, it is essential to understand the relationship between memory and history. Here, I shall employ Paul Ricoeur’s (1996: 14) concept of analysing the relationship between history and memory in three stages:

In the first, memory establishes the meaning of the past; in the second, history introduces a critical dimension in this relationship with the past; and in the third, the dialectic between the experiential space to which memory belongs and the expectation horizon against which the lessons with which history has enriched memory gets projected.

The course of the history of partition survivors and migrants has been affected by collective memory which is considered as an anthology of the traces left by events during the course of the partition. These events have been etched in individual consciousness and memories. Memory and history, thus, share the same linguistic medium of narrative. Narratives in turn help us understand the relationship between history and memory.

Understanding Memory

Memory is a widely argued and contested term, especially in the fields of anthropology, philosophy, and literary studies. The critical and complex role of memory is particularly highlighted in experiences and histories of displacement, in tales of being physically, emotionally, and culturally uprooted as found in partition narratives. It is through memory and its multidirectional explorations that we can attempt to develop a

theoretical framework for understanding the partition of India as a social conflict and its impact on millions of uprooted lives. In order to elucidate the phenomenological significance of partition narratives, memory is treated as a serving link connecting the individual and collective past and future (Hoskins 2016: 348). The act of remembering and forgetting which loosely defines memory is the outcome of interactional trajectories of emergent and predisposed experiences (Hoskins 2016). Memories require distinct social frameworks to sustain themselves.

The oral history archives of partition-induced migrants present before us accounts of memory of a past that was experienced by a community and which continues to affect lives. The reminiscences of the uprooted people, their childhood memories, their upbringing, and their sense of trauma help us understand the contrary relationship between the shared memories and the bitter memories against the backdrop of their shared past. They live with their memories of happier days and the agony of losing their friends and relatives during communal tensions and riots. Memories of a shared past give a specific identity to these partition-induced migrants. Shared

memory becomes a powerful vehicle that connects these migrants to an “imagined community” which often extends beyond the limits of existing nation states. This community is a historically constituted community of people who share a “collective memory.” This in turn evolves into a powerful mechanism that shapes the nostalgia for a lost “home” and the migrant’s ability to cherish a “homing desire” Hoskins (2016: 354). further states,

One way to connect the individual and the collective is through affording greater attention to the environment in which remembering and forgetting takes place ... the individual moves through different micro and macro systems over time which provide multiple narratives around which identity and memory establish, develop and cohere.

The collective memory of an “imagined community” gives rise to nostalgia. However, nostalgia does not necessarily imply a longing for the past. My primary objective in this article is to elaborate on the role of nostalgia in the migrants’ lives and elucidate its role in determining the future by connecting with the past. Thus,

Nostalgia can be a poetic creation, an individual mechanism for survival, a countercultural practice, a poison, or a cure. It is up to us to take responsibility for our nostalgia and not let others prefabricate it for us. (Boym 2001)

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Nostalgia, “Imagined Communities,” and the nation state

Nostalgia, despite its private, sometimes intensely felt personal character, is a deeply social emotion as well. By this I mean that, like many other feelings and thoughts we experience, nostalgia derives from and has continuing implications for our lives as social actors. It leads us to search among remembrances of persons and places of our present, (and to some degrees) our future. (Davis in Wilson 2015: 478)

Originally seen as a disease, nostalgia was directed towards a physical space. Patients suffering from nostalgia were diagnosed to be severely homesick. However, over the years, the conception of nostalgia has changed from being a disorder to a “bittersweet emotion that has the capacity to be positive for the individual” (Wilson 2015: 478). Nostalgia is a recalling of the past in one’s present while having the potential of anticipating the future. Nostalgia in the context of the uprooted migrants from East Bengal does not necessarily refer to the

“home” left behind. As Svetlana Boym (2001) has articulated,

Two kinds of nostalgia are not absolute types, but rather tendencies, ways of giving shape and meaning to longing. Restorative nostalgia puts emphasis on nostalgia and proposes to rebuild the lost home and patch up the memory gaps. Reflective nostalgia dwells in *algia*, in longing and loss. The imperfect process of remembrance.

Nostalgia for the partition migrants and refugees referred to their lost sensory world dominant with terms like “friendship” and “neighbourhood.” They had strong emotional bonds with these terms. Anuparna Mukherjee (2021) argue, that nostalgia for them became a “cardinal affect underpinning migrant narratives and aesthetics, replete with allusions to the life of abundance amid the natural environment in the former homeland as opposed to the cramped spaces of the refugee ghettos that severely ruptured the everyday rituals which gave shape and meaning at home.” I would like to take

this argument further and assert that this “reflective nostalgia” over a considerable period of time transcended to “restorative nostalgia” encouraging the “uprooted” migrants to restore the lost “home” in the land of migration. Therefore, nostalgia became an agency of determination and grit; moving away from lamentation and brooding.

The idea in this article is to dissociate nostalgia⁷ from the rigid belief that it is an emotion to be associated only with the past. Here, I would like to assert that nostalgia is a window to the past offering glimpses of the lacks in the present and a hope to build a future where the lacks of the present will be resolved. Anasua Basu Raychaudhury (2004), in the article “Nostalgia of ‘Desh,’ Memories of Partition” states that despite being displaced, the migrants did not stop working for the progress and prosperity of their adopted land. Though the refugees and migrants felt a sense of detachment, the feeling of being detached did not impede their

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attempt and desire to make the adopted land more livable for them. Avtar Brah, in her book, *Cartographies of Diaspora: Contesting Identities*, has referred to this aspect as “homing desire.” Brah (1996: 197) suggests that “homing desire” is not the same as the desire for a “homeland.” The nostalgia that partition migrants have for their lost homeland does not sustain an ideology of return to their place of “origin.” “Homing desire” as a concept “places the discourse of ‘home’ and ‘dispersion’ in creative tension, while simultaneously critiquing discourses of fixed origins” (Brah 1996: 189). The word “home” has a qualitative connotation.

... the “referent” of “home” ... [is] qualitatively different ... ‘home’ in the form of a simultaneously floating and rooted signifier. It is an invocation of narratives of “the nation.” In racialised or nationalist discourses this signifier can become the basis of claims... that a group settled “in” a place is not necessarily of “it.” (Brah 1996: 3)

As millions of uprooted migrants and refugees came to India after the great exodus, they continued to live in an “interstitial space.” They had either voluntarily or involuntarily migrated looking for a “home.” Partition narratives illustrate the presumed temporariness of the “home” for this population. A population uncertain of where to go but which cherished the hope of moving on and not necessarily returning to their “homeland.”

In Conclusion

Narratives of the past may not be able to restore an earlier time or the place of “home” but they present before us “exciting ways to illuminate memory as a vehicle of connection between the past and the present” (Hoskins 2016). While we try to understand the past and the present of the partition-induced migrants, we inevitably stumble upon the phenomenon of nostalgia. Fred Davis, in his 1979 book, *Yearning for Yesterday: A Sociology of Nostalgia* drew upon several narrative sources to assert that “nostalgia, although typically experienced as a private emotion, is also a social emotion that helps shape both personal and collective identity” (Wilson 2015: 479). Nostalgia has both a spatial and a temporal connotation. However, the spatial context of nostalgia gives way to a temporal one

for the migrant—longing for a previous time or era more than a particular place. As the partition survivors recall both a place and a time, they simultaneously recall their “lived experience” associated with memory. For most of the uprooted people, nostalgia for a lost “home” meant an emotion connecting them to their homeland, or *desh*, while simultaneously providing them with a set of resources for the future. While they waited to rebuild their future, they also became part of an exceptional population. This population was characterised by resilience and determination to rebuild their lives. Therefore, for these migrants, nostalgia was not an emotion that could be associated with a “space” and “time” of the past but it meant a hope for the future. It was a force of “creation.” It gave a new definition to memory and its reconstructions. It turned memory into a vehicle of connection between “home” and “homing desire.”

As Pickering and Keightley (2006) rightly state,

Rather than dismissing it as a concept, we should perhaps reconfigure it in terms of a distinction between the desire to return to an earlier state or idealized past, and the desire not to return but to recognize aspects of the past as the basis for renewal and satisfaction in the future.

NOTES

- 1 I interviewed M K Gupta at his residence in Kolkata in July 2019. The interview was conducted on behalf of the 1947 Partition Archives. I was at that point working as a Story Scholar Program Fellow and documenting oral-histories of first generation partition survivors for the archive.
- 2 The Bengali moniker used to refer to “refugees.” Roughly translated, the word meant people who had lost everything that defined their existence. These were people who had lost their “home” and their identity; had been uprooted from their origin.
- 3 The use of the conjunction “and” is to elaborate that the process of people’s movement from one side of the border to the other continued for a prolonged period before-during-and in the aftermath of the 1947 partition of India. There were many families who had started migrating to Calcutta once the talks of partition were underway. Some had family friends in Calcutta, who helped them to settle down. Though this population also left behind their “homeland,” they were different from the population that crossed the border in the aftermath of the partition. Families were uprooted in one night and they crossed the border without any idea of what the future had in store for them. They knew no one in Calcutta who had a roof over their head and did not know if they would ever find a “home” in Calcutta. They were the *Udbastu(s)* (Bengali word for refugees). They were a burden for the host country.

- 4 All interviews (oral-history narratives) referred to in this article were conducted by the author while serving as a Story Scholar Program Fellow for the 1947 Partition Archives. The interviews were conducted on behalf of the archive and are currently archived in their repository.
- 5 It is on this platform that a young refugee from East Bengal, Ritwik Ghatak was spotted by Nimai Ghosh. Ghatak went on to become one of the most iconic film-makers of Bengal. It is not surprising that later in his life, he directed *Meghe Dhaka Tara*, *Subarnarekha*, and *Komal Gandhar*, films that portray the angst of partition-induced refugees and their plight of finding themselves a “home” in their adopted land.
- 6 The idea of “belonging” becomes significant in the context of the 1947 partition. One must take note of the subtle nuance that the people who migrated from East Bengal were all part of an “undivided” Indian subcontinent before the partition. With the partition, they not only lost their “homes” but suddenly found themselves in the predicament of not “belonging” to any country.
- 7 As Kazuo Ishiguro seemingly proposed in his Nobel Prize for Literature speech in 2017, “What should we choose to remember?” Nostalgia is to be dissociated from the prevalent idea of being an ode to the past. Nostalgia is not necessarily elegiac; it offers a glimpse of hope and the future.

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Tracing India's Developmental Journey over the Past Eight Decades

RANJAN RAY

Ruddar Datt and K P M Sundharam's *Indian Economy* (Datt and Sundharam 1966, and subsequent editions) is unique in its usage as an undergraduate text in teaching economics in Delhi colleges and much of India. Written at a time when economics did not hold the interest nor did economists have the profile that they have today, this text successfully carried out its task of imparting knowledge of the subject to successive generations of undergraduate students, many of whom went on to hold positions of influence in academia and policy formulations. Subsequent editions kept track of key developments on the Indian economy until 2011 when the revisions became modest following the passing of Ruddar Datt in 2009 and required significant updating.

The book under review does this. While trying to maintain the spirit of the original text, it includes much new material on the Indian economy and the global context that makes it of contemporary interest. Though the book is described on the front cover as the "73rd Edition," it is a magnum opus, a stand-alone book which can serve not only as an economics textbook for teaching but also as a monograph for research scholars. The book appears at a time when several books have just appeared in the international market—for example, Rajan and Lamba (2024) and Muralidharan (2024). Though they have different audiences, these books share the focus on India.

Datt and Sundharam's *Indian Economy* had the challenge of being true to its parent version as an undergraduate text and at the same time incorporating material that appeals to research scholars and professional economists. It does that very successfully. It combines documentation of key features of India's development with careful empirical analysis. With the emergence of India as a global

Datt & Sundharam's Indian Economy by Gaurav Datt and Biswajit Nag, Noida: S Chand and Co Ltd, 2024; pp xx + 740, ₹799.

economic power providing a large market along with the increasing number of Indian graduate students in economics enrolled in foreign universities, the book has a potential market that extends beyond India unlike its parent text, Datt and Sundharam (1965), which had an exclusively undergraduate Indian audience.

Paradoxes and Mixed Messages

The Indian economy displays several paradoxes with contradictory economic indicators. A prime example of the latter is the dissonance between its macro and micro indicators—for example, with a size of the real gross domestic product (GDP) in 2022 that makes India the third largest in the world on purchasing power parity (PPP), and with one of the highest growth rates in the world, the country does quite poorly on per capita income and poverty rates. Again, with an impressive record on increasing food production following the drought years in the mid-1960s, transforming India from a food-deficit to a food-surplus country with a stockpile of foodgrains, India has a dismal record on per capita food intake and experiences significant hunger and malnourishment. Regional disparities add to the complexities with a superior record for the south Indian states on demographic indicators such as fertility, gender differential, and female literacy rates in sharp contrast to north Indian states, especially those referred to as BIMARU, which do not share similar positive experiences on these indicators. An affluent state such as Gujarat does quite poorly on health indicators and the employment of child labour.

The book consists of five parts, I–V (the parent volume had six parts) and 26

chapters. Part I ("Evolving Structure of the Indian Economy"), Part II ("India's Planning System and Evolution of Economic Sectors"), Part III ("Poverty, Inequality, Employment, and Social Security"), Part IV ("The Fiscal–Monetary System and India's Financial Sector"), and Part V ("Trade, Technology and Globalisation") constitute the volume. The 26 chapters are allocated to the five parts with no clear-cut micro–macro distinction. Parts I and II provide the background and history so that the reader can understand the context of the subsequent chapters. Part III turns to welfare and distributive issues relating to poverty, inequality, and food security. While monetary and fiscal policy is the subject of Part IV, the concluding Part V deals with India's connectedness with the outside world in the form of its trade and globalisation.

The book focuses on the period beginning in 1966, though it does refer to the earlier period as well. This period witnessed several significant developments starting with the drought years in the mid-1960s leading to the devaluation of the Indian rupee and Plan Holiday for three years (1966–69), the green revolution through the use of high-yielding variety (HYV) seeds, mechanised farm tools, irrigation facilities, pesticides, and fertilisers that transformed Indian agriculture, the initial reforms under Rajiv Gandhi, the severe balance of payments crisis in 1991 leading to economic reforms with liberalisation, cuts in tariffs and the reduced role of state, the move away from planning and the replacement of the Planning Commission by NITI Aayog, and, recently, the COVID-19 pandemic. The book traces these developments in different degrees of detail and describes the policy responses.

It contains a wealth of detail. Each chapter has a mix of tables and figures with analysis and most chapters end with a reference to the COVID-19 pandemic making the discussion up-to-date. In presenting the results on all aspects of India's developmental journey over the past eight decades, with accompanying analysis, the book provides a valuable resource for students, researchers, and teachers.

Based on the latest World Development Indicators for the fiscal year 2023 put out by the World Bank, India, with a per capita gross national income (GNI) on PPP of \$2,170 in 2021, is classed as a “lower-middle income country” (LMIC). In comparison, China’s per capita income (on PPP) is \$11,890, which is about 5.5 times that of India, though both countries fall in the LMIC category. To keep the India–China comparison in perspective, according to the World Bank, over 2002–17, while China’s rate of “extreme poverty” (defined as those living below the international poverty line of \$1.90 a day at 2011 PPP) declined from 31.7% to 0.4%, India’s comparable performance has been less impressive with a decline from 42.3% to 10.6%. Over 1950–51 to 2019–20, India’s sectoral composition of real gross value added (GVA) in agriculture declined from 53.1% to 14.4%. Much of this shift has been in services (30.3% to 55.6%) and less so in industry (16.6% to 29.6%).

The movement of people from agriculture to industry has been mainly in the unorganised sector rather than in labour-intensive manufacturing and construction. This reflects the lack of infrastructure and investment. Similarly, the movement from agriculture to services has been mainly in the high-paying and skilled IT sector that does not have the labour absorption power of organised manufacturing. This explains the smaller shift in terms of sectoral share of population from rural to urban areas than that in the sectoral composition of GVA. Consistent with this shift is the feature that following the 1991 liberalisation, there has been a shift in the sectoral composition of foreign direct investment (FDI) inflows from manufacturing, especially high-tech industries, to services (Chapter 23).

An associated feature has been the slow increase in total factor productivity (TFP) in India. The economic reforms of 1991 provided a break and led to a sharp increase in growth rates on the back of fiscal expansion, pro-business attitudinal change and a sharp rise in savings and investment. India’s failure to create labour-intensive employment opportunities accompanying economic growth is due to its

dismal record on education, especially technical education, which has left the workforce unprepared to take advantage of rapid industrialisation. This has led economic experts and policymakers, such as former RBI governor Raghuram Rajan, to argue that enhancing the education and skills of the workforce is crucial for increasing TFP and employment. This is particularly relevant for India where more than half the 1.4 billion people are below the age of 30 years. The book highlights the shift in the population composition of India away from children (41% around 1965 declining to 30% in 2015) to the working age population (55% to 67%). This is partly due to falling birth rates and an increase in life expectancy. The “demographic dividend” associated with such a shift has therefore not materialised in India.

Another indicator where India’s performance has not kept pace with its economic growth has been the human development index (HDI). The country ranks quite low (132 in the world and falls in the 31st percentile) and, once the HDI measure is adjusted for inequality as in IHDI, the country declines to the 51st percentile. Inequality in India has recently attracted considerable attention. As the work of Chancel and Piketty (2019) has shown, on a measure

of top income share, India is one of the most unequal countries in the world, with the top 1% of income earners capturing 22% of total income. These figures look much worse once wealth inequality and gender inequality are considered. Taken along with the discussion in the previous paragraph, this calls for employment-intensive, education-enhancing, wealth-creating, gender-based affirmative policies and inclusive growth strategy of development.

The book contains an assessment of India’s planning performance from its inception in 1951 to 2015 when the Planning Commission was replaced by NITI Aayog. A limiting feature of India’s plans was its “top-down” approach where the states had a limited role. The NITI Aayog which is based on a “bottom-up” approach embraces the spirit of cooperative federalism and is a positive step forward as it does not suffer from the rigidities and hierarchical nature of the earlier centralised planning process.

Growing Inequality with Declining Poverty

In line with the earlier discussion that has highlighted the high inequality in India on percent income share of the top 1% of income earners, the book devotes a chapter (Chapter 11) to “Poverty and

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Inequality in India.” It is unfortunate to lump these two topics into a single chapter. While both “poverty” and “inequality” relate to welfare and distribution, they are stand-alone topics that should be treated separately. While experts differ on the magnitude of poverty and its decline, there is consensus that poverty has declined in India. A large part of the varying magnitudes of the decline can be attributed to the fact that the last NSS consumption survey available in unit records was in 2011–12, with researchers extrapolating the numbers to the more recent period and differing in their methodology (see, for example, the E-symposium in <http://www.ideasforindia.in/topics/poverty-inequality/introduction-to-e-symposium-estimation-of-poverty-in-india.html>). The government has now released the Household Consumption Expenditure Survey (HCES) 2022–23, however, it is not in unit record form and there are serious comparability issues with the earlier surveys stemming from changes in sampling methodology and the absence of well-defined poverty line consistent with previous poverty lines.

Moreover, the poverty measure has changed from the earlier unidimensional poverty (UDP) measure based on a single poverty line to the multidimensional measure that views deprivation as multidimensional and aggregates the dimension-wise deprivation rates into a single measure of multidimensional poverty (MDP). While the book does not go into

this distinction, both UDP and MDP have moved together. The Indian authorities embraced the multidimensional view of poverty when they defined the below poverty line (BPL) based on a selection of household characteristics in its targeted PDS (TPDS) strategy and directed the public distribution system (PDS) at those who need it urgently. Though MDP and TPDS have higher data requirements, they are better strategies to adopt in measuring/reaching the ultra-poor.

The latter part of the book discusses a range of topics dealing with the fiscal-monetary system and India’s integration into the global network. These should be useful resources for those working on macroeconomic issues. The book has its share of weaknesses that detract from its merits as noted below.

(i) The book covers too many topics in a single volume, making it hard for a reader to find interest in all of them. There is little connection between some of these causing a loss of focus and continuity. The five parts should have formed two or three separate volumes which would have allowed more in-depth analysis rather than an extensive one. For example, that would have allowed an incisive analysis of poverty and inequality as noted above.

(ii) One misses an author index and subject index at the end. These will have saved the reader from ploughing through the book to find a subtopic and/or someone’s contribution.

(iii) A particular strength is the range of data sources that the book draws on. It would have been nice to have an appendix or two that lists these data sources for a researcher to use along with some of the limitations of each data set. (iv) The chapters vary in their coverage and presentation. Some of them update to the COVID-19 period while others do not. Moreover, none of the chapters has a summary that would have improved the book’s readability. A bibliography at the end of the book would have been more useful than the chapter-wise references.

These reservations should not detract from the book’s merit as a valuable resource for research, teaching, and policy formulation that should be widely used in India and internationally.

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Glimpses of Workers' Wages in Early Modern India

SECKI P JOSE

This edited volume is a compilation of studies on historical wages and workers in India. Roughly spanning the years between 1500 and 1900 CE, it documents and identifies trends in wages and incomes earned by Indian workers by utilising relatively less-explored sources. As the editors of the volume rightly point out in the introduction, this is perhaps not only of interest to labour historians and (development/historical) economists but also to those interested in a long-term view of the lives and livelihoods of workers in India.

The volume, however, has a more specific purpose in that it attempts to fill some gaps in discussions about the so-called “Great Divergence” debate, on whether and to what extent the divergence of incomes in the West from the rest of the world are due to colonialism or the industrial revolution (Pomeranz 2000).

The introduction provides a useful overview of these debates and some of the broad drawbacks found in domestic Indian historical data sources. The book's first chapter, somewhat appropriately, is an ambitious exploration of Portuguese sources and accounts of wages given to employees in their early colonies and settlements along the western Indian coast (from Daman and Diu to Kollam in the south). The analysis draws on original expense books of Portuguese officers and there is considerable novel data. It provides one of the earliest

Wage Earners in India 1500-1900: Regional Approaches in an International Context

edited by Jan Lucassen and Radhika Seshan,
New Delhi: Sage Publications, 2022, pp 306, ₹795.

detailed snapshots of wage payments to a wide range of workers in Indian colonies. There is some lack of clarity in aspects related to inflation/price rates, currency conversion rates from *reais*, variations in the number of observations and how communities are categorised. It nevertheless provides important insights into variations in wages between European and Indian soldiers, while also revealing that wages were already higher in southern India and the western coast than the rest of the country in the 16th century.

Chapter 2 examines wages and prices in the Madras Presidency based on records of wages in the city of Madras (now Chennai). This builds upon and adds detail to earlier publications from the records of Fort St George. It provides interesting insights into the lives of workers—such as watchmen, soldiers, and labourers—who were employed in and around the city, along with useful time-series data on prices. A lot of the data pertains to British employees and there are some issues related to currency and (weight) measurements that need further details or clarification. It provides significant insights into the variation between urban and rural wages in the region at that time.

The next five chapters somewhat chronologically examine central-west India's Maratha and Deccan regions. The exploration of local historical sources in these chapters indicates the untapped potential for original research in economic history and related fields. The first three of these five chapters utilise relatively less explored Maratha (empire) sources, while the fourth and fifth are based on British sources.

The first of these (Chapter 3) examines Maratha documents from around 1740–50 to provide interesting insights into the wages of Maratha officials, soldiers in the army/navy, as well as labourers who would be recruited for specific short-term projects (largely from the *kamavisdar's* office). There are some particularly interesting insights on price trends during periods of conflict. Chapters 4 and 5 are based on documents from the Peshwa's *daftar* in Pune, from around the 1760s. This provides a comprehensive picture of wages given to sub-district officials ranging from the *fadnis* (head clerk) to the low wages given to the *mottadar* (housekeepers). Chapter 5 focuses on documents from the Sinner *pargana* (modern-day Nashik area), between 1750 and 1800. It provides interesting details of the wages earned by a range of employees, ranging from *pargana*-level officials to casual labourers who were often hired in groups. The money system, based on the silver standard, largely remains stable throughout these periods, although there are price variations during times of conflict or crises. This provides a useful backdrop for understanding some of the trends and variations in earnings of these workers.

Continuing with the historical exploration of the Deccan, Chapter 6 moves

into the 19th century. It utilises British sources after their conquest of the Maratha region—especially the detailed reports prepared by British official, Henry Sykes, around 1820–40. It systematically analyses the data using a taxonomy based on the labour relations approach (Hofmeester et al 2016) in order to build an overall understanding of labour relations in the Pune region (and to a lesser extent, some nearby regions). The chapter is more comprehensive than the others, as it tries to systematically map the entire workforce beginning with the fundamentals of population demographics and workforce participation rates. In this, the chapter takes a laboured approach to reach issues of wages and wage variations. It identifies several interesting occupational variations as well as differences within the Deccan regions themselves. It engages more fully with the “Great Divergence” debates and concludes, like some earlier chapters, that in the late 18th and early 19th centuries, there was significant occupational and wage stagnation in this region of India.

Chapter 7 explores wages in the Deccan by utilising a rather novel source—the documents of a British

subcontractor—who was engaged for British construction projects in the 1860s. It identifies an increase in real wages between 1860 and 1870, but cautions against relying on these numbers due to the wide prevalence of coercive (debt-related) practices. This is also a period of price increases, which in turn reduce the purchasing power of wages. Aspects related to prices are less clear in this chapter and the absence of caste-related occupational categories makes it slightly different from earlier chapters.

The final chapter uses the famine of 1896–97 to explore wages in the North-West Provinces and Oudh regions. It explores “famine labour” and is perhaps insightful for those exploring the use of workfare schemes to ameliorate economic distress. Wage rates and payment practices may be unusual here because it is not a time of regular economic activity. This makes issues of wages, productivity, output and prices far more complicated than other chapters. In this, it is probably closer to literature on the history of welfare schemes and the state, rather than employment-related wages and its issues.

The book makes important contributions to understanding and discussions

regarding the economic divergence of the West from the rest of the world. It is also an accessible and useful addition to understanding labour-related economic change in India. There are some issues in the manner that terms related to employment, money and certain communities are utilised—perhaps indicating the potential for utilising or collaborating with experts in regional history and labour/employment studies. The book skews slightly towards the Deccan and Maratha sources and it is for this region that one gains the most comprehensive information and direction in terms of long-run wage trends. However, this just indicates the potential for similarly exploring other Indian regions in the future.

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A Hopeful Treatise on the Revival of Social Democracy

SUDIPTO MUNDLE

Pranab Bardhan is one of the world's leading development economists and there are discussions of economic or development issues on every page of this volume. However, this volume is neither a treatise on economics nor development. I would describe it instead as a treatise in political science, a treatise on the decline of liberal democracy: the rise of authoritarianism, majoritarianism, virulent nationalism and the prospects of reviving social democracy as a possible means of rescuing democracy.

The author himself describes the book as belonging to the genre of a growing literature on the decline of liberal democracy but with some differences. Unlike most other books of this genre, it discusses the subject in the contexts of the developing countries as well as the developed countries, the challenge of rising insecurity rather than just rising inequality and delves into the model of authoritarian capitalism as seen in China. Finally, it proposes a superior organisational alternative for the revival of social democracy.

Core Arguments

The book consists of nine chapters in addition to the introduction, each chapter a self-contained treatise on one or another sub-theme. But the chapters are knitted together within the overarching theme described above, namely an analysis of the decline of liberal democracy and the outline—or manifesto—of a reformed model of social democracy as a possible means of rescuing liberal democracy.

The author starts in the introduction with some chilling statistics on the decline of liberal democracy, collated by the v-Dem Institute at the University of Gothenburg, Sweden.

(i) Autocracies in 87 countries now rule 68% of the world's population. (ii) Liberal democracies

BOOK REVIEWS

A World of Insecurity: Democratic Disenchantment in Rich and Poor Countries

by Pranab Bardhan, *Cambridge, Massachusetts: Harvard University Press, 2022; ₹499, pp 240.*

now rule only 14% of the world's population in 31 countries. (iii) A third of the world population, 2.6 billion persons live in countries undergoing autocratization while 4% live in countries becoming more democratic. (iv) Major countries listed as affected by autocratization include Brazil, India, Poland, Turkey and the United States (US).

In Chapter 1, "Insecurity, Inequality and Democracy," the author argues that the roots of the populist challenge to the liberal order lie more in insecurity than in inequality. Insecurity is not only economic, jobs, but also cultural. Popular resentment is more against the professional and cultural elites rather than the financial elites. Immigration is a major polarising cultural fault line in advanced countries while it is religion in developing countries like Brazil, India, and Turkey. The author also discusses how social media is a toxic factor sharpening polarisation.

Chapter 2, "Taking Back Control: Back to the Community," discusses the case for restoring autonomy and control over people's lives to the local community in view of widespread state and market failures. However, the author also draws attention to the many political and economic pitfalls of the communitarian alternative.

Chapter 3, "The Wildfire of Resurgent Nationalism," discusses the rise of divisive, tribalist, ethnonationalism, contrasting this with the past history of inclusive civic nationalism in two large, diverse democracies in the advanced and developing world: the US and India. The author goes on to discuss the economic consequences of the policies typically pursued under these two contrasting forms of nationalism.

Chapter 4, "The Temptation of Authoritarianism," addresses the view often expressed that a strong, authoritarian government is necessary for efficient advancement, especially in developing countries. Specifically discussing the case of China, often cited for its authoritarianism, the author points out that many of the features driving China's success cannot be attributed to authoritarianism. These features include decentralisation, incentivising bureaucratic performance by linking their career progress to the performance of the local governments in which they have served, and the management structure for building infrastructure or developing local businesses among others.

On the other hand, he points to some of the consequences of an authoritarian system that are actually inimical to economic performance. Recent media discussions refer to how authoritarianism and its tight control over information is constraining entrepreneurship in the development of artificial intelligence. Such economic constraints are quite apart from the intrinsic social cost of authoritarianism in terms of the lost freedoms of citizens.

Chapter 5, "The Slippery Slope to Majoritarianism," discusses what happens when minorities lack the numerical strength or financial clout to hold majoritarian onslaughts at bay. Periodic competitive elections which can potentially change the regime in power, constitute a minimalist definition of democracy. However, elected authoritarian regimes—sometimes described as illiberal democracies—if they have been elected by divisive, ethnonationalist, majorities, may offer little security for the life and liberty of minorities. The minorities, the author cites, include ethnic, religious, linguistic minorities and minorities based on their gender identity or their ideological or sexual orientation. Institutions that protect the basic civil and political rights of minorities, he argues, constitute the indispensable non-electoral aspects of a robust democracy.

Chapter 6, "Social Democracy Redux," marks a pivot from a despairing account of different aspects of the decline of

liberal democracy in the first five chapters of the book to a more hopeful discussion in the last three chapters of the possibility of establishing a reformed model of social democracy as a means of restoring liberal democracy. The chapter discusses the idea of social democracy as an ideological balance between different foundational values and as an institution balancing between alternative social coordination mechanisms compatible with these values. The chapter analyses the reasons for the decline of social democratic parties and ways of reviving the idea of social democracy under conditions of heightened insecurity and inequality and wider acceptance of a more assertive role of the state. In particular, the author argues that social democratic labour and civil society organisations must counter the spread of populist communitarian or nationalist ideologies that are divisive. For this, they need to seriously address the genuine communitarian needs of workers and their cultural distance from more cosmopolitan liberals.

Chapter 7, “Social Democracy and Capitalism: A Restructuring of Their Fraught Relationship,” discusses ways of restructuring the relationship between social democracy and capitalism to benefit all the key stakeholders: labour, capital and the community of concerned citizens. It explores reforms in capitalist governance that can incentivise innovations that are socially beneficial without adversely impacting the entrepreneurial and innovative energies of capitalism. The work of Acemoglu and Johnson (2023) provides a good illustration of how this can be attempted in the context of technological progress in artificial intelligence. The chapter also discusses the need for reforms in the financial sector, in labour market policies and in election funding to enable proper functioning of social democracy.

The last two chapters consider specific policies to address the rising insecurity of citizens across the world. Chapter 8, “In Search of Economic Security: Universal Basic Income,” examines the desirability and feasibility of a universal basic income (UBI), a subject on which Bardhan has written a great deal during

the past decade, particularly in the context of India. He emphasises that UBI should be seen as guaranteeing minimum economic security for citizens not primarily as a poverty or inequality reduction policy, though reduction of poverty and inequality could both be resulting consequences. He also discusses how such a scheme could be introduced in a fiscally prudent and sustainable manner with rationalisation of revenues and public expenditure.

Chapter 9, “In Search of Security and Other Policies,” looks at a number of other policies and governance reforms to relieve mounting insecurity, both economic and cultural. The chapter begins by discussing the issue of job security and possible ways of creating good jobs, especially jobs that would be aligned with the environmental goal of mitigating and also adapting to climate change. It goes on to discuss the possible lead role of public research for improving the lives of citizens, the pros and cons of decentralisation and ways of containing the scourge of corruption. The chapter also discusses approaches to international coordination for harmonising policies across countries and pre-empting a competitive race to the bottom. Finally, the chapter discusses the key role that labour organisations need to play to resist the occupation of the cultural void in the lives of working people by leaders who fill that void with divisive ideologies and toxic conspiracy theories.

Some Issues to Ponder

Bardhan’s volume is surely one of the most thoughtful, comprehensive and evidence-based contributions to the growing literature on the challenge to liberal democracy, its roots and possible future direction. I am therefore somewhat puzzled why it has not got more attention, particularly in India where these very issues are the subjects of a lively ongoing public discourse. I suspect that this is primarily due to the timing of the publication. It was first published in Cambridge, Massachusetts, in 2022 when the world was still quite distracted and preoccupied in coping with the consequences of the COVID-19 pandemic.

If this review moves the needle even a little bit in spreading awareness of this volume, it will have served its purpose. In my view it is an essential reading for all those citizens concerned with the state of liberal democracy and its future prospects.

There are three issues that I should flag. First, the author emphasises that the volume addresses the issue of insecurity, not inequality or poverty per se—though these may also be consequences of widespread economic insecurity. But how do we measure insecurity, as we must if we claim that it is rising? I am inclined to agree with the author that the world has become much more insecure in recent years and that insecurity is still rising. But can we measure it in asserting that view? We have well-developed metrics for measuring inequality and poverty, in the development of which the author himself has made seminal contributions—especially in the context of India. These metrics are sometimes criticised and debated, but they can be criticised precisely because they exist. As far as I am aware, there is no similar, rigorously defined measure of insecurity. The author presents at the very outset some chilling statistics about the majority of the world’s population now being ruled by authoritarian regimes and the spread of such regimes and illiberal democracies over time. We can derive the inference from that the world has becoming more insecure. We can also have surveys of perceptions of insecurity. But in the absence of a rigorous measure of insecurity, comparable to what we have for economic inequality or poverty, our views have to rely on anecdotal evidence.

Second, the author maintains that some of the key policies underlying China’s success have nothing to do with its authoritarian regime. However, I doubt that some of those key measures, such as decentralisation under Deng Xiaoping, a high-performing management structure for building infrastructure or the performance-based incentive system where a bureaucrat’s career progression is linked to the performance of the local governments in which they have served could be enforced in a soft state like India.

Coal Mining in Odisha

A Micro-level Analysis of Impact on Human Health

GAYATREE SAHOO, ASIS KUMAR SENAPATI

Due to its cheap extraction cost and abundant availability, large-scale industries demand huge amounts of coal. However, the extraction of coal results in negative externalities for the local communities. Studying the determinants that are responsible for the poor health status reported by the residents living in close proximity to active coal mines of the Talcher Coalfield region, Odisha, our results from data analysis using descriptive statistics and a binary logistic regression model show that age, gender, education and distance from healthcare facilities influence the way respondents report their health status. Policies that protect the locals from the hazardous impacts of mining are the need of the hour.

Coal is a low-cost fuel. It was a crucial energy source for the developed countries to maintain a high standard of living. Similarly, it will be a significant resource to boost industrialisation and enhance the standard of living in China and India by the mid-21st century (Finkelman et al 2002). To meet the growing demands and achieve faster economic growth, a large number of industries, such as power plants, steel, cement, fertiliser, and so on, are being set up by developing countries too. Coal is considered the most essential input for these industries.

The reason for the huge demand for coal is its cheap availability and abundance in nature. But the extraction of this mineral is one of the riskiest industrial activities. The various processes of extraction, like the excavation of land, clearance of forests, washing, transportation, loading, unloading, and removal of wastes, result in serious negative effects on the local as well as the global environment. Coal is the major contributor to global carbon dioxide (CO₂) emissions (Ma et al 2021) and thermal power plants alone emit 75% of CO₂ and 63% of sulphur dioxide (SO₂) into the environment (Garg et al 2002). Developing countries are more vulnerable to environmental and associated health hazards than developed countries (Hota and Behera 2015). Coal-mining operations have been adversely affecting the natural environment and the downtrodden people of the mining regions.

Socio-economic Impacts of Mining

The extraction of coal has mixed implications for communities living near active mines (Adjei 2007). Positive impacts of mining include revenue to the government, employment generation, high standards of living, socio-economic and infrastructural developments, reduction of poverty, and so on (Hajkowicz et al 2011; Williams and Nikijuluw 2020). In contrast to this, negative effects are the contamination of different elements of the environment (air, water, and soil), reduction of agricultural productivity due to loss of fertility, weak social bonding, poor health status, income inequality, dissolution of traditional livelihoods, and depletion of green coverage (Mishra et al 2008; Aragón and Rud 2015). Studies show that the benefits provided by mining companies are short term in nature (Sahoo et al 2014). Furthermore, improper management of mining wastes, underestimating the interests of local inhabitants, and a failure to fulfil developmental commitments accentuate the negative effects of such activities on the host community (Singh et al 2010; Wilson 2019).

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Residents of mining regions bear a higher cost than those living far away from the active mines, in terms of air, water, and soil pollution, apart from the livelihood losses. Additionally, the benefits derived from such activities are less than the hardships that the residents face in such areas (Meng et al 2009). Hajkovicz et al (2011) reveal a positive relationship between the quality of life and the gross value of mineral production in remote Australian mining regions. On the contrary, mining operations are responsible for the unemployment of local inhabitants in Jordan (Al Rawashdeh et al 2016). Yaaba Baah-Ennumh and Forson (2017) studied the lower socio-economic status, low human development index, the occurrence of different kinds of crimes, alcoholism, etc, in mining areas of Ghana.

Mishra et al (2008) evaluated the socio-economic status and quality of life index (QLI) of communities living near Talcher and Ib Valley Coalfield region of Odisha, and observed that the QLI of the residents ranged between very poor and poor, and the socio-economic status was not good. People from lower socio-economic strata are more susceptible to various health, environmental, and livelihood risks. Resource-abundant countries are more badly affected by mining operations than resource-poor countries (Pattanayak et al 2010). According to Davis (2009), one major factor causing resource-rich nations to perform poorly is low institutional quality. Hence, coal mining has multidimensional effects on residents living in nearby regions than residents staying far away from active coal mines, and makes the former more susceptible to various adverse effects.

Coal Mining and Environmental Consequences

Coal extraction has significantly contributed to global warming and climate change by way of the emission of greenhouse gases (GHGs) (Al Rawashdeh et al 2016). Coal fires also emit a huge amount of GHGs and other poisonous gases. This has changed the climate and caused frequent occurrence of floods, droughts, hurricanes, and so on. Furthermore, coal contains various toxic elements (Colagiuri and Morrice 2015). Mineral transportation releases a huge amount of dust and its mixing with the environment contaminates the air, water, and soil (Mishra 2010; Al Rawashdeh et al 2016). Earlier, the consequences of such industrial operations on the environment, biodiversity, and human beings were not considered (Candeias et al 2018).

In Jordan, active mines posed a threat to local biodiversity and polluted the air (Al Rawashdeh et al 2016). Chaulya (2004) monitored the total suspended particulate matter (TSP), respirable particulate matter (PM₁₀), SO₂, and oxides of nitrogen (NO_x) using spatial and temporal analysis in the Ib Valley area and observed that TSP and PM₁₀ particles are highly concentrated in the surface mining area and surpassed the National Ambient Air Quality standards. Hence, impacts of coal fires vary based on some variables like the size and features of the exposed population, availability of healthcare facilities, and the duration and intensity of exposure.

Sahoo and Senapati (2021) studied the livelihood vulnerability index, considering different forms of capital (social, financial, natural, human, and physical) in Talcher Coalfield

area and reported that the inhabitants of mining regions were more vulnerable than non-mining region inhabitants with respect to climate change-induced occurrences such as rising temperatures, erratic rainfall, and decline in groundwater levels. Similarly, coal mining had adverse impacts on human and natural capital in the Ib Valley mining region (Mishra 2009). A large number of empirical works reveals that there was a fall in the water level, presence of a huge amount of coal dust in the air, increased noise, and cracks and collapses of buildings due to the blasting process in the mining areas (Kitula 2006; Hota and Behera 2016). Pyritic minerals were present in coal mines and the failure to control tailings caused several environmental hazards (Zobrist and Giger 2013). Also, local communities were exposed more to such hazards than residents of non-mining areas.

Impact of Coal Mining on Health

The World Health Organization (WHO) defined health as a “state of complete physical, mental and social well-being and not the absence of disease or infirmity.” This definition was again reframed later and stated as “the extent to which an individual or group can, on the one hand, realise aspirations and satisfy needs, and on the other hand to change or cope with environment” (UNEP et al 1987). Thus, maintaining the good health of people is one of the topmost priorities in many international- and national-level frameworks. It is also one of the Sustainable Development Goals (SDGs), and countries across the world are trying to attain it.

Industrial activities generate a huge amount of effluents, which have a disastrous effect on the environment (Behera and Reddy 2002). As a result, the working capacity of the local people has declined in the project areas. Further, women are more vulnerable than men as they are involved in various household activities under unhealthy situations and exposed to indoor air pollutants due to the combustion of coal fuel. A study by Von der Goltz and Barnwal (2019) revealed various health issues like anaemia in women and stunting among children due to high exposure to toxic elements generated from mining activities. Residents living within a 5-kilometre (km) radius experienced exposure to adverse impacts, while those living within 5 km–20 km experienced general impacts. Various social issues like prostitution, alcoholism, the occurrence of diseases like HIV-AIDS, anxiety, depression, and injuries were also reported in the mining areas (Kitula 2006). Moreover, there was also a lack of allocation of funds for combating the mining-related health issues in these areas.

Melody and Johnston's (2015) paper reviewed the impacts of burning coal mines in the Jharia Coalfields of India, Centralia of US, and Hazelwood of Australia and found that PM_{2.5} was emitted in huge amounts from outdoor burning, causing respiratory issues, cardiovascular morbidity, lung cancer, and so on. Studies also suggest that diseases such as pneumoconiosis, lung cancer, cardiopulmonary problems, asthma, skin infections, gastrointestinal issues, musculoskeletal harms, and some others are mostly reported among the residents of active mining areas as well as mining workers (Hendryx and Ahern 2008;

Castleden et al 2011; Melody and Johnston 2015; Ayaz et al 2022). Additionally, the cost of illness was much higher for coal miners than the non-miners (Ayaz et al 2022) and it was also higher for households located near active coal mines (Mishra 2015). Moreover, disadvantaged groups were more vulnerable and likely to be affected by climate change resulting from the continuous burning of coal mines (Hota and Behera 2015).

Data and Methodology

The residents living near the active coal mines of Talcher Coalfield region report their health status as poor. In this work, we have tried to determine the factors that are responsible for the respondents' perception of their health status. To meet the research objective, this study has used both primary and secondary data. Odisha, an eastern state of India, has been purposively selected for the study. This state has two major coalfields: Talcher and Ib Valley. Both coalfields are managed by Mahanadi Coalfields Limited (MCL). This was formed in 1992 and is a subsidiary of Coal India Limited.

Primary data was collected from the Talcher Coalfield region. It is situated in Angul district of Odisha. The reason behind selecting this coalfield is that it has the largest coal reserves in the country (GSI 2017), and over time, production from this coalfield has increased drastically. We have selected two mining villages to carry out the study and we have given pseudo names to them, namely Malli and Kusuma. Both villages are located within 10 km of active coal mines (Hingula open cast [oc] and Bhubaneswari oc) and are under one administrative unit, that is, Talcher block.

Table 1: Construction of Variables

Variables	Description and Measurement	Variable Type	Expected Sign
Gender (Gen)	Gender of the respondent, for female it takes 0, and for male it is 1	Nominal	Positive/negative
Age	Age of the respondent	Continuous	Positive/negative
Education (edu)	Education level of the respondent, 1 = illiterate, 2 = read and write, 3 = pre-primary school (Classes 1–5), 4 = upper primary (Classes 6–8), 5 = high school (Classes 9–10), 6 = pre-university courses (Classes 11–12) or diploma, 7 = graduation, 8 = post-graduation and above	Nominal	Positive
Social category (Soccat)	Social category of the respondent, assigns 1 = general, 2 = OBC, 3 = SC, 4 = ST	Nominal	Positive/negative
Occupation	Type of occupation in which the respondent is engaged; 1 assigned for mining job and 0 for otherwise	Nominal	Positive
Income	Income of the household taken in natural log form	Continuous	Negative
Insurance status (Insstat)	Health insurance status of the respondent: 1 = presence, 0 = otherwise	Nominal	Positive/negative
Fuel type (Fuel)	Type of fuel use by the household: 1 = coal, 0 = otherwise	Nominal	Positive
Healthcare distance (HCD)	Time taken to reach health cares from residence	Continuous	Negative

SC stands for Scheduled Caste; ST for Scheduled Tribe and OBC for Other Backward Classes. Source: Some of the variables are adopted from Hendryx and Ahern (2008) with some modifications.

We visited the panchayat office of the villages and collected information about the number of households located in the two study villages. In Malli, there are more than 250 households and its population is nearly 2,500, and in Kusuma, there are around 150 households and its total population is around 1,200. Using simple random sampling, we selected 100 households from each village and conducted our primary study. A pilot was carried out in both sample villages in January 2020. We also conducted a focused group discussion with the mining households and ward members. After making some changes in the interview schedule based on the pilot survey, we undertook the main survey in January–February 2020. The total sample collected size was 195, out of which 100 respondents were surveyed from Malli, and the remaining 95 were from Kusuma. Due to five incomplete interview schedules of Kusuma, we did not consider those in our study.

Construction of variables: For our binary logistic regression model, we have considered multiple variables, and we have further divided them according to types and expected signs (Table 1).

Binary logistic regression model: The model framed to study the health status of the respondents in the mining villages is given below.

$$\ln\left(\frac{p}{1-p}\right) = \beta_0 + \beta_1 \text{Age} + \beta_2 \text{Income} + \beta_3 \text{HCD} + \beta_4 \text{Gender} + \beta_5 \text{Education} + \beta_6 \text{Social Category} + \beta_7 \text{Occupation} + \beta_8 \text{Health Insurance} + \beta_9 \text{Fuel type}$$

where,

$\ln\left(\frac{p}{1-p}\right)$ is the log odd ratio of the outcome variable and $\beta_0, \beta_1, \dots, \beta_9$ are coefficients.

The outcome variable is binary in nature. It is 1 if the health status of the respondent is poor and is 0 if it is not poor. Independent variables taken in the model are categorical and continuous in nature.

Coal production scenario of MCL:

Over time, the coal production of MCL has increased significantly (Table 2). Out of the total coal production by MCL in Odisha, the Talcher Coalfield has been contributing a dominant share. In 2001–02, coal produced by MCL was only 44.8 million tonnes (MT). Over time, there has been an increasing trend of coal production and in 2021–22, 168.2 MT of coal was produced by MCL from two coal mines—Talcher and Ib Valley Coalfields. The drastic increase

Table 2: Year-wise Coal Production of MCL

Year	Coal Production (in MT)
2000–01	44.8
2001–02	47.8
2002–03	52.2
2003–04	60.1
2004–05	66.1
2005–06	69.6
2006–07	80.0
2007–08	88.0
2008–09	96.3
2009–10	100.1
2010–11	100.3
2011–12	103.1
2012–13	107.9
2013–14	110.4
2014–15	121.4
2015–16	137.9
2016–17	139.2
2017–18	143.0
2018–19	144.2
2019–20	140.4
2020–21	148.0
2021–22	168.2

Source: MCL (various years) Annual Reports, Mahanadi Coalfields Limited.

in coal mining has impacted the local environment severely and consequently the health of the residents living in the vicinity.

Results and Discussion

Socio-economic profile of the respondents: Documenting the socio-demographic profile of the participants in the sample mining villages was crucial for our study (Table 3). Out of the total sample size, 111 females and 84 males were interviewed. A higher number of female participants were interviewed as most of the male family members were at work. The majority of the participants belonged to the general category followed by Scheduled Caste (sc), Other Backward Classes (OBC), and Scheduled Tribe (st) categories. In terms of literacy, 171 participants were literate and the remaining respondents were illiterate. As for the marital status, 183 were married and 12 participants were unmarried.

Table 3: Socio-demographic Profile of Respondents (%)

Features	Number of Respondents from Sample Villages	
Social group	General	117
	OBC	22
	SC	51
	ST	5
Gender	Male	84
	Female	111
Educational status	Literate	171
	Illiterate	24
Marital status	Married	183
	Unmarried	12
Migration status	Migrant	15
	Non-migrant	180
House ownership	Own	186
	Joint	2
	Rented	7
Type of house	Pucca	170
	Semi-pucca	9
	Kutcccha	16
Electricity	Available	186
	Non-available	9
Sanitary facility	Available	177
	Non-available	18
Average family member	6	

Source: Field survey; N=195.

Due to mining activities, people from different parts of the state and the country come to the mining sites in search of employment. In the survey there were 15 participants who had migrated to the sample villages. Another important feature that we attempted to capture was the house ownership of the respondents: 186 had their own houses, seven stayed in a rented house and two had joint ownership. Most of the respondents had a *pucca* house, but 16 claimed that they resided in a *kutcha* house and nine resided in a semi-pucca house.

From the field survey, we observed that nine participants still mentioned the non-connectivity of electricity in their houses. Some said that earlier they did have electricity but the failure to pay a huge electricity bill resulted in a disconnection by the electricity supply company. With regard to the availability

of sanitation facilities, 18 respondents had no proper sanitary facilities in their houses. Moreover, for building a government-sponsored toilet under the Swachh Bharat programme of the union government, they were first required to spend money on building the latrine and were to be reimbursed later after finishing the required paperwork. Due to a lack of income, they could not afford the construction of a latrine and, as a result, were unable to benefit from this programme.

Descriptive statistics: From the descriptive statistics of the variables, we observe that the average age of the respondents is 46.7 years and the minimum and maximum years of the respondents are 18 and 90 years, respectively (Table 4). Likewise, the average household income is ₹30,455. The minimum income reported was ₹2,000 and the maximum was ₹3,82,000. Likewise, the minimum time taken to reach the healthcare facility from the respondents' house was 10 minutes and the maximum time taken was 90 minutes.

Table 4: Descriptive Statistics of the Selected Variables

Variables	Frequency	Percentage
Gender		
Male	84	43.1
Female	111	56.9
Social group		
General	117	60
OBC	22	11.3
SC	51	26.2
ST	5	2.6
Education		
Illiterate	16	8.2
Read and write	20	10.3
Pre-primary	24	12.3
Upper primary	32	16.4
High school	47	24.1
12th or diploma	37	19
Graduation	12	6.2
Postgraduate and above	7	3.6
Occupation		
Mining and allied	47	24.1
Others	148	75.9
Fuel used		
Coal	122	62
Others	73	7.4
Insurance		
Taken	24	12.3
Other	171	87.7

The mean value of age, income and distance from healthcare facility is 46.7 years, 30,455 and 34 minutes, respectively. The standard deviation of age, income and distance from healthcare facility is 15.93 years, 40,198 and 13 minutes, respectively. Source: Authors' own calculation using primary data collected in the field survey.

Findings from Binary Logistic Regression

The binary logistic regression model has yielded interesting results (Table 5, p 61). Using the Hosmer–Lemeshow Chi-square test (Chi-square = 8.85, $p = .35$), the model fits well. There is no multicollinearity as noticed from the variance inflation factor test and the value is 1.31. Again, 25% variations in the outcome variable (Pseudo R^2) have been explained by the variations of explanatory factors in terms of the log-likelihood. Predictors like gender and the distance from the healthcare facility have negative coefficients and are significant at a 5% level of significance. This demonstrates that compared to their respective reference groups, the groups for which these two explanatory factors are taken into account are less likely to report self-rated poor health. The gender predictor has a negative effect on self-rated poor health status.

The log odds ratio of the predictable outcome variable increases by 0.28 if the respondent is male. Since women are mostly involved in domestic chores and cooking, they experience more indoor air pollution, and are exposed to contaminated air and water in a different set-up. They suffer from various illnesses due to such exposure. Hence, they report poor health

conditions more than their male counterparts. On the other hand, the age predictor has a positive coefficient, is statistically significant at 1% level of significance, and reflects more likely to perceive self-rated poor health, to that of the corresponding reference group. If the age predictor increases by one unit, the log odd ratio of the outcome variable increases by 1.05 and it is statistically significant. Normally, with an increase in age, the chances of contracting diseases increase, and hence the probability of relaying poor health status increases. The coefficient of the time taken to reach the health centre is negative, showing that the more the time taken to reach the healthcare facility, the log odd ratio of respondents reporting poor health status decreases by 0.03 to that of the reference group.

Table 5: Result of Binary Logistic Regression Model

Health Status	Beta	Odds Ratio (95% Confidence Interval)	Standard Error	P-value
Age	0.053*	1.05 (1.02, 1.09)	0.02	0.000
Income	-0.018	1.04 (.71, 1.52)	0.20	0.834
Healthcare distance	-0.033**	0.97 (.94, .99)	0.01	0.042
Gender	-1.275			
Female		Reference		
Male		0.28(.10, .75)	0.14	0.012
Education	0.578			
Illiterate		Reference		
Read and write		0.43 (.06, 3.01)	0.43	0.398
Pre-primary school		0.98 (.16, 5.86)	0.89	0.980
Upper primary		4.08 (.91, 18.23)	3.12	0.066
High school		9.26 (2.01, 42.50)	7.20	0.004
Intermediate/diploma		18.46 (3.43, 9.18)	15.84	0.001
Graduation		19.93 (2.83, 140.2)	19.84	0.003
Postgraduate and above		13.76 (.83, 225.9)	19.65	0.066
Social category	0.113			
General		Reference		
OBC		0.36 (.10, 1.25)	0.23	0.109
SC		1.26 (.49, 3.28)	0.62	0.622
ST		5.86 (.67, 50.83)	6.46	0.108
Occupation	0.898			
Non-mining		Reference		
Mining		1.99 (.72, 5.50)	1.03	0.184
Health insurance	-0.511			
Absence		Reference		
Presence		0.71 (.22, 2.30)	0.43	0.575
Fuel type	0.313			
Non-coal		Reference		
Coal		1.48 (.69, 3.14)	0.57	0.314
_Cons	-4.018	0.02 (0, 1.75)	0.05	0.088
Pseudo R-squared	0.25			
Log likelihood	-98.29			
Prob Chi>square (0.0)				
N=195				

Source: Same as Table 4.

Similarly, in the case of the educational level predictor, it has positively affected the response variable, namely self-rated health status, and as its level increases, the odds-ratio value increases, corresponding to the reference variable demonstrating that the greater the level of education, the greater the probability of rating one's health status as poor, as people are more aware of the various consequences of coal extraction. Other predictors used in this model include income of the household (odds ratio = 1.04), social category (odds ratio = 0.36,

1.26, 5.86), type of occupation (odds ratio = 1.99, health insurance status (odds ratio = 0.71), and type of fuel (odds ratio = 1.48). They are found statistically not significant, demonstrating no strong impact on the log odd ratio of the outcome variable.

The result of marginal effects predictors on the probability of obtaining self-rated poor health status shows that predictor age has positive marginal effects on the response variable with respect to the probability of getting poor self-rated health status and it is statistically significant (Table 6). As is common, with an increase in age, people obtain more information and experience about the adverse impacts of mining and rate their health as poor. Predictors like time taken to reach healthcare facilities and gender of the respondent have negative marginal effects on the response variable, so we see that with the increase in time taken to reach healthcare facilities, and the respondent as female, the probability of getting poor self-rated health status decreases and both are statistically significant. This could be because female respondents purchase medicines from nearby pharmacies as it takes some time to reach the healthcare centre, and they have less information about the health consequences of mining activities. Likewise, as the predictor of education level increases, the probability of getting poor self-rated health status of the respondents increases.

The presence of a health insurance predictor has negative marginal effects on the response variable, but it is not statistically significant. With an increase in educational levels, people know more and more about the negative externalities of coal extractions and how it impacts their health and the environment. This may be the factor behind the positive relationship between education level and the response variable. Different social categories have different impacts on the response variable (Table 6). The oBcs have negative marginal effects and scs and sts have positive marginal effects on the response variable, but for the scs it is found non-significant. The type of fuel

Table 6: Marginal Effects of Predictors

Predictor	dy/dx	p-value	95% Confidence Interval
Age	0.00975	0.00	(.006, .014)
Income	0.00688	0.834	(-.06, .07)
HCD	-0.0049	0.035	(-.01, -.00)
Gender	-0.1945	0.003	(-.32, -.067)
Education			
Read and write	-0.0821	0.393	(-.27, .11)
Pre-primary school	-0.0028	0.98	(-.22, .22)
Upper primary	0.23119	0.36	(.016, .45)
High school	0.39668	0.00	(.19, .60)
PUC (11-12)/diploma	0.5275	0.00	(.31, .75)
Graduation	0.54081	0.00	(.26, .82)
Post-graduation and above	0.47404	0.057	(-.01, .96)
Social category			
OBC	-0.1618	0.087	(-.35, .02)
SC	0.0406	0.618	(-.12, .20)
ST	0.28525	0.063	(-.01, .58)
Occupation	0.1194	0.186	(-.06, .30)
Health insurance	-0.0559	0.57	(-.25, .14)
Fuel type	0.06544	0.309	(-.06, .19)

Source: Same as Table 4.

predictor shows positive marginal effects on the dependent variable; however, it is not statistically significant.

Conclusions and Policy Suggestions

The study shows that coal mining has adversely affected the health of the residents and local environment and our findings are consistent with some of the existing studies (Mishra 2010; Fitzpatrick 2018). However, our research also has a number of limitations. First, it is only a study of respondents' perceptions about their health status. There is a need for an analysis of the actual medical records of the region to further verify the shift in the health status. Second, the small sample size prevents any generalisation of the results for other regions. Third, we study an active coal mining region in our study, but the results may vary in areas having other types of extractive industries.

The majority of the respondents are unsatisfied with the corporate social responsibility activities of the MCL. There is an urgent need for implementing mandatory rules for the provision of free health services not only for the employees and their families but also for the households that are staying nearby and bearing the costs in the form of a poor environment.

From the binary logistic regression model, it is evident that the self-rated health status of the respondents is affected by several factors like age, gender, education, and healthcare distance. Further, there is a need for the implementation of strong policies that can protect the well-being of the host communities in the mining areas. Each resident's interest must be taken care of without discriminating against them. Authorities must conduct the environment impact analysis of the mining companies regularly. The funds of the District Mineral Foundation must be utilised adequately in sensitive areas like villages in mining regions.

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Beyond the Consumer Food Price Index

Measuring the Cost of a Healthy Diet in India

SUDHA NARAYANAN, KALYANI RAGHUNATHAN, ANITA CHRISTOPHER

In this paper, we make a case for routinely computing the CoHD alongside the CPI-F. We show that, though correlated with the consumer price index for food, they do not always move in the same direction and that the CPI-F is a poor predictor of CoHD. Thus, attempts to draw inferences on the health and nutritional implications of food inflation using the CPI-F can lead to erroneous conclusions. We propose that the CoHD be used as a barometer for barriers faced in attaining healthy diverse diets across time as well as space and as an input into policy decisions, such as costing social protection programmes.

It is widely acknowledged that the nutritional challenges many countries in the world face go beyond addressing hunger and food security to tackling the triple burden of malnutrition—calorie inadequacy, micronutrient deficiencies, and obesity (Masters et al 2022). Target 2.2 of Goal 2 of the Sustainable Development Goals (SDGs) duly emphasises the need to eradicate all forms of malnutrition by 2030. While many factors influence the prevalence of malnutrition, the quality and quantity of food intake are the key underlying and immediate determinants of nutrition outcomes (UNICEF 2021).

Both globally and in India, the cost and affordability of a healthy diet have been identified as a critical constraint to achieving diet quality. Countries, where nutritious diets are least affordable (as a share of household expenditure), have a greater prevalence of stunting and micronutrient deficiencies, as well as a smaller prevalence of obesity (Masters et al 2022; Bai et al 2021). It is estimated that 42% of the global population were unable to afford a healthy diet in 2021, close to one-third of whom live in India (FAO et al 2023).

Indian diets deviate quite significantly from the EAT-Lancet recommendations in ways that tend to reduce diet quality, with households spending significantly more than recommended on cereals, and significantly less on pulses, fruits, vegetables, meat, fish, and eggs (Sharma et al 2020). Rao et al (2018) conclude that more than two-thirds of Indians consume diets that are deficient in essential micronutrients. An analysis of prices suggests, in 2011, healthy diets that met national food-based dietary guidelines (FBDGs) were unaffordable to two-thirds to three-fourths of the rural Indian population (Raghunathan et al 2021). Primary data too confirm this. Data collected in Uttar Pradesh suggests that the minimum-cost nutritious diet was unaffordable for 75% of households, with the poorest households needing to rely heavily on social safety nets to supplement their consumption (Kachwaha et al 2020). Gupta et al (2021) find that in four rural Indian districts, households would have to more than triple their expenditure on food, on average, to meet the least-cost version of the EAT-Lancet diet. At the same time, information about what constitutes a healthy diet is crucial, especially as healthy diets can be achieved by a reallocation of expenditures towards healthier alternatives. Households could diversify diets within existing food budgets to improve nutrient intake and simultaneously reduce greenhouse gas emissions (Rao et al 2018).

The premise of this paper is straightforward: if one is to direct public policy to promote healthy diets, one must first be

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able to track their costs and affordability. Thus far, the Indian government, both the union and states, has focused primarily on the consumer price index for food (CPI-F). The government has further justifiably focused on tracking individual food groups that are deemed sensitive either from the perspective of international or domestic trade, but that do not sufficiently reflect nutritional or health concerns. For example, tomatoes, onions, and potatoes, often referred to as “TOP,” are widely consumed as part of routine diets and the prices consumers face for these commodities have often been a politically sensitive issue (Desai 2012). More recently, efforts to estimate the cost of preparing a *thali*, a composite meal, have found a place in occasional reports (GoI 2020), representing an important step towards discussing diets rather than an abstract food basket. Yet, while the price of a *thali* bears a closer resemblance to the family of cost of a healthy diet (COHD) indicators, the construction and cost of the *thali* do not fully address nutritional concerns, nor has this metric been reported systematically by government agencies since it was first proposed.

In this paper, we make a case for routinely computing the COHD alongside the CPI-F. The COHD calculates the “minimum” per person per day expenditure needed to purchase the daily recommended quantities of various foods prescribed by national FBDGs (Herforth et al 2020; Herforth 2015). While nutrient requirements are generally not listed explicitly in FBDGs, COHDs typically meet most macro- and micro-nutrient thresholds while generating realistic-looking diets (Herforth et al 2022).

Our case rests on four arguments. First, we show that while the CPI-F and COHD are correlated, they often diverge substantially and can move in opposite directions, rendering the CPI-F an unreliable indicator of inputs into nutritional outcomes. This provides a key rationale for routine monitoring of the COHD. Second, the COHD can be computed without too much additional effort since it relies on data that are already available and collected routinely by the Government of India. Third, the COHD can be extended to offer insights into the affordability of healthy diets, especially when analysed in tandem with wages and incomes. Just as CPI-F can often be used to gain insights into the cost of living, the COHD can shed light on the affordability of healthy diets. This can help identify key barriers to health and nutrition; for example, by assessing the extent to which the deviation of actual diets from healthy diets is due to affordability constraints, as opposed to consumer preferences and behaviour. Fourth, COHD can be used as an analytical tool to shape nutrition policy, to help cost programmes that focus on in-kind distribution of food, to assess the scope and limitations of cash transfer programmes, and to inform the setting of wages.

After describing the COHD, we contrast it briefly with the CPI-F and compare it with alternative measures such as the cost of a *thali*. Then, we present our findings and demonstrate how the COHD can be used to investigate affordability and as inputs into programme design followed by the conclusion.

The Cost of Healthy Diets: Concept and Measurement

The COHD is the least-cost way of meeting national FBDGs which are a country’s definition of a healthy and culturally appropriate dietary pattern.¹ Quantitative FBDGs specify daily

energy targets and quantities of various food groups; the COHD simply converts those quantities into costs using food composition tables and available data on prices. In India, the FBDGs are developed by the Indian Council of Medical Research (ICMR) and the National Institute of Nutrition (NIN). We use these guidelines and a range of publicly available price data collected by government agencies to compute a weekly location-specific COHD that can be aggregated to a national-level estimate.

Data: We draw on available data sources to generate the COHD. First, we use daily retail and wholesale price data from the Department of Consumer Affairs (DCA) with information from 318 urban market centres for 21 commodities. Second, we use daily retail prices from the National Horticulture Board (NHB), for 26 fruits and vegetables from 31 urban markets. Third, we use the Department of Economics and Statistics-Ministry of Agriculture (DES-MoA) weekly retail prices for 45 commodities from 77 urban market centres.² Some commodities appear in more than one source; in these cases, we first use as source the DES-MoA, then the NHB, and then the DCA in order of preference.

Since none of these sources includes prices for dark green leafy vegetables (DGLV) or nuts and seeds, we supplement these with farmgate prices from our fourth source, that of *mandi* (local wet market) prices from agmarknet.gov.in. These daily *mandi* prices are available at the commodity-district level for a total of 311 items and 485 districts. *Mandi* prices are closer to producer and wholesale prices than retail consumer prices, that is, they more closely represent the price paid to those producers with sufficient volume to sell at these markets. We retain *mandi* prices for nine commodities: amaranthus, Indian colza (sarson), knool khol (kohlrabi) leaves, leafy vegetables, fenugreek leaves, and spinach (dark green leafy vegetables), and almonds, cashews, groundnuts, walnuts (nuts and seeds).

Daily prices from the DCA, NHB, and *mandi* price data sets are aggregated to the weekly level using simple averages across daily data. These three sets of urban retail price data are then merged with each other and into the DES-MoA data set at the centre-week level to generate a commodity-centre unbalanced panel with 330 centres and 68 commodities from January 2018 to March 2023.³ Two additional points bear mentioning. First, we do not have prices for all commodities at each centre at each point in time; nor does the set of commodities represented at a given centre remain the same over the weeks of the year or across years. Under the assumption that a missing price at a given centre-week combination indicates that the item in question was not sold in that centre in that week, we refrain from imputing missing prices and use the data set as it is. Second, we have price information on miscellaneous items, including spices, beverages, green chillies, and ginger, but these commodities are not included in the COHD calculation since they are typically used in small quantities as condiments and do not contribute significantly to the nutritive value of the diet.

While centre-level prices are unlikely to be representative of the district, the districts with centres for which we compute

Figure 1: Food Price Centres in India

The map represents the districts from which the food price data is collected. One district may contain multiple centres. The international boundaries represented in this map are those recognised by the Government of India and should not be construed as reflecting the views of the institution the authors belong to.
Source: Authors' compilation.

the *coHD* are well-distributed across the country (Figure 1). Our national *coHD* estimate is calculated as the weighted average of the *coHD* across urban centres using centre-wise 2011 population as weights. We focus on national-level estimates in this paper, but relegate, for a more granular presentation of our results, to a companion paper (Ragunathan et al 2024). Since the *coHD* is only available when information on all constituting food groups in a week is non-missing, there are significant data gaps. Much of this is driven by the addition of the mandi data, due to both unmatched centres as well as time-specific missing price information on *DGLV* and nuts and seeds for centres that are represented.⁴

Methods: The *coHD* method is a simple linear programming approach that converts nationally appropriate food group-wise energy recommendations into a least-cost estimate (Dizon et al 2019; Ragunathan et al 2021). In addition to being computationally less demanding than the cost of the diet (*CoD*) (Chastre et al 2007) or the cost of nutrient adequacy or *CoNA*, the lowest cost of a diet that meets the recommended intake of each required nutrient (Bai et al 2021), this approach has the advantage of yielding realistic looking diets that typically also meet nutrient requirements (Dizon et al 2019).⁵

We use ICMR-NIN's 2018 "My Plate for the Day" recommendations for India (Table 1), which provide the number of kcal per person per day from each recommended food group, along with the approximate gram conversions using a representative item from that food group. We combine these with the energy per 100-gram information from India's food composition tables (Longvah et al 2017) to calculate the quantity in grams of each

commodity in our data set that would need to be consumed to meet the energy recommendations for the corresponding food group. Then, using estimates of the edible fraction for each commodity, that is, the fraction of the purchased weight of that commodity that can be consumed, and the deflated food prices, we estimate the cost in Indian rupees (₹) of achieving these recommendations for each commodity in our data set. In other words, we calculate

$$\text{Commodity daily cost} = \left[\frac{\text{price(per kg)}}{\text{ediblefraction} \left(\frac{\text{edible kg}}{\text{total kg}} \right)} \right] * \frac{\text{servingsize} \left(\frac{\text{edible g}}{\text{servings}} \right)}{1000 \left(\frac{\text{g}}{\text{kg}} \right)}$$

For each centre-week combination in our data set, we then sort commodities within a given food group in increasing order of this daily cost. In addition to daily quantities, ICMR-NIN's "My Plate for the Day" recommendations advocate for variety in cereals, pulses, and vegetables; we implement this by retaining the two lowest-cost foods in these food groups. For dairy, *DGLV*, nuts and seeds, and oils and fats, we retain the cheapest item only. The process of identifying the lowest-cost food by week implies that the basket of goods could be different across weeks. This approach mimics the shopping behaviour of a price- and health-conscious consumer who seeks to minimise food expenditures while also trying to acquire a healthy diet.

The food group-wise cost of achieving the healthy diet recommendations is calculated as the average daily cost across the lowest cost items in each food group. Adding up these costs across food groups gives us the *coHD* for each centre-week combination, that is, the minimum an individual in that location and at that time would need to spend to meet the ICMR-NIN daily recommendations. The set of foods that frequently appear in the least-cost diet are indeed commonly consumed foods (Table 2).

Table 1: Dietary Recommendations from ICMR-NIN's 'My Plate for the Day'

	Amount to be Consumed (g/day)	Total Energy (KCal)/day
Cereals	250	843
Pulses	85	274
Milk/curd	300	216
Vegetables + dark green leafy vegetables (DGLV)	400	174
Fruits	100	56
Nuts and seeds	35	181
Fats and oils	27	243
Total	1,200	2,000

Source: ICMR-NIN's "My Plate for the Day" recommendations (viewed on 5 November 2023, from https://www.nin.res.in/downloads/My_Plate_for_the_day_J24.pdf). The recommendations for the vegetables category are split across leafy and non-leafy vegetables in the ratio of 1:2. The recommendations also state: (1) Eggs, fish and meat can substitute pulses. (2) Use different varieties of cooking oils, vegetables, fruits, nuts, etc, to obtain a variety of phytonutrients, vitamins, minerals, and bioactive compounds.

Table 2: Food Group-wise Items Appearing in the Least-cost Healthy Diet

Food Group	Most Commonly Appearing Lowest-cost Items, 2018–23
Cereals	Wheat, rice, bajra, bread, maida
Pulses	Gram dal (split or whole), masoor, tur, besan, moong
Dairy	Milk
Fruits	Banana, apple, sapota (chikoo), orange, pineapple
Non-leafy vegetables	Potato, onion, tomato, peas, brinjal
Leafy vegetables, etc	Spinach, leafy vegetable, amaranthus, methi leaves, knool khol leaves
Oils and fats	Palm oil, soya oil, mustard oil, groundnut oil, gingelly oil
Nuts and seeds	Groundnut, cashew nut, almond, walnut

Source: Authors' calculations. Milk is the only commodity in the dairy food group for which we have price information.

Figure 2: Food Group-wise Contributions to the National Average Cost of a Healthy Diet

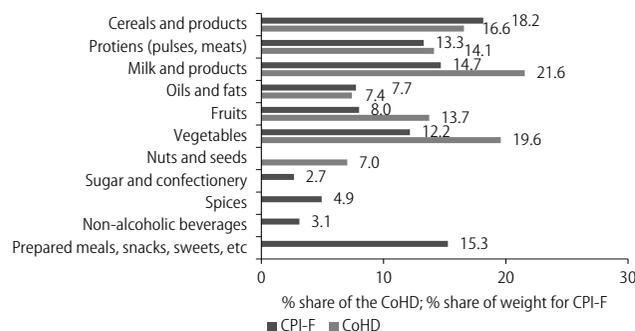


Figure based on similar calculations in Kishore (2020); CPI-F is the share of weights for urban areas, obtained from https://cpi.mospi.gov.in/Weights_2012.aspx. CPI-F weights for proteins are the sum of weights for meat and fish, eggs, and pulses and products; CoHD is the national average cost of a healthy diet for 2018–23. Source: Authors’ estimation and compilation.

The CPI-F and CoHD Compared

CPI for food: Broadly, the CPI is designed to measure “changes over time in the level of prices of goods and services that a reference population acquires, uses, or pays for consumption” (GoI 2010). In practice, the CPI measures the cost of purchasing a fixed basket of goods and services. CPI-F represents an index that measures a typical and fixed food basket. In India, the CPI is compiled by using the Laspeyres’ base weighted formula, which keeps quantities fixed and allows only for prices to vary:

$$\frac{\sum_i q_{oi} p_{ti}}{\sum_i q_{oi} p_{oi}} \times 100 \quad \dots (1)$$

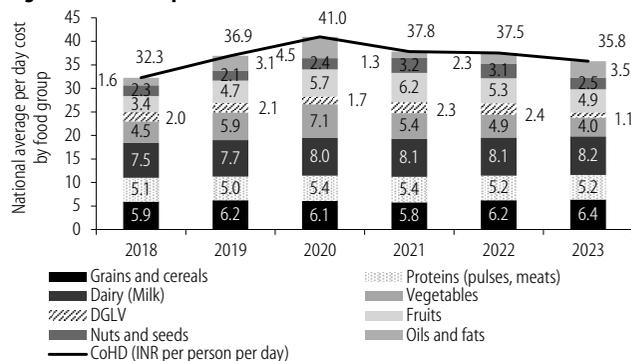
where q_{oi} is the quantity of commodity i during a base year, p_{oi} is the base price of commodity i , and p_t is the price of commodity i in the year t . This index represents the ratio of outlay on a fixed basket of commodities in year t to the outlay on that same basket in the base year, expressed as a percentage. Operationally the numerator can be rewritten as follows:

$$\frac{\sum_i q_{oi} p_{oi} \times \frac{p_{ti}}{p_{oi}}}{\sum_i q_{oi} p_{oi}} \times 100 \quad \dots (2)$$

where the expression $\frac{p_{ti}}{p_{oi}}$ is the ratio of the price of an item in period t to its price in the base period, called the “price relative” (GoI 2010). Expression (2) is therefore a base-weighted average of price relatives, the weights being the expenditures incurred on various goods and services in the fixed base-period consumption basket of a reference population. This reduces to computing base-period expenditures—the weights—just once, based on a household survey and using price data collected to obtain the price relative for commodities in the consumption basket and hence update the CPI (see GoI 2010 for details). The CPI-F follows an identical procedure but focuses only on food items in the consumption basket; these quantities are derived from nationally representative household consumption expenditure surveys.

The coverage and applicability of CPIs are generally limited to specified socio-economic groups. The CPI is a proxy for the

Figure 3: Food Group Contribution to CoHD



For the list of commodities in each food group, see Table 2. Source: Authors’ estimation.

cost of living and is primarily used for national accounting and for indexing wages and salaries. The CPI-F, like the CPI itself, is accessible and easily understood and has therefore become the barometer for the cost of living in a very basic sense, although the two are distinct concepts. In this paper, we use the all-India-level monthly CPI-F for 2018–23. To enable comparisons with the CoHD, we rescale the CoHD by setting 2018 January to 100.

The conceptual differences between the CoHD and CPI-F are apparent, further distinguished by the choice of the food basket and aggregation method. Figure 2 illustrates the relative importance of various food groups in both metrics. The CPI-F overweighs cereals and cereal products and oils and fats relative to the CoHD, while also providing positive weights to unhealthy foods such as sugar, prepared meals, snacks and sweets, non-alcoholic beverages, and spices. Further, the CPI-F does not account for nuts and seeds at all and does not distinguish between non-leafy and leafy vegetables. Simply put, the CPI-F is an indicator of the price of food while the CoHD is a measure of the cost of a healthy diet.

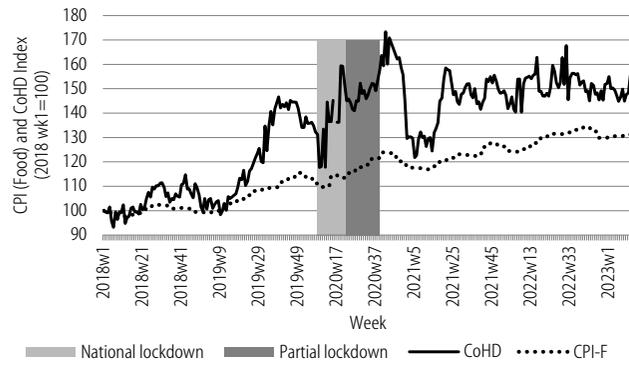
The CoHD also has some operational advantages over the CPI-F. Since the commodity basket is determined by nutritional requirements and prices, the CoHD does not require consumption expenditure or family budget surveys. With the CPI-F, there is a risk that without up-to-date representative surveys, the indices might not accurately capture current consumer food bundles.

Estimates of CoHD and the CPI-F for India, 2018–23

The overall weekly national average CoHD over the period we consider (2018–23) ranges from ₹29.5 per day in 2018 week 6 to ₹46.9 per day in 2020 week 42. The weekly centre-wise average CoHD ranges from ₹27.1 per day in Jaipur, Rajasthan (2018 week 8) to ₹70.7 per day in Mumbai, Maharashtra (2020 week 20). Dairy consistently contributes the most to the daily cost, followed by cereals and fruits (Figure 3). Nuts and seeds, dark green leafy vegetables, and oils and fats contribute the least to overall costs, partly due to their small daily recommended serving sizes and partly because we use mandi prices for these items, which are, on average, considerably lower than rural or urban retail prices.

We begin by comparing the CoHD with the CPI-F (Figure 4, p 52). For this comparison, prices are deflated to the first period in

Figure 4: The Cost of a Healthy Diet versus CPI-F, 2018–23



Both CoHD and CPI-F are normalised to 2018 week 1 and 2018 month 1 prices, respectively. CoHD is the national weekly cost of healthy diets across centres with all eight food group prices. CPI-F is the urban consumer food price index. Source: Authors' estimation and compilation.

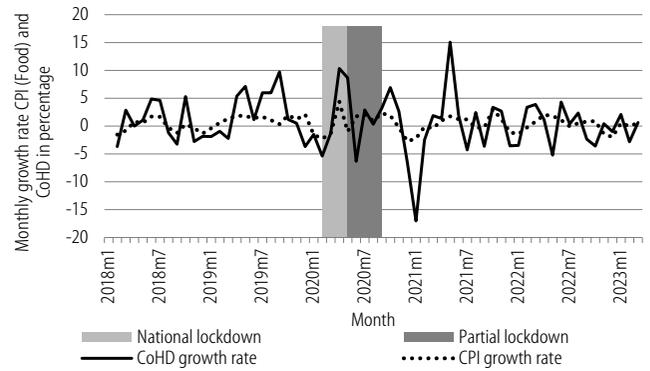
our time series, week 1 of January 2018, using the state-month-level general urban CPI to account for overall price trends. This comparison is illustrative rather than precise since the CPI-F is from published sources and its construction differs somewhat from our approach to aggregating over centre, tackling missing values, and so on. Further, whereas the CPI-F is available at a monthly frequency, we compute a weekly CoHD. We overlay the period of complete and partial national COVID-19 lockdowns as these were a particularly volatile period for food prices; soon after, the national lockdown was announced on 24 March 2020, disruptions in supply chains led to an increase in the prices of many commodities (Lowe et al 2021; Narayanan and Saha 2021).

We highlight three specific findings. First, the CoHD index that we compute tends to be higher than the CPI-F (Figure 4). Given that both series are tied to the same base period, this implies that the CoHD has risen more sharply, on average, than CPI-F. This is confirmed by the rate of change, which is significantly higher for the CoHD (Figure 5). This suggests that using the CPI-F exclusively to gauge trends or change (that is, food inflation) in food prices would be misleading from a nutritional perspective. The period of the national lockdown in response to COVID-19 provides a useful illustration: here, the CoHD increased substantially more than the CPI-F. Using the CPI-F would have underestimated the implications of COVID-19-induced disruptions on the cost of meeting nutrition requirements.

Second, the CoHD and CPI-F do not always co-move (Figure 4). If the two metrics were different only in levels but always moved in tandem, any one of the two could serve as a proxy measure for the direction of change in the cost of a healthy diet. Instead, the two measures co-move month-to-month in 44 of the 62 months for which we have data on both, but for 18 periods they move in opposite directions. Even the direction of this divergence is not constant—for eight of the 18 periods CoHD increases while CPI-F declines and for the remaining 10 it is the opposite. Thus, tracking the movement in CPI-F can be misleading if one wants to infer the costs of healthy diets, providing the rationale for computing an additional metric, such as the CoHD.

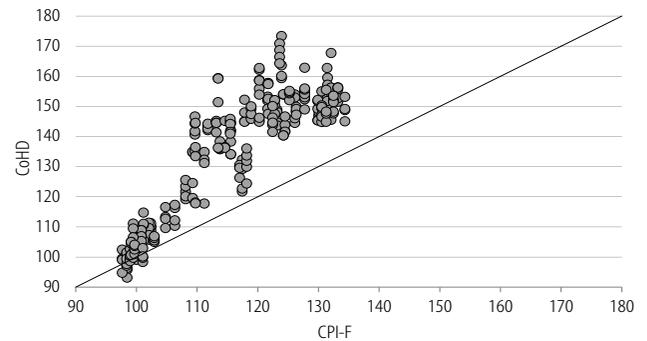
Third, although the CoHD and CPI-F are highly linearly correlated, the latter is a poor predictor of the former (Figure 6).

Figure 5: Monthly Rate of Change in CoHD and CPI-F, 2018–23



Monthly growth rate for CoHD is calculated as the percentage difference between CoHD for current month and previous month, divided by the CoHD of the previous month. Similarly, for CPI-F growth rate. Here, CoHD is the national monthly cost of healthy diets across centres with eight food group prices and CPI-F is the urban consumer food price index. Source: Authors' estimation and compilation.

Figure 6: A Scatter Plot of CoHD versus CPI-F with Base Period=100, 2018–23



Source: Authors' estimation and compilation.

We expect the CoHD and the CPI-F to be positively correlated since the CoHD draws on a similar set of commodities with a different weighting pattern. The linear correlation between the two is over 0.9 across versions, whether one uses weekly or monthly CoHD and whether one uses the abbreviated or the full CoHD. At the same time, a unit change in CPI-F is associated on average with a change of 1.65 in the CoHD (base period=100) or 0.38 paise in the CoHD over the period considered (Table 3). Thus, the two indicators cannot serve as proxies for one another.

Table 3: Regressions of CoHD on CPI-F

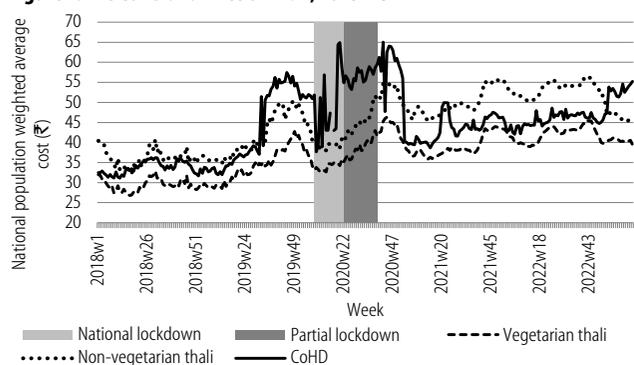
	With Month FE	Without Month FE
Panel A: Regression CoHD on CPI-F		
CPI-F	0.383*** (0.00378)	0.376*** (0.00998)
Constant	-20.53*** (0.681)	-16.89*** (1.544)
N	272	272
R ²	0.969	0.808
adj R ²	0.960	0.807
Panel B: Regression CoHD on CPI-F, both scaled to 2018 Jan week 1=100		
CPI-F	1.651*** (0.0163)	1.621*** (0.0430)
Constant	-65.11*** (2.159)	-53.56*** (4.896)
N	272	272
R ²	0.968	0.797
adj R ²	0.958	0.796

Standard errors in parentheses ^{*}p < 0.05, ^{**}p < 0.01, ^{***}p < 0.001.

Source: Authors' calculations.

These three findings provide a rationale for CoHD as an independent measure of interest. Our analysis of CoHD also shows substantial weekly variations, suggesting that more frequent surveillance of food prices would be a useful policy tool.

CoHD and Thalimomics: Although the focus of this paper is to make a case for moving away from CPI-F to CoHD, it is noteworthy

Figure 7: The CoHD and Price of Thali, 2018–23

Source: Authors' estimation and compilation.

that a similar metric of the cost of a diet, namely—“the cost of a thali”—or composite meal, has generated popular interest recently. In the *Economic Survey 2019–20*, a chapter is devoted to what was referred to as Thalonomics, where they constructed representations of commonly consumed or “typical” thalis and costed these using the quantities (in grams) specified in the FBDGs (GoI 2020). The “typical” thali used included rice and wheat (cereals), arhar, gram, masur and urad (pulses), potato, onion, tomato, brinjal, cabbage, cauliflower, and lady’s finger/okra (vegetables). The non-vegetarian thali replaced pulses with an animal-source protein, one from among eggs, fish, or goat meat.⁶ Mustard oil, groundnut oil, and coconut oil were chosen based on the state since different states have different commonly consumed oils (GoI 2020). The cost of a thali also included the costs of small quantities of spices and condiments and firewood and fuel charges, reflecting, partially, the costs of preparation.⁷

The prices of the components of each thali were averaged at the food group-level using quantity weights derived from the actual consumption of these different components from the National Sample Survey 2011–12 Consumption Expenditure Survey (NSS-CES 2011–12) and added across food groups to estimate the cost of preparing a thali. This approach is similar in spirit to measures that assess the cost of diets, with two main points of divergence. First, several nutrient-rich food groups from India’s FBDGs were not included (notably dairy and fruits; dark green leafy vegetables were also not emphasised within the vegetable group). The main components of the thali account for approximately 61% of the recommended daily requirement of various foods in grams and 65% of the NIN’s caloric recommendation and it would likely fall short of the recommended nutrient quantities due to the exclusion of several nutrient-rich food groups. Second, Thalonomics accounts for some other costs of meal preparation, such as condiments and fuel, which do not factor into the CoHD. There are some limitations of the Thalonomics approach. The thali uses quantities from the NSS-CES to construct weights, which increases its data requirements. In contrast, estimating the CoHD does not require household-level consumption surveys, and provides the cost of a more holistic basket of foods. While Thalonomics might appear to have the advantage of representing “typical” meals, that distinction is artificial if not arbitrary; as discussed above, the CoHD uses FBDGs that already account for these

cultural and context-specific preferences, and typically generates a set of commonly consumed foods (Table 2).

Finally, the explicit costing of meat items in the price of a thali is worth explaining. Since plant-based sources are invariably a less expensive way of attaining the FBDGs’ requirements for that food group (of pulses/flesh foods), least-cost diets produced by the CoHD tend not to contain eggs or flesh foods. Since the goal of the CoHD is to obtain a lower-bound estimate, this is not a limitation of the approach. The CoHD is basket agnostic; by design, the set of lowest cost foods varies by time and place. Any adjustments to accommodate specific items—for example, to account for non-vegetarian items, or to accommodate tastes and preferences—must, by definition, be more expensive than the CoHD.

We estimate the price of a thali, replicating the method as outlined above and in the *Economic Survey 2019–20* (GoI 2020), with some deviations. We exclude the partial costs of preparing the meal, such as fuel costs, to enable comparisons with the CoHD. For each food group, we compute the average price for the commodities in the food group by applying state-level NSS-CES quantity weights as in GoI (2020) for all centres within the state.⁸ Telangana was assigned the same weights as Andhra Pradesh. We also compute the cost of a thali by centre-week, using the data set on prices constructed to compute CoHD, described under the subheading “Data,” and aggregate across centres to obtain a national-level estimate by using centre-wise population weights. This differs from the GoI (2020), where estimates are constructed at the state level before aggregation, using state-level population weights to obtain the national level. We use the updated NIN dietary guidelines (Table 1) recommendations to identify foods to be consumed (g/day) instead of the quantities mentioned in GoI (2020) which were based on an earlier version of the FBDGs. Finally, we also scale up the quantities of oil and seasonings for each food group, following the methods in GoI (2020).

$$\text{Cost of a thali} = \sum_f \left(\frac{\sum_i w_i p_i}{\sum_i w_i} \right) \times q_i^{\text{NIN}} + \text{cost of addons}_{(\text{oil,spices,condiments})}$$

where f is the food group, p_i are prices of the individual commodities selected for each food group, f , w_i are state-level quantity weights from the NSS-CES 2011–12, applied to obtain a weighted average of the price of items in the food group f , q_f^{NIN} is the quantity per person of each food group recommended by ICMR-NIN FBDGs. We follow the assumption in GoI (2020), that the thali provides an individual two full meals so that the recommended daily quantities of select food groups are obtained from a single thali, allowing a direct comparison with the CoHD.

Daily vegetarian thali prices (that is, the cost equivalent of two meals) in the sample period ranged from ₹18.2 in Sagar, Madhya Pradesh (2018 week 13) to ₹72.0 in Port Blair, Andaman and Nicobar Islands (2021 week 52); while those of the non-vegetarian thali ranged from ₹17.6 in Tumkur, Karnataka (2018 week 37) to ₹107.4 in Malda, West Bengal (2022 week 39).

Since both the CoHD and the price of a thali are costs of composite meals, we can compare them directly without resorting to setting a base at 100, as was necessary for the CoHD-CPI-F comparison. The prices of the vegetarian and non-vegetarian thalis move reasonably closely, but Figure 7 shows that the two

are only modestly correlated with the coHD over the period considered. The linear correlation of the coHD with the vegetarian thali is 0.60 and with the non-vegetarian thali is 0.53. Much like the comparison of the coHD and the CPI-F , the coHD and the cost of a thali do not always move together, indicating that they are not good proxies for one another.

Applications, Extensions and Limitations

From cost to affordability: The coHD is a useful metric but assumes greater significance when compared to measures of income or wages. Indeed, the comparison to the wages of poor unskilled workers is perhaps the most informative about the nutrition vulnerability of a given population (Ragunathan et al 2021; Headey et al 2024). However, using wages is a poor proxy for monthly household incomes since the former overlooks labour force participation and unemployment. If wages are used, it might be better to present the changes in the two, coHD and wages, side by side. For example, Radhakrishnan and Loganathan (2023) note that the cost of a home-cooked vegetarian thali in Mumbai has increased by 65% in the last five years while the average wage earned by casual labourers and salaried workers in urban Maharashtra increased by only 37% and 28%, respectively. Saini and Khatri (2022) used wage rates of agricultural (general) and non-agricultural (including porters and loaders) workers and, assuming one person earned each day of the month, find that the cost of two thalis per person accounted for 48% of monthly household income in June 2017 for a family of five, rising to 60% by June 2022.

An alternative approach is to compare existing outlays on food consumption to uncover whether healthy diets can be accomplished within existing food budgets by merely reallocating away from “unhealthy” to healthier foods or whether a shift to healthy diets warrants additional outlays on food, relative to the existing expenditures. Our other ongoing analyses suggest that over the period considered, healthy diets cost more than the food expenditures for the bottom two quintiles of rural households covered in the 2011–12 NSS–CES, adjusted for inflation. For the top three rural quintiles, and all but the poorest urban quintiles, however, per adult equivalent food expenditures exceeded the cost of the healthy diet, suggesting that a reallocation of expenditures towards healthier foods could improve diet quality without requiring additional outlay.

Social protection programmes: Another potential use is to be able to cost social protection and food-based programmes. A key concern in many programmes is that wages in workfare programmes or allocations within programmes geared to address nutritional concerns are inadequate. Several existing nutrition-specific programmes such as the Integrated Child Development Services (ICDS) scheme already use nutritional norms for the supplementary nutrition component and cost these accordingly. Several states also run canteens that provide affordable meals for guests, for example, Amma Canteens

(Tamil Nadu), Indira Canteens (Karnataka), Indira rasoi (now Annapurna rasoi) (Rajasthan), or the Annapurna Canteens (Telangana). Estimates of coHD can be used as an input into costing schemes that have in-kind food distribution as one component. The coHD can also inform the setting of appropriate wages or cash transfers so that they are adequate to support healthy diets as well as non-food essential expenditures. In the context of India, with substantial diversity across regions and states in prices, incomes/wages and nutritional outcomes, local estimates of coHD can help tailor programmes to better address nutritional security. It is also possible to estimate the cost of provisioning a healthy diet from the market for those households that receive in-kind transfers from the public distribution system (PDS). The PDS provides for 25 kilogram (kg) of wheat at ₹2 per kg and 10 kg of rice at ₹3 per kg, for an average per kg cereal cost of ₹2.3. Assuming a household of four persons, the daily requirement of cereals according to the ICMR-NIN FBDGs is roughly 1 kg per day (250 grams per person), which would be completely covered by the PDS allocation. The contribution of the cereal food group to the coHD is approximately ₹6 (Figure 3). This would fall to approximately ₹0.5 (₹2.3 per day, for a total of four persons).

Limitations: While the coHD does not rely on expensive and time-consuming household surveys, it does require a rich price series for several food groups. In India, we have the advantage of price data on a relatively large number of commodities; where this is not the case, other more parsimonious approaches such as the cost of dietary diversity (CoDD) that estimates the cost of meeting minimum dietary diversity recommendations, might prove easier to implement (Masters et al 2018).

The coHD focuses on ingredients and does not incorporate additional costs of preparing the meal, including fuel and labour time for acquisition and preparation. The Thalinomics estimates of the cost of a thali included some of these components but had other limitations. Extending the coHD to include these costs is straightforward but does add an additional step to the calculation, while also requiring this data to be available at the same frequency and for the same geographies.

Like any other price-based index, the coHD uses representative prices as if they were unique and universal. Yet, there is rich literature that suggests that prices can vary widely based on the type of market, quantities purchased, quality of the commodity, or the time of purchase (Rao and Komala 1997; Anania and Nisticò 2014, for example). The underlying assumption is also that purchases are perfectly divisible so that an adult can purchase the recommended quantities and no more. There are naturally no adjustments for the quality of the produce, pesticide residues, and other toxins that can affect both price and nutritional values significantly.

Finally, the coHD we present is for the urban centres available in the public domain. These centres are widespread but not representative of the districts they are situated in, nor do they

capture rural prices. It is possible to set up high frequency price data collection in specific sentinel rural sites to be able to generate the CoHD for a wider set of locations weekly. It is worth noting also that some of the data used in this paper are no longer available publicly, making future work in this area difficult to implement.

In Conclusion

The goal of this paper was to make a case for going beyond the CPI-F and for routinely generating the CoHD to be able to better track the cost of a healthy diet. Our comparative analysis shows that the CoHD and CPI-F are correlated but measure different things and that the rate of change in the CoHD often outstrips that of the CPI-F. Further, CoHD and CPI-F often move in opposite directions. Collectively, these results suggest that the CPI-F is not a good proxy for the CoHD. The CoHD can be calculated with little additional effort or cost using data that were available in the public domain until recently and can be presented alongside CPI-F to enable meaningful comparisons. We briefly discuss other approaches, such as the price of a thali, but note that although both the CoHD and the price of a thali attempt to cost diets rather than just food (as with the CPI-F), the significant conceptual differences between the two warrant a prioritisation of the CoHD.

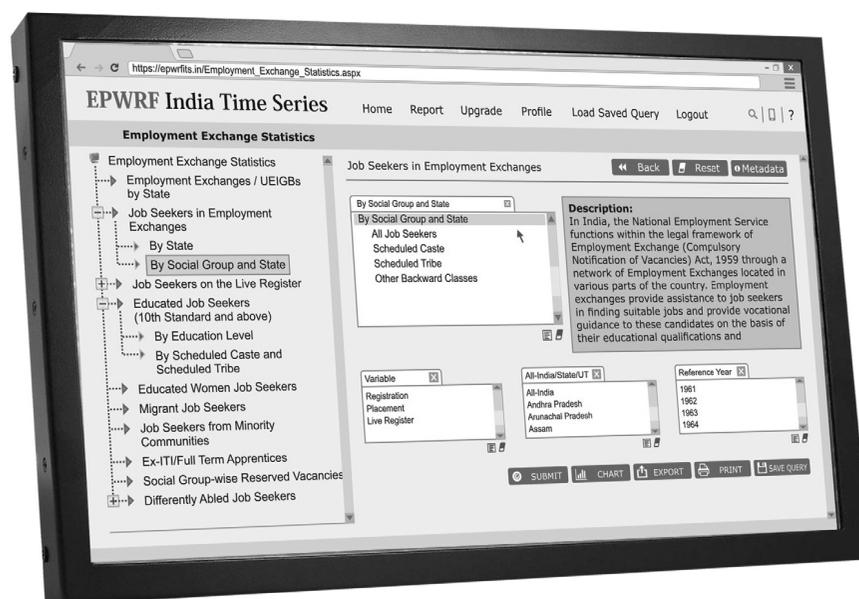
The CoHD can be used in a variety of ways. A comparison of household food expenditure and the composition of the food expenditure basket with the CoHD helps assess whether households need to spend more to be able to consume healthy diets or whether expenditures can be reallocated to commodities that can contribute to healthy diets. The CoHD is also a useful metric to incorporate in programme design and costing, including for social protection programmes.

Although our illustration uses publicly available Indian data, our findings and proposal can be translated to other countries as well as subnational regions within countries. Several multilateral agencies have begun to systematically report the cost and affordability of healthy diets across countries.⁹ Governments in developing countries, including Ethiopia, Nigeria, and Pakistan, have recently embarked on systematic efforts to publish CoHD routinely, offering useful examples of proactive surveillance of the cost of healthy diets.¹⁰ India already has the capacity to undertake a similar effort. Further, such an effort is not only possible but also necessary in a context where these data on prices are no longer available publicly. It is imperative that the government takes the lead in publishing periodic reports on the costs of healthy diets, thereby offering a credible basis for understanding its key drivers and considering solutions to make it more affordable. This would be a simple but a significant step towards attaining healthy diets.

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NOTES

- 1 For a detailed review of these measures, see Herforth et al (2022) among others.
- 2 The DCA commodities are rice, wheat (cereals); gram dal, arhar (tur), urad, moong, masoor (pulses); potato, onion, tomato (vegetables); milk (dairy); groundnut oil, mustard oil, vanaspati, soya oil, sunflower oil, palm oil (oils and fats); iodised salt, sugar, jaggery, and tea (miscellaneous); the NHB commodities are amla, apple, banana, ber (Indian jujube), grapes, guava, litchi, lime, orange, mango, papaya, pineapple, pomegranate, sapota (fruits); bitter gourd, brinjal, cabbage, cauliflower, okra, onion, peas, potato, tomato (vegetables); garlic, ginger, green chilly (miscellaneous) and the (DES-MoA commodities include atta (wheat flour), bajra, bread, jowar, maida, maize, ragi, rice, suji, wheat (cereals); arhar (tur), besan (gram flour), gram, masur, moong, urad, eggs, fish, chicken, meat (plant and animal-sourced proteins); butter, ghee, milk (dairy); apple, banana, coconut (fruits); brinjal, onion, potato, tomato (vegetables); coconut oil, gingelly oil, groundnut oil, mustard oil, vanaspati (oils and fats); biscuits, coffee, tea, black pepper, coriander, cumin seed, gur, red chillies, salt, sugar, turmeric (miscellaneous).
- 3 DES-MOA stops publicly reporting prices after March 2023.
- 4 Fruits too tend to have missing values, likely because many fruits are seasonal.
- 5 A common exception to this is calcium and vitamin B12. These generally come from non-dairy animal-sourced foods which are rarely represented in the least-cost baskets, given the lower relative costs of pulses.
- 6 Egg prices for a dozen are converted to grams, assuming one egg weighs 44 grams.
- 7 Thalinoemics does not account for the full costs of meal preparation, which would also include, for example, costs of acquisition and the cost of time to prepare the meal.
- 8 We also use NSS-CES quantity weights at the district level to compute average prices of constituent commodities within a food group; these results are available on request.
- 9 The FAO's State of Food Insecurity and Nutrition in the World (SOFI), for example, report provides estimates of the number of people, across geographies, who cannot afford a healthy diet.
- 10 See, for example, the Nigerian government's report on the Cost of Healthy Diets, <https://nigerianstat.gov.ng/elibrary/read/1241450> and Fatima et al (2024) for CoHD for Pakistan.

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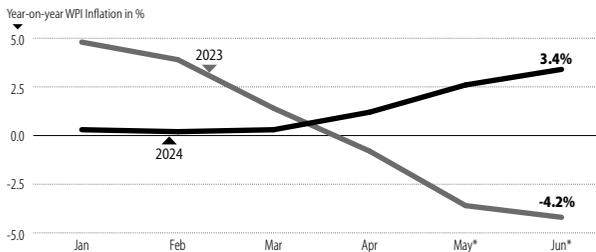
Wholesale Price Index

The year-on-year WPI-inflation rate increased to 3.4% in June 2024 from -4.2% registered a year ago and 2.6% a month ago. The index for primary articles grew by 8.8% against -3.0% reported a year ago and 7.2% a month ago. The rate of inflation for food articles rose to 10.9% from 1.3% a year ago and 9.8% a month ago. The index for fuel and power grew by 1.0% compared to -12.5% recorded a year ago and that for manufactured products stood at 1.4% against -2.8%.

Consumer Price Index

The CPI-inflation rate increased to 5.1% in June 2024 from 4.9% reported a year ago and 4.8% a month ago. The consumer food price index grew by 9.4% compared to 4.6% recorded a year ago and 8.7% a month ago. The CPI-rural inflation rate stood at 5.7% and the urban inflation rate at 4.4% compared to 4.8% and 5.0%, respectively, registered a year ago. According to Labour Bureau data, the CPI for agricultural labourers (CPI-AL) stood at 7.0% in June 2024 compared to 6.3% a year ago and that for industrial workers (CPI-IW) at 3.7% against 5.6%.

Movement of WPI Inflation January–June



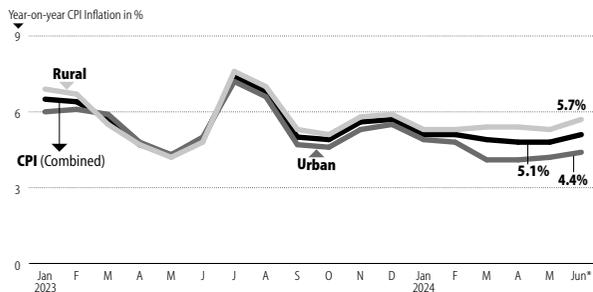
* Data is provisional; Base: 2011–12 = 100.

Trends in WPI and Its Components June 2024* (%)

	Weights	Over Month	Over Year	Financial Year (Averages)		
				2021–22	2022–23	2023–24
All commodities	100	0.4	3.4	13.0	9.4	-0.7
Primary articles	22.6	2.1	8.8	10.2	10.0	3.5
Food articles	15.3	3.0	10.9	4.1	7.3	6.6
Fuel and power	13.2	-1.9	1.0	32.5	28.1	-4.7
Manufactured products	64.2	0.1	1.4	11.1	5.6	-1.7

* Data is provisional; Base: 2011–12=100. Source: Ministry of Commerce and Industry.

Movement of CPI Inflation January 2023–June 2024



* June 2024 is provisional. Source: National Statistical Office (NSO); Base: 2012=100.

Inflation in CPI and Its Components June 2024* (%)

	Weights	Latest Month Index	Over Month	Over Year	Financial Year (Avgs)	
					2022–23	2023–24
CPI combined	100	190.2	1.3	5.1	6.7	5.4
Consumer food	39.1	198.7	3.2	9.4	6.6	7.5
Miscellaneous	28.3	182.2	0.3	3.4	6.3	4.5

CPI: Occupation-wise

	2016 = 100	Over Month	Over Year	2022–23	2023–24
Industrial workers (2016 = 100)	141.4	1.1	3.7	6.1	5.2
Agricultural labourers (1986–87 = 100)	1280.0	0.9	7.0	6.8	7.1

* Provisional. Source: NSO (rural and urban); Labour Bureau (IW and AL).

Foreign Trade

The trade deficit widened to \$21.0 bn in June 2024 against \$19.2 bn, reported a year ago. Exports went up by 2.5% to \$35.2 bn and imports by 5.0% to \$56.2 bn from \$34.3 bn and \$53.5 bn, respectively, registered a year ago. Oil imports stood higher at \$15.1 bn compared to \$12.6 bn a year ago and non-oil imports at \$41.1 bn against \$40.9 bn. During April–June 2024, the cumulative exports increased by 5.8% to \$110.0 bn and imports by 7.6% to \$172.2 bn compared to \$103.9 bn and \$160.1 bn, respectively, reported during the corresponding period last year.

Index of Eight Core Industries

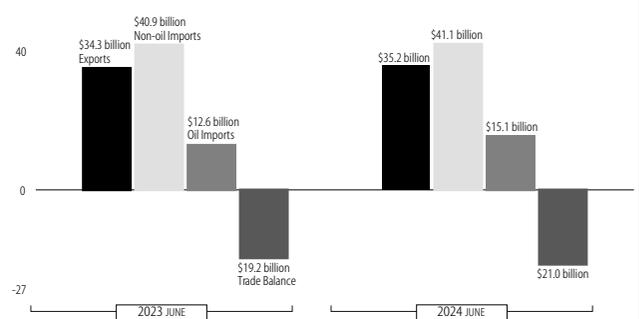
The y-o-y growth rate of ICI slowed down to 4.0% in June 2024 from 8.4% registered a year ago. Growth rate of the petroleum refinery products segment declined to -1.5% and of the crude oil segment further to -2.6% from 4.6% and -0.6%, respectively. Production of steel grew by 2.7%, cement by 1.9%, natural gas by 3.3% and fertilisers by 2.4% against 21.3%, 9.9%, 3.5%, and 3.4%, respectively, a year ago. Production of coal increased by 14.8% and electricity generation by 7.7% compared to their respective growth rates of 9.8% and 4.2%.

Merchandise Trade June 2024

	June 2024 (\$ bn)	Over Month (%)	Over Year (%)	April–June (2024–25 over 2023–24) (%)
Exports	35.2	-7.7	2.6	5.8
Imports	56.2	-9.3	5.0	7.6
Trade balance	-21.0	-11.8	9.3	10.9

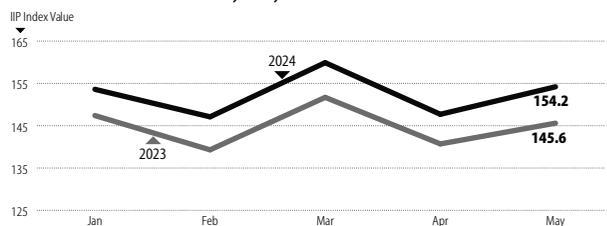
Data is provisional. Source: Ministry of Commerce and Industry.

Components of Trade June 2023 and June 2024



Oil refers to crude petroleum and petroleum products, while non-oil refers to all other commodities.

Movement of IIP January–May



* May 2024 are quick estimates; Base: 2011–12=100.

Index for Eight Core Industries June 2024* (%)

	Weights	Over Month	Over Year	Financial Year (Avgs) in %	
				2022–23	2023–24
Infrastructure industries	40.27@	-3.2	4.0	7.8	7.6
Coal	10.3	0.9	14.8	14.8	11.8
Crude oil	9.0	-4.5	-2.6	-1.7	0.6
Natural gas	6.9	-3.7	3.3	1.6	6.1
Petroleum refinery products	28.0	-5.4	-1.5	4.8	3.6
Fertilisers	2.6	-1.4	2.4	11.3	3.7
Steel	17.9	-4.1	2.7	9.3	12.5
Cement	5.4	4.2	1.9	8.7	8.9
Electricity	19.9	-3.6	7.7	8.9	7.1

(Base: 2011–12=100); *Data is provisional; @ The revised eight core industries have a combined weight of 40.27% in the IIP. Source: Ministry of Commerce and Industry.

Comprehensive current economic statistics with regular weekly updates are available at: <http://www.epwrf.in/currentstat.aspx>.

India's Quarterly Estimates of Final Expenditures on GDP

₹ Crore At 2011-12 Prices	2021-22				2022-23				2023-24			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Private final consumption expenditure	1828296 (18.0)	2109196 (13.6)	2429098 (11.0)	2365983 (6.1)	2166248 (18.5)	2282920 (8.2)	2473262 (1.8)	2401395 (1.5)	2286468 (5.5)	2342610 (2.6)	2572957 (4.0)	2497179 (4.0)
Government final consumption expenditure	379485 (-8.0)	325630 (5.0)	329449 (-0.6)	445830 (5.1)	416509 (9.8)	336707 (3.4)	352789 (7.1)	507720 (13.9)	451961 (-0.1)	383709 (14.0)	341402 (-3.2)	512261 (0.9)
Gross fixed capital formation	1144395 (71.0)	1227684 (14.1)	1220749 (4.8)	1421436 (5.6)	1303951 (13.9)	1285349 (4.7)	1282287 (5.0)	1474836 (3.8)	1414918 (8.5)	1435079 (11.6)	1406689 (9.7)	1570194 (6.5)
Change in stocks	37314 (1287.8)	40524 (875.4)	38513 (826.0)	43852 (821.6)	44647 (19.6)	44039 (8.7)	42943 (11.5)	51836 (18.2)	45182 (1.2)	48535 (10.2)	46183 (7.5)	54448 (5.0)
Valuables	22378 (490.3)	136471 (160.6)	74741 (46.8)	49510 (-50.9)	35436 (58.4)	109678 (-19.6)	46214 (-38.2)	37839 (-23.6)	27991 (-21.0)	108733 (-0.9)	75756 (63.9)	65376 (72.8)
Net trade (Export-Import)	25120	-37031	-82715	-56012	-23414	-80422	-28286	60844	-231335	-151830	-80230	64473
Exports	785791 (50.0)	848922 (28.5)	847632 (31.1)	910763 (25.5)	935660 (19.1)	948378 (11.7)	939984 (10.9)	1023721 (12.4)	873875 (-6.6)	996098 (5.0)	971873 (3.4)	1107101 (8.1)
Less imports	760671 (46.9)	885953 (28.5)	930346 (21.4)	966775 (8.2)	959074 (26.1)	1028800 (16.1)	968270 (4.1)	962877 (-0.4)	1105210 (15.2)	1147928 (11.6)	1052103 (8.7)	1042628 (8.3)
Discrepancies	-86257 (-207.1)	-130034 (-272.3)	-139727 (-443.8)	-142030 (-849.0)	-163422 (89.5)	-105414 (-18.9)	-134318 (-3.9)	-150742 (6.1)	132299 (-181.0)	18943 (-118.0)	17917 (-113.3)	-40147 (-73.4)
Gross domestic product (GDP)	3350730 (23.0)	3672438 (9.7)	3870108 (5.7)	4128570 (4.4)	3779954 (12.8)	3872858 (5.5)	4034890 (4.3)	4383726 (6.2)	4091484 (8.2)	4185779 (8.1)	4380675 (8.6)	4723784 (7.8)

India's Overall Balance of Payments (Net): Quarterly

Item	2022-23 (₹ mn)				2023-24 (₹ mn)				2022-23 (₹ bn)				2023-24 (₹ bn)											
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4								
Current account	-17964	-30902	-16832	-1356	-8968	-11276	-8725	5682	-1387	[-2.1]	-2466	[-3.8]	-1384	[-2.0]	-112	[-0.2]	-737	[-1.0]	-932	[-1.3]	-727	[-1.0]	472	[0.6]
Merchandise	-63054	-78313	-71337	-52587	-56703	-64527	-69941	-50894	-4867		-6249		-5864		-4326		-4661		-5334		-5824		-4226	
Invisibles	45090	47411	54505	51231	47734	53251	61217	56576	3480		3783		4481		4215		3924		4402		5098		4697	
Services	31069	34426	38713	39075	35121	39941	45018	42685	2398		2747		3182		3215		2887		3302		3749		3544	
of which: Software services	30692	32681	33541	34370	33928	35237	36267	36643	2369		2608		2757		2827		2789		2913		3020		3042	
Transfers	22874	24773	28467	24762	22838	24926	29302	28719	1766		1977		2340		2037		1877		2060		2440		2384	
of which: Private	23065	24991	28641	25080	23073	25170	29438	28950	1780		1994		2354		2063		1897		2081		2451		2404	
Income	-8853	-11788	-12675	-12606	-10225	-11615	-13103	-14828	-683		-941		-1042		-1037		-841		-960		-1091		-1231	
Capital account	22055	1461	28887	6540	33938	12829	14975	24534	1702	[2.6]	117	[0.2]	2375	[3.5]	538	[0.8]	2790	[4.0]	1060	[1.5]	1247	[1.6]	2037	[2.6]
of which: Foreign investment	-1238	12741	6641	4691	20458	4108	15961	13345	-96		1017		546		386		1682		340		1329		1108	
Overall balance	4595	-30379	11069	5579	24432	2519	5998	30754	355	[0.5]	-2424	[-3.7]	910	[1.3]	459	[0.6]	2008	[2.8]	208	[0.3]	499	[0.7]	2553	[3.3]

Figures in square brackets are percentage to GDP.

Foreign Exchange Reserves

Excluding gold but including revaluation effects	2024				2023				2022				2021				2020			
	26 July		28 July		31 March		Month		Year		Financial Year So Far		Financial Year		Financial Year		Financial Year			
	2024	2023	2023	2024	2023	2024	2023-24	2024-25	2019-20	2020-21	2021-22	2022-23	2023-24	2019-20	2020-21	2021-22	2022-23	2023-24		
₹ crore	5066125	4555136	4913067	139066	510989	214840	153058	25697	15997	668976	590416	302585	102680	668976	590416	302585	102680	572770		
\$ mn	605079	553781	589082	14184	51297	25697	15997	56831	94535	21435	-31532	60999								

Monetary Aggregates

₹ Crore	Outstanding 2024	Over Month	Over Year	Variation				
				Financial Year So Far				
				2023-24	2024-25	2021-22	2022-23	2023-24
Money supply (M ₂) as on 12 July	25700669	255776 (1.0)	2402988 (10.7)	799926 (3.6)	761043 (3.2)	1649151 (8.8)	1850031 (9.0)	2595867 (11.6)
Components								
Currency with public	3468429	-22026 (-0.6)	231758 (7.2)	-39764 (-1.2)	58387 (1.7)	283860 (10.3)	240747 (7.9)	133605 (4.1)
Demand deposits	2534238	-1161 (-0.0)	212730 (9.2)	910 (0.0)	-52650 (-2.0)	217871 (10.9)	107606 (4.9)	266291 (11.5)
Time deposits	19606031	276935 (1.4)	1941148 (11.5)	841923 (5.1)	757871 (4.2)	1136327 (8.1)	1482360 (9.8)	2179195 (13.1)
Other deposits with RBI	91971	2027 (2.3)	17352 (23.3)	-3143 (-4.0)	-2565 (-2.7)	11093 (23.4)	19317 (33.1)	16775 (21.6)
Sources								
Net bank credit to government	7703246	195426 (2.6)	340540 (5.3)	84705 (1.2)	99675 (1.7)	627255 (10.7)	687904 (10.6)	438038 (6.1)
Bank credit to commercial sector	17576480	101140 (0.6)	2092213 (14.9)	441121 (3.1)	373649 (2.5)	948054 (8.1)	1813117 (14.4)	2773195 (19.2)
Net foreign exchange assets	5721304	116615 (2.1)	642565 (12.7)	166973 (3.4)	177604 (3.2)	275216 (6.0)	57703 (1.2)	628615 (12.8)
Banking sector's net non-monetary liabilities	4861241	-315572 (-6.1)	774270 (18.9)	-106489 (-2.5)	-68668 (-1.4)	202475 (6.2)	710964 (20.4)	1247129 (29.7)
Reserve money as on 26 July	4667223	-27706 (-0.6)	311898 (7.2)	-31434 (-0.7)	35777 (0.8)	468905 (13.0)	317872 (7.8)	244687 (5.6)
Components								
Currency in circulation	3536940	-25855 (-0.7)	212377 (6.4)	-53958 (-1.6)	25479 (0.7)	279954 (9.8)	244804 (7.8)	132941 (3.9)
Bankers' deposits with RBI	1039059	2691 (0.3)	79420 (8.3)	29162 (3.1)	13610 (1.3)	177859 (25.4)	53751 (6.1)	94971 (10.2)
Other deposits with RBI	91225	-4541 (-4.7)	20101 (28.3)	-6638 (-8.5)	-3312 (-3.5)	11094 (23.4)	19317 (33.1)	16774 (21.6)
Sources								
Net RBI credit to government	1060910	34768 (3.4)	-136175	-254040	-132303	350911 (31.9)	529 (0.0)	-257914 (-17.8)
of which: Centre	1039713	20815 (2.0)	-143506	-267157	-146942	352626 (32.2)	1404 (1.1)	-263721 (-18.2)
RBI credit to banks and commercial sector	-143159	-122905 (606.8)	-14439	-34277	-97012	-174345 (47.2)	449259 (-82.6)	48296 (-51.1)
Net foreign exchange assets of RBI	5433786	147030 (2.8)	634082 (13.2)	212348 (4.6)	192962 (3.7)	243079 (5.8)	144877 (3.3)	653468 (14.2)
Govt's currency liabilities to the public	34065	207 (0.6)	2917 (9.4)	863 (2.8)	634 (1.9)	1101 (4.1)	2271 (8.1)	3146 (10.4)
Net non-monetary liabilities of RBI	1718379	86807 (5.3)	174487 (11.3)	-43672 (-2.8)	-71496 (-4.0)	-48160 (-3.5)	279065 (21.3)	202311 (12.7)

Scheduled Commercial Banks' Indicators (₹ Crore)

(As on 12 July)	Outstanding 2024	Over Month	Over Year	Variation				
				Financial Year So Far				
				2023-24	2024-25	2021-22	2022-23	2023-24
Aggregate deposits	21090509	280593 (1.3)	2213727 (11.7)	832868 (4.1)	701990 (3.4)	1351801 (8.9)	1578600 (9.6)	2431313 (13.5)
Demand	2390991	309 (0.0)	209565 (9.6)	996 (0.0)	-52862 (-2.2)	211554 (11.4)	107683 (5.2)	263423 (12.1)
Time	18786225	273987 (1.5)	1936875 (11.5)	985867 (5.5)	754852 (4.2)	1140246 (8.6)	1470918 (10.2)	2167890 (13.7)
Cash in hand	93825	9748 (11.6)	-9658 (-9.3)	13220 (16.4)	4392 (4.9)	-4823 (-5.3)	4337 (10.0)	-829 (-0.9)
Balance with RBI	952094	-31614 (-3.2)	85201 (9.8)	56985 (6.4)	20611 (2.2)	140745 (25.9)	126469 (18.5)	121576 (15.0)
Investments	6251179	107300 (1.7)	545893 (9.6)	290138 (4.9)	209969 (3.5)	266422 (6.0)	686200 (14.5)	691400 (12.8)
of which: Government securities	6315465	87680 (1.4)	498466 (8.6)	402678 (6.8)	209856 (3.4)	266547 (6.0)	686143 (14.5)	691287 (12.8)
Bank credit	16317876	113594 (0.7)	2185057 (15.5)	457583 (2.9)	380257 (2.4)	1044026 (9.6)	1783921 (15.0)	2756929 (20.2)
of which: Non-food credit	16782159	108285 (0.6)	2060133 (14.0)	1066696 (6.8)	373075 (2.3)	1050269 (9.7)	1819027 (15.4)	2753754 (20.2)

Capital Markets

	2 August 2024	Month Ago	Year Ago	Financial Year So Far		2023-24		End of Financial Year		
				Trough	Peak	Trough	Peak	2021-22	2022-23	2023-24
S&P BSE SENSEX (Base: 1978-79 = 100)	80981.95 (23.1)	79441.45	65782.78 (13.2)	72079.05	81867.55	59106.44	74119.39	57362 (18.4)	58992 (0.7)	73651 (27.8)
S&P BSE-100 (Base: 1983-84 = 100)	26152.06 (31.3)	25497.55	19916.72 (12.4)	23063.21	26457.21	17644.91	23408.17	17423 (20.1)	17602 (-0.7)	23294 (35.6)
S&P BSE-200 (1989-90 = 100)	11455.56 (35.5)	11155.43	8454.93 (11.8)	10049.61	11579.81	7406.09	10158.44	7412 (20.9)	7389 (-2.0)	10100 (40.0)
CNX Nifty-50 (Base: 3 November 1995 = 1000)	24717.70 (26.6)	24123.85	19526.55 (12.6)	21884.50	25010.90	17398.05	22493.55	17153 (19.7)	17360 (-0.6)	22327 (31.7)
CNX Nifty-500	23259.45 (38.0)	22677.80	16858.95 (13.3)	20323.85	23530.80	14601.95	20434.80	14652 (22.2)	14558 (-2.3)	20255 (42.5)

Figures in brackets are percentage variations over the specified or over the comparable period of the previous year. | (-) = not relevant | - = not available | NS = new series | PE = provisional estimates

Comprehensive current economic statistics with regular weekly updates are available at: <http://www.epwrf.in/currentstat.aspx>