

Populism in Indian Politics

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The Nature of Populist Politics

The word populism can be used in three distinct senses. As a movement; as a term to describe a community viz. a populist community; and as a term to describe the nature and style of politics viz. populist politics. This paper is primarily concerned with the last mentioned usage of the term.

K. Ishwaran in his recent book, *A Populist Community and Modernization in India*, uses the term to refer to a peasant community that elects to preserve its local identity, essentially the core-culture.¹ Such a society may change or modernize but it follows the "populistic pattern of modernization", that is, it accepts change only at the periphery; the core culture stays intact. Ishwaran mentions its other characteristics to be, plural, emphasising localism and having no ideology.

At a conference held at the London School of Economics and Political Science, 19-21, May 1967, "To Define Populism", the term was largely understood to stand for a movement which had the following characteristics:

It glorifies people and is often inconsistent with the realities of politics; it generally advances the claims of lower classes and is peasantist in character. As Isaiah Berlin noted, it believes in some kind of integral society having its roots in the past, either imaginary or real, bound by a sense of fraternity and by a certain kind of social equality (generally held more dear than liberty) and is opposed to what it calls the western competitive atomised society. It is generally apolitical and does not put much faith in political institutions though it may use them for its ends. The state is not its ideal.

Its aim is the human individual or society and it talks more in terms of moral regeneration than laws.²

Finally the term is used to refer to a kind of politics, a use we are concerned with in this paper. Elaborating the nature of populist politics, J. D. Sethi observes: "It is inherent in populist politics that all parties, whether of the Right or Left, apply techniques of street politics in which masses are brought in on one excuse or another in support of one demand or another".² Populist politics in this sense, tend to be extra-constitutional politics. Now, it is not anyone's argument that a society should and can function hundred per cent constitutional. But for any society that wants to function effectively it is necessary that it strike a balance between constitutional and extra-constitutional politics. For instance, no society can afford to have frequent resort to populist politics to change constitutional governments by agitational or extra-constitutional means. Populist politics in resorting to extra legal mass agitation techniques, may use the language of socialism, communism, freedom, fascism, regionalism or communalism. In this sense populist politics can be right wing or left wing or be based on narrow regional or communal chauvinism. Its one essential characteristic is its seeking to bypass institutions and make direct appeals to the people. In a populist model, social and economic conflicts are not analysed in terms of class conflicts but as a perpetual struggle between the people and vested interests, in which the people are portrayed as not only having the right to rule but also as being wise and virtuous.

The Origins of Populism in India

Populism in independent India became a strident force between 1967 and 1971, though its origins can be traced to earlier times. In the late fifties, and thereafter, for instance, Prime Minister Nehru gave and propagated the slogan of a "Socialist Pattern of Society", but during all that time the country actually pursued a capitalist path of growth. During

the period from 1956 when Panditji first gave the slogan in 1964 (when he died), the growth rate of Indian big business was one of the fastest. The populist streak in Prime Minister Nehru's stance resulted in rousing expectations of a new socialist era with the masses and compelled the successor prime-minister also to resort to populist slogans. Thus Mrs. Gandhi had the slogan of "Garibi Hatao". But just as Panditji could not but let big business grow (if development was to take place in India), similarly Mrs. Gandhi could not overnight adopt drastic distributive measures without first having achieved growth.

Even then so long as the Congress party could resolve its internal differences within the party organization it was not required to adopt populist politics on a large scale. But this became impossible in 1967 and thereafter when an inner party struggle for leadership began between the two groups that popularly came to be known as "Indicate" led by Mrs. Gandhi and "Syndicate" led by S. Nijalingappa, Sanjiva Reddy, Morarji Desai and others. At this stage, one of the factions tried to bring in the masses in support of its claim, thus giving rise to populist politics. Between 1969-1971 Mrs. Gandhi's group adopted populist policies which sought to mobilize Harijans and weaker sections; small farmers and the rural proletariat; urban lower middle classes and industrial working class and resorted to such measures as bank nationalization and abolition of privy purses in a renewed bid to win a mass base. By the 1970s, Sethi opines, the Indian political system changed from democracy to pervasive populism.⁴ This does not imply that Congress is or was the lone populist party. In the middle 1970s the opposition resorted, under the banner of J.P., to a purely populist movement to oust certain state and central governments. After the defeat of Mrs. Gandhi's government, during the short phase of coalition (Janata Party) rule at the centre, certain central ministers, like George Fernandes and Charan Singh did not hesitate to take issues to the people in order to settle intra-governmental disputes, nor hesitate to make use of such inherent conflicts as between management and labour, big and

small industry, city and rural hinterland to promote their factional interests.

Manifestations of Populism in Our Economic Policies

The bane of our economic development is that it is ridden with populist poison. Our planning objectives and strategies have been distorted by pressures of all kinds, some genuine, many pseudo-radical, exerted by parliament, political parties and various intellectual and economic interests. Thanks to these pressures the government came to accept and mouth various social welfare theories which won mass or popular acclaim but did not square with the economic realities of growth. When our politicians state that the goal of economic growth with social justice is within the reach of Indian planning they are not being fully honest.

Take, for instance, the various economic goals and objectives as listed in the previous Five Year plans. These included innumerable contradictory goals, but the planners gave the impression that all were possible to achieve simultaneously. Thus the plans sought (a) removal of poverty and achievement of a larger growth rate, (b) economic self-reliance, (c) prevention of concentration of economic power, (d) consolidation of the democratic political order, (e) reduction of disparities of income and wealth, (f) balanced regional development, (g) creation of massive employment, (h) realization of a socialist pattern of society. These objectives are not only conflicting but not even capable of simultaneous attainment since all of them compete for the same scarce resources. A non-populist approach to politics and development required that the government and the Commission enlighten the people about the technical feasibility of the different objectives. For instance, in the short-run it may not be possible to attain self-sufficiency and at the same time prevent the concentration of wealth. Similarly it is not economically easy to reconcile growth with the goal of reduction of income and wealth disparities. Economists tell us that economic realism

requires us to distinguish between inequalities which flow from development and may even be necessary and those which are not necessary and may arise from such property relations as help the rentier class. To disallow such inequalities as flow from development will amount to penalising innovating entrepreneurs. This is not to say that economic growth must take place unaccompanied by social justice; what is being stressed is that there can be no social justice without growth. What our failure to adopt economic realism and take refuge in populist politics has done, is that it has given us a low rate of growth which has made it difficult for us to have any meaningful programme of distributive justice. To give an example, take the textile policy of our government. The textile mills were forced to produce standard cloth; but the goods produced could not be lifted by the states because there was not enough money with the poor to buy it.

Several populist ideas especially in the realm of economics have become so deeply entrenched today that it may not be difficult to rid the body politic of them as for instance the idea that social justice demands the payment of a bonus even to those who work for a losing concern and even if the money, in the final reckoning, comes from the public exchequer; or, that it is immoral to link new wage scales with productivity; or the idea that if something is wrong with an industry, nationalization will cure all the evils, or that controls are necessary in the public interest and against business monopoly, whereas the reality is that they are welcomed by the bureaucracy because it helps them increase their power vis-a-vis politicians. Big business does not really mind these controls since it will enable businessmen to sort out problems with politicians and administrators through graft and bribery rather than on merits.

The brief Janata interlude was not very different from the earlier Congress regimes. Under the influence of its leading lights particularly, Charan Singh and George Fernandes, the party became anti-industry and populist. George Fernandes wanted nationalization of big industrial plants like Hindalco

and Tisco and constantly spoke of the growing concentration of economic power in the hands of the few. He also went along with Charan Singh in believing that nothing should be produced in the big sector or factories that could be produced in the “tiny”, “small scale” or “cottage industries” sectors.

It was made out as if the country’s ills could be solved if only government stopped pampering the urban middle classes and reversed the emphasis on a modern industrial society.

The reasons why we have called these stances of the Janata leaders as populist is because even at that time it was widely known to those who understood India’s economic realities that:

- (a) The so called big factories were really quite small by the standards of industrialized countries,
- (b) the Indian public sector had not established itself as an efficient instrument of industrial progress,
- (c) the mere act of nationalization, on whatever scale, could not by itself reduce economic disparities in any meaningful sense of the term and
- (d) the experience of even China indicated the near impossibility of promoting development through the “tiny” and small scale sector.

As to Mr. Charan Singh’s advocacy of Indian peasantry, the populist element in his stance is even more obvious. In the first place, though he projected himself as the leader of all peasants, he really represented the interests of only a handful of the rich peasantry. Thus his budget was designed to help only those rich farmers who used chemical fertilizers, motor driven pumpsets and mechanical tillers. Secondly, it was again populist to argue as Mr. Charan Singh did that the interests of the rural peasants demanded hurting those living in the urban sector or cities, for, he should have known that the plain truth is that as large a section of the urban population lives below the poverty line as that of the rural population. There is a third reason too why one is tempted to call Mr. Charan Singh a populist leader. He claimed his economics

to be Gandhian, whereas Gandhiji was never a champion of mechanised agriculture.

As economist P. C. Joshi, commenting on Janata's economic policies wrote, "Western ideologues having reached the point of satiety in material terms, may wax eloquent about small is beautiful; but in a country like India where hunger and want are the fate of the larger part of an increasing population, there can be no non-industrial path of development". In Joshi's view the policy of "primacy of agriculture" and the "complaint of discrimination" against villagers was raised by big farmers and the rich peasants lobby and the Janata government representing this elite's interest advocated reduction in agricultural input prices and price support." However, as Joshi continued, the "implications of such concessions to populism are serious at a time when a real possibility has emerged in many areas to make a sharp break with the colonial type of 'enclave' development and to explore new types of industrialization based on industry-agriculture interdependence."⁵

Congress populism in the fifties and sixties spoke of co-operative farming, with radical elements even advocating collective farming. The Janata Government actually represented and worked for the capitalist farm lobby but adopted the populist stance of advocating the cause of the downtrodden peasantry. Both parties spoke as if they detested capitalist agriculture, which, as Sethi notes, alone could have ushered in the green revolution given "the constraints of the ruling class, and the prevailing economic realities."⁶

Today, under the leadership of a young and dynamic prime-minister, it is to be hoped that the country will enter an era of real politics and abandon populist, or, what Sethi describes as "pseudo-politics". It is too early to pass judgement but it is worth reproducing here the view expressed by K. C. Khanna in the *Times of India*: "Whatever the rhetoric, in each one of its major moves on the economic front, the government is offering something to many divergent interests to broaden its popular support — just as Mrs. Indira Gandhi did when she

nationalised the private banks in 1969. The takeover meant bigger loans on better terms to entrepreneurs, more jobs for educated youth and a helping hand for taxi-drivers and poor farmers. Today, with bulging food and foreign exchange reserves, the government can afford to cut taxes, augment imports and indulge in deficit financing on an unprecedented scale to hand out largesse all round. The risk of triggering runaway inflation is there but the problem is not essentially unmanageable under the circumstances." "To recall all this" continues Khanna, "is only to emphasise that Mrs. Gandhi's vaunted 'swing to the left' in the late sixties and early seventies was as illusory as what observers on both sides of the ideological divide now like to describe as Mr. Rajiv Gandhi's 'lurch to the right'. There was no such lurch then and there is none now. Real problems needed to be tackled then and they need to be tackled now."

A Populist Stand on Centre-State Relations

Several politicians as well as intellectuals have clamoured for more power to the states and have not hesitated to take the issue to the streets. The Janata party had made decentralization a major issue in its campaign. J. P. Narayan who inspired opposition unity and helped found the party was himself a great champion of autonomous, self-governing villages (and districts). But once in power, the hard socio-political realities did not enable the Janata party, to go beyond paying lip sympathy to the principle of decentralization. As things stand today there are many reasons for pleading for a strong centre.

Take for instance the argument for a radical financial devolution in favour of the states. This argument loses much of its weight when it is realized that between 1951-52 and 1966-67, the proportion of states' shared taxes and grants-in-aid to their total resources had increased from 22% to 37%. If, to this, we add central loans, the ratio increases from 29% to 50%. In other words, the central assistance to the states increased nine times and this is no small measure of financial

transfer.⁸ Further, as has been pointed out by leading economists, as the national income continues to shift in favour of agriculture, it is the state's resources which should presumably acquire elasticity. The states unfortunately are unwilling to oblige because for obvious political reasons, they refuse to tax the peasantry.

Secondly, our experience of the last thirty years shows that the landlords and rich farmers fully exploited the fact that agriculture, land revenue and land reforms were state subjects to resist both structural reforms as well as resource mobilization. Now, this does raise grave doubts about the compatibility of decentralization with mass-oriented economic growth. As economist P. C. Joshi points out, a distinction must be made between an authoritarian and a strong state. Economic development and modernization of industry and agriculture, involve, among either things, a much higher level of organization and authority.⁹

The real problem is one of establishing economic and administrative norms, laying down functional responsibilities and of summoning the necessary political will to carry out the tasks of economic development. Taking into account our fragmented polity, divisive forces of region and language, and the greater tendency on the part of the states to play populist politics, one wonders whether we have yet attained that critical minimum amount of centralization necessary for our economic development and national unity. In an insightful essay, Girilal Jain observes that it is easier for the national intelligentsia to make the central government observe liberty and norms of public life (witness its ability to have compelled Mrs. Gandhi to restore N. T. Rama Rao to Chief Ministership of Andhra) than it is for the same intelligentsia to make state or local leaders (like Chief Minister Solanki of Gujarat or Rama Rao of Andhra) who derive their strength from caste or region to observe liberty or adhere to similar norms.¹⁰

The unfortunate fact is that our states continuously make demands for policies having a largely distributive bias as for example the Telugu Desam's populist programme of

providing free midday meal to the state's primary school children which recently had to be abandoned for want of funds and rampant malpractices.¹¹ Now if the centre gives in to these distributive economic ideologies it leaves little scope for productive investment. Of all the central grants given to the states only 20% are related to productive or matching mobilizational performance. The rest is based on no criteria of productivity at all.¹² If we have to break away from such an anti-growth centre-state relationship, the centre must stop pandering to the state's consumption oriented demands and must adhere to its pre-determined priorities.

Federal planning requires the central government to take such macro-decisions as determining the priorities for the economy as a whole, determining the short and long term development programmes, selecting the choice of technique for major projects, allocating investment funds between major sectors determining the consumption-investment pattern, etc. all decisions which can be taken only by an authority which is responsible to the country as a whole and not to any one or more states alone.¹³

Finally, a strong centre is a must to preserve the country's civic-democratic rule. A politically and economically weak centre would only encourage the military to become an autonomous centre of political power and may even encourage it to take over in a situation of national emergency. As Sethi insightfully observes, a strong centre alone can provide the countervailing force to growing military power.

Some More Populist Policies: e.g. the Issue of Reservations

It is an old theoretical proposition that leaders turn populist when in competition with their rivals they face the danger of losing power. The policy of periodically increasing the quota of reservations for backward classes (other than scheduled castes and tribes) does not cost the economy immediately nor does it involve hard labour as growth and increasing productivity do and hence has proved a handy device to the ruling party for

mobilizing the masses on its side. It is only now that we are paying the price for such ill-conceived policies.

Take the case of Bihar. Bihar has two socially identifiable cluster of castes viz. upper castes (Brahmins, Bhumihars, Rajputs and Kayasthas) and backward (all the castes so listed from time to time by the Government of Bihar). These two groups have had a long history of struggle and as early as 1925 the two had clashed over the issue of wearing of sacred thread by the backward castes. However, it was only in the sixties and seventies that the backward caste elites engaged themselves in a major struggle for the capture of political power from the upper castes. It is this conflict, irrespective of party affiliations, that has affected the decision in regard to reservations of jobs as a part of the populist strategy adopted by the backward class elites. As Hetukar Jha comments this populist measure enabled "the backward class elite to muster the support of the backward class masses without doing anything substantial for removing the differences within their own caste group".¹⁴

Or, take the more recent case of Gujarat. The present turmoil in Gujarat can be traced to Mr. Solanki's folly of playing populist politics when actually he had no real need to. Mr. Solanki did not need to announce the sudden and dramatic increase of 18% in reservations for the so-called weaker sections of society to win the elections to the state legislature in early 1985. A little earlier the Congress had swept the polls to the Lok Sabha and the opposition was more demoralised than ever before in the history of independent India. At the time of the assembly polls Gujarat had the statutory reservations of 14% for tribals and 7% for Harijans plus 10% reservation for the new backward communities that the Baxi Committee recommended for 10 years (1979 to 1988). When in 1980 Mr. Solanki took office, the Kshatriya groups that had been left out by the Baxi committee sought inclusion among the backward classes. To make this possible the Rane Commission was appointed. In October 1983 it listed sixty-three occupations (including shepherds, cattle breeders, small and marginal farmers) as backward and recommended 18% reservations for

them. The Solanki government eager to satisfy Kshatriya aspirations the easy way and with an eye on the March Assembly poll announced the enhanced 18% backward class reservation, ignoring the Rane Committee Report's caveat that only those with less than Rs. 10,000/- annual income should be eligible for reservations.

The result was the agitation spearheaded by the Akhil Gujarat Vali Mahamandal and the Akhil Gujarat Navrachna Samiti. These bodies want the additional reservations to be unconditionally withdrawn, even the earlier 10% and reservation not to go beyond 1988 as suggested by the Baxi Committee. Thus, all that the government achieved by its easy recourse to populism is to have torn Gujarat as under by a caste war. It has led to the institutionalization of violence and further erosion of the institutions of civil society.¹⁵

One can see populist politics at work in several other areas too. Take for instance the government's oft announced policy to fight the menace of black money. If these policy statements are not to be taken as merely part of the populist functioning of government, the government must provide an effective deterrent to tax evasion. At present the punishment is only nominal and monetary and here too the amount of fine is invariably less than what the evasion itself produces. It is not as if government is unaware of the amount of black money that is allowed to be generated under its schemes of import substitution, export promotion, foreign collaborations and from what the recent report of the National Institute of Public Finance and Policy on black money calls, "leakages (cuts by officials) from public expenditure, from purchases, sales or orders placed by the government particularly overseas" and from "private taxation" (illicit levies by politicians and officials to line their personal pockets).¹⁶ What is lacking is political will to weed out such corruption. In fact so widespread and accepted is corruption among the elites that even those who indulge in it, have come to join the conspiracy of noises against it. In short, today, the elites' condemnation of corruption itself is a populist stance.

Finally, as Sethi notes, populism is manifest even in some of the foreign policy stances we take. For instance it is populist for our government to assert that our national goal is the welfare of humanity. Such an assertion may not be an outright lie, but as Sethi comments, "it turns into a nightmare for a country with little power to back such goals. The weaker a nation at any time, the narrower and more specific must be its goals to protect itself from being dragged into world-wide conflicts because global goals are a function of power and the amount of sacrifice a nation is prepared to put in. If a nation without enough power builds into her national consensus universal goals, it invites the charge of hypocrisy and possible humiliation when asked to defend these goals."¹⁷

The Consequences of Populist Functioning of Government

Why did the Congress and other parties so frequently resort to populist policies? Obviously it served some purpose. Populism enabled the ruling party to obtain the people's support. Through populism Congress could achieve some sort of domination by accommodation. Its radical stance was meant mainly to accommodate the radicals within the party and without. In the sixties it made for Congress-CPI alliance and helped Mrs. Gandhi thwart the crystallization of a left alternative.

Populism Destroys Institutions

But whatever its short-term-benefits in the long run populist politics can only spell disaster.

In the long run populism destroys institutions. Since populist leaders (elites) tend to appeal directly to the people bypassing institutions, the latter tend to become moribund or irrelevant. One of the criticisms political scientists generally level against Pandit Nehru is that although he set up all possible democratic institutions, he failed to institutionalize

politics because he allowed his charisma and his sycophants to undermine them, with the result that the various democratic institutions today have only symbolic importance. From the point of view of democracy and its institutionalization, what is particularly worth noting is that populism weakens those crucial institutions which check and moderate the power of the state. The way in which the Judiciary was tampered with (judges suspended) during the pre-emergency and emergency days in the name of removing the opposition of vested interests and with a view to having a "committed" (committed to right ideology) judiciary is still fresh in our minds.

Populist functioning of government tends to undermine parliament too. Parliament may block decisions, highlight crucial national issues, subject ministers to questions but nothing of this affects the real centres of power which are the loosely knit lobbies (representing castes and various social and economic interests) that cut across all party divisions. The ineffectiveness of parliament can be gauged from the fact that we have failed to evolve a committee system which in other parliamentary systems is the centre of serious deliberation.

Another institution that has become the victim of the populist style of functioning of the ruling party is the Congress Parliamentary Party. Normally the prime-minister should depend on the parliamentary party for staying in power. Unfortunately, Mrs. Gandhi, after her first election in the mid-sixties refused to utilize the Congress Parliamentary Party (CPP) to draw her strength from it. She could have, had she chosen to do so, taken all crucial policy decisions to that forum for being tested and endeavoured to build up a position of trust and confidence between herself and its members. Instead she ignored it, refused to attend its meetings and opted to go over the heads of the CPP by directly appealing to the people. The result was that factionalism in the CPP increased and the opportunity to build up a fine parliamentary institution was sacrificed in favour of developing a personality cult. The real danger lies in the fact that one cannot go to the people on every issue and that once the collective decision

making machinery is destroyed, we are landed with the dominance of one person.

Now as sociologists point out, all institutions are either elite oriented or institutional. The founding fathers of our constitution favoured an institutional system and accordingly institutions at all levels were established. Today thanks to populist politics a few persons have come to dominate institutions and the institutions themselves have been rendered normless.

Since populism does not adopt an institutional approach but instead encourages appeasement, it fails to resolve conflicts as much as it fails to produce an enduring consensus. Conflict resolution and an enduring consensus both require an institutional approach to politics.

Populism Disastrous to Economic Development

The consequences of populist functioning of government have proved equally disastrous for economic development. We have had planning ever since independence but have all along planned on the basis of certain populist myths and populist pressures. One of the myths on which our planning is based is as if there is no inflation although year after year targets in the public and private sector go awry precisely due to unrelenting inflation. The second myth is to plan as if there are no serious crisis situations whereas all along we have been going through one crisis or another. It may be either the failure of monsoon or war (we have had four already) or a pervasive breakdown of law and order as in Punjab, Assam or Gujarat. A third myth is to plan on the assumption that the whole economy is planned, whereas the truth is that our economy has three parts—the planned, unplanned and black-market economy. And when the government knowing this states that its measures and controls will cure economic ills although it is all too clear that these will affect only the small and insignificant planned part, is it not indulging in dangerous populist rhetoric? Non-populist

planning would imply that the government plan would be taking into account (1) the actual inflation in the country (2) the endemic crisis situation in the country and (3) the pervasive black-market economy. But then such non-populist plans would be difficult to sell to the people and would damage government's electoral prospects by exposing the myths of planned development and progress.

Not only have our planners based planning on dangerous myths they have also planned under populist pressures. As a result, our economic system has all the time been subject to short-term economic demands and we have failed to evolve a long-term economic development strategy and have instead come to work on an *ad hoc* basis—best illustrated by the case of power generation planning in our country. Another consequence of this (populist functioning of government) is that Ministers work at cross-purposes and their decisions have far too frequently to be reversed because of opposing pressures.

J. D. Sethi draws our attention to another aspect of the populist style of functioning of our government *viz.*, the phoney debate of economic growth versus social justice.¹⁸ In the West social justice came only after discipline and austerity had brought about increased production. Ironically in our country a debate went on especially during the sixties and seventies over economic growth versus social justice that resulted in decrying growth itself. To illustrate, take the case of the government's policy to compel textile mills to produce a certain fraction of their total production as "controlled cloth" to be sold at controlled prices in fair price shops; or the policy of dual pricing in cement. Neither of these policies has really helped the needy to get substantial cloth nor build cheap houses. There were no takers of controlled cloth for the really poor had no money to buy it and the well-to-do would not touch it. What is worse, both these policies not only did not help the needy, they also hampered increased production and increased production is the only long-term way to bring down prices and help the poor.

The populist stance of the Congress and ruling elites during the sixties and seventies was such, says Prem Shanker Jha, that to be rich was looked upon as a crime and entrepreneurs were dubbed as “robber barons”. The result was a deep and pervasive distrust of the private capitalist among the mass of gullible citizens. Jha contrasts this with the attitude of the Government in Korea which recovered after the ravages of war thanks to the economic miracle performed by extolling the virtues of the Japanese “Zaibatsu” and forging a working relationship with private companies during the same period when the Government of India was busy riding a populist tide running down private enterprise.¹⁹

The net result of populist functioning has been that it has brought about a poor to zero growth rate while at the same time it has roused social justice and re-distributive expectations. The result is that hitherto passive groups now demand more of the national cake which does not grow. At the same time it has encouraged the elite groups to change from a work ethic to a consumption ethic. But a nation cannot be built on hypocritical socialism; whether it be socialism (as in UK) or capitalism (as in Japan), both, owed their success to a work discipline and austerity. Populist politics undermine both these mental attitudes without which development is not possible.

Populism Destroys Values and Breeds Violence

One of the most baneful effects of populist politics is that it produces hypocrisy and distorts all ideologies. It produces elites which profess an ideology or values in which they do not believe or which they cannot put into practice. A populist government may proclaim and speak in terms of moral values but itself does not adhere to them. A populist government proclaims its adherence to democracy and may talk the language of egalitarianism but in practice follows the line of least resistance and of non-discrimination even against incompetence. The party and government based on

populism function as an aggregate of interest groups and yet are forced to express contempt for such groups in order to keep up a facade of ideological purity. The net result is that noisy professions are made about the fundamental transformation of society while in actuality the *status quo* is maintained.

Populism characterises not only government functioning, but also all our parties. "How else", asks Sethi, "can the Swatantra party which practises sophisticated modern conservatism, manage to sell it to its vast majority of tribals and most backward supporters?"

Because of pervasive populism, Sethi dubs Indian politics as "pseudo-politics". In pseudo-politics, everyone asks functional questions, never the crucial structural questions. For example, everyone asks to bring down prices (a functional question); no one asks for fundamental changes in the structure of production, income distribution and government expenditure (a structural question) without which prices cannot be actually brought down.

An equally disastrous consequence of populism is the institutionalization of violence. Populist leaders make all kinds of promises to all kinds of groups (reservations, textile-policy, education) with no serious thought given to either the ability to fulfill them or their consequences; such leaders thus achieve their goal of staying in power at the cost of social fragmentation and encouraging divisive tendencies. They often find it necessary to play upon the fears of the minorities or the majority. Often, to satisfy groups and get votes, they compel government to go on a spending spree, frequently making it spend from the exchequer on projects which either had no priority or never even were thought of.

But this whole populist exercise is self-defeating because it only results in a growing gap between electoral promises and actual economic-political realities. This gap can only be filled by populist violence. Since the disgruntled cannot oppose the ruling party constitutionally they challenge it in the street.

Take for instance the government's populist textile policy referred to earlier which produced closure of mills and rendered workers unemployed. With no ability to face a growing inflationary situation, the unemployed workers, like the uneducated unemployed, turn to violence, demonstrations, bandhs, loot and arson and fall prey to professional agitators, or, to what social scientists have come to call "the engineers of violence".

The Way Out

The only way out of the present crisis of growing violence, growing normlessness and the steady destruction of democratic institutions, is to abandon populist policies. This requires political will on the part of the various political leaders, the development of ethics (business ethics as well as political ethics) and the development of a genuine democratic structure by strengthening and depoliticizing various democratic institutions (like the judiciary, the press etc.). Our political parties must abandon the populist practice of trying to incorporate and accommodate every conceivable demand and interest and must instead try to build themselves into united and coherent groups. In addition, the ruling party must institutionalize the relationship between its parliamentary and organizational wings by establishing norms of conduct, recruitment, and performance for the two wings. Finally, the government must resist giving in to short-term populist demands and abandon the policy of ad-hocism and instead sit down to the task of evolving a long-term growth strategy and taking some hard and serious decisions in consultation with relevant interests and through proper institutions.

A non-populist approach to development will imply as Prem Shankar Jha, points out, reshaping our economic policies.²² "The Indian intelligentsia" writes Jha, "approached industrialization with the intellectual baggage it had inherited from the British", an integral element of which was "the belief in social democracy which embodied, in turn, confrontationist

craft-based trade unionism and a deep-seated distrust of the private capitalist". Jha attributes the rapid economic development of Korea to the fact that it had no such pre-conceived economic model. Hence Koreans did not look on entrepreneurs as "robber barons" and their government openly collaborated and encouraged them in the task of economic production and growth. To once again quote Jha, today, "the state is set for the most important change that India needs to make. This is for the government to stop treating the so-called private sector as a pariah and to use it as a tool to achieving its economic objectives... rather than cut back annual outlays and drag out the gestation period of its projects, as the government has been doing in plan after plan; it will do well to formulate its project and let the major companies in the so-called private sector bid for them."²³

The change in attitude towards the private sector must be accompanied by an equally realist approach to the public sector to see that it actually performs. On both fronts we notice under the regime of PM Rajiv Gandhi that the government has already begun taking sound economic decisions. Thus along with a distinct improvement in the government's attitude towards the private sector *viz.* a belated realization that it has a major role to play if the country seeks rapid economic development, there is also the realization that the public sector too must deliver the goods. Some healthy developments in the public sector are the likelihood of the formation of a Public Enterprises Board to remove snags in the performance of public sector undertakings; Rajiv Gandhi's offer of freedom to the heads to take decisions and function without any hindrances; and the permission granted to public sector units to borrow from the market by floating loans.

A populist regime bandies radical slogans and policies. It is their economic administration that is rare and costly, if not often, impossible. It is the unnecessary and disproportionately large diversion of economic surplus towards meeting politically

oriented demands that has reduced our growth rate. Hence less of sloganeering and more professional use of resources are the crying need of the day. Populist sloganeering may cover up unproductive government expenditure, but for how long? From time to time, the government has announced a cut in central and state budgetary expenditures; but not once has government seriously retrenched superfluous staff or strictly regulated new recruits. The tragedy of populist functioning is that those items which have no powerful political or vested interest support (such as health, education etc.) get cut and not the unproductive expenditure. Even today ministers and civil servants spend money on tours far in excess of the amount justified by the constituency's or country's demands.

Knowing that a strong centre is essential for economic growth, social transformation as well as for national integration and unity, the government as well as political parties must desist from indulging in populist rhetoric which strengthens the divisive forces of region, community and caste. The government must redress the balance between the centre and states in favour of the former (for example, transfer agriculture and higher education to centre). Decisions about projects must similarly be based on technical rather than regional considerations. And finally, the Government must steadfastly refuse to appease or bribe or buy various protest movements. We can pamper our unlimited social and political pluralism only at the expense of national unity and progress. Democracy in a diverse and divided society always encourages political parties to adopt populist stances. Hence a long-term remedy would be the inculcation of nationalism. There is, of course, no guarantee that nationalism will lead to democracy; but this much is certain that democracy without nationalism cannot survive. In the long-run it is nationalism alone that will make for sober thinking on the demand for decentralization or "rampant federalism" of the Anandpur Sahib variety.

NOTES

- ¹ K. Ishwaran, *A Populist Community and Modernization In India*, Vikas Publishing House, New Delhi, 1978, p. 3.
- ² *Vide*, the precis report of the conference in *Government and Opposition*, London, Vol.3, 1966, pp. 173-179. The Conference opined that "the main populist strain of thought in India at the moment was that associated with Jayaprakash Narayan and his writings" (pp. 152-53).
- ³ J. D. Sethi, *India in Crisis*, Vikas Publishing House, New Delhi, 1975 p. 148.
- ⁴ J. D. Sethi interprets the 1969 split as no radical transformation of the Congress but as a classic example of inter-elite power struggle. This he asserts, is clear from the fact that subsequent to the split no radical economic transformation was worked out; all that happened was that the victorious elite succeeded in mobilizing the poor in its favour by selling them the "garibi hatao" slogan and other radical programmes (like bank nationalization and abolition of privy purses) which did not touch the core of the economic system. *Ibid.*, Ch. viii.
- ⁵ P. C. Joshi, "Janata's Economic Policy", *Times of India*, Bombay, 3rd January, 1979.
- ⁶ J. D. Sethi, *op.cit.*, p.15
- ⁷ K. C. Khanna, "Mesmerised by Supermarket", *Times of India*, Bombay, 25th June, 1985.
- ⁸ *Vide*, J. D. Sethi, *India's Static Power Structure*, Vikas, New Delhi, 1969, Ch.8. p.98.
- ⁹ *Vide*, *Times of India*, Bombay, 3rd January, 1979.
- ¹⁰ *Vide*, Girilal Jain, "The Solanki Phenomenon: A poser for Decentralizers", *Times of India*, Bombay, 10th July, 1985.
- ¹¹ While announcing that the scheme was scrapped, in May, 1985, the reason given was that the sarpanchas had shown no interest in it. But as Amarnath Menon writes ("Andhra Pradesh: The Food Fiasco", *India today*, 15th June, 1985,

p. 52), "This was only an excuse to save upto Rs. 33 crores a year".

An official of the state education department confessed, "if there was a watchdog panel, the children would have got the meal. All that we can boast after spending Rs. 85 crores is creating huge assets in kitchen vessels." While State Labour and Employment Minister, P. Indra Reddy observed "The only ones who put on fat by the midday meal programme were the sarpanchas and this is why some legislators urged the chief minister to wind up the scheme". *India Today*, 15th June, 1985. p.52.

¹² *Vide*, J. D. Sethi, *India's Static Power Structure*, p. 109

¹³ A good example is the current controversy between Andhra Pradesh and Karnataka on the sharing of the Krishna waters. Karnataka has strongly protested against the unilateral revision of the Telugu Ganga project. The Karnataka Public Works Minister D. Deve Gowda declared in the Legislative Council that "No state had a right to violate the Krishna water tribunal award. It is the duty of the Centre to intervene when such attempts are made". *Times of India*, Bombay, 23rd July, 1985 p.9.

¹⁴ *Vide*, Hetukar Jha, "Caste Conflicts in Bihar: Competitive Elites", *Times of India*, Bombay, 5 May, 1978 p.8.

¹⁵ For detailed account of the Gujarat agitation see A. S. Abraham, Caste War in Gujarat, *Times of India*, Bombay, 6 July, 1985 and Rajni Kothari "Gandhi & Gujarat", *Illustrated Weekly of India* Bombay, 16 June, 1985, pp. 14-17.

¹⁶ For some interesting comments on the Committee's findings see K. C. Khanna, "Ravages of Black Money", *Times of India*, Bombay, 9 July, 1985.

¹⁷ J. D. Sethi, *India's Static Power Structure*, p. 149.

¹⁸ J. D. Sethi, *India in Crisis*, pp. 9-10.

¹⁹ *Vide*, Prem Shankar Jha, Reshaping Economic Policies, *Times of India*, Bombay, 10th June, 1985.

²⁰ J. D. Sethi, *India's Static Power Structure*, p. 126.

²¹ *Ibid*, p. 131.

²² Jha uses the term "so called" private sector since government or its financial institutions own 45% of the paid-up equity capital of the 447 major companies in the private sector.

Jha shows how this (letting private sector bid for government projects) will not only enable us to overcome the problem of lack of funds but also give us more return since "one rupee investment in the private sector has yielded the same output as two rupees of investment in the public sector". On the whole Jha feels that thanks to the disastrous consequences, "the populist tide of the sixties and seventies has ebbed". *Vide*, "Reshaping Economic Policies" *Times of India*, Bombay, 10th June, 1985 p. 8.