

Symbiosis of neoliberalism and state ideology in India in the post-liberalization era

(A study in the concept of Hegemony)

Swayamsiddha Sarangi

1. Introduction

Hegemony in Lenin's work on Imperialism (Lenin, 1917), was a concept used to explain how the proletariat could achieve their interests within a bourgeois-democratic phase of development (especially pertaining to the Soviet Union) and the presence of a labor aristocracy within the working-class movement. The concept has been developed further with the works of scholars such as Antonio Gramsci (Gramsci, 1971), who explained the cultural hegemony in Italy which actually derived from his own historical experiences. The fractions within the proletariat kept the working class from organizing a true socialist revolution and was hence was a more "passive" revolution (during the times of Benito Mussolini) that for a large part of Italian history contributed to the uneven development in the country. Gramsci, views the civil society, the state and intellectuals (organic and traditional) being important factors that determines how both consent and coercion are used to enable hegemony. The Gramscian view is of a more domestic hegemony and deserves to be called a a distinct method within Marxism. Moreover, it also serves as a rejoinder to the critics of the materialist conception and economic determinism that conventional Marxists are often accused of. Similarly, Cox (1983) belonging to the Neo-Gramscian philosophy and Arigghi (2005) present a view of hegemony as an international order or a mechanism that attains stability by reflecting the relationship of countries with respect to economic, social and political configurations. Within this view, the colonization by the British empire, the current imperialism of USA and the challenges posed by the Chinese development are explicated.

In this paper it is argued that capitalism as a world order survives not only because of the ability of the imperialist power in keeping a global hegemony, but also because of the role of state as an active

protector of the domestic bourgeois-hegemony in their respective countries. In order to theorize this, the post-liberalization (post 1991) phase of India is analyzed to show how neoliberal policies have continued to deepen the class chasm, despite changes in the ruling party (which differ in ideologies). Conflict between the state and the civil society based on inequality in incomes and religious disputes can result in changes in voting patterns across different states in India. However, such changes can be best described as passive revolutions since, a part of the working class receives some social and economic concessions for a temporary period, to allow the bourgeois hegemony to survive under any state Ideology. This opportunist working class is what is termed as the middle class and is compared with the ideation of a petty bourgeoisie. Thus, even if the condition of working class can improve in some phases, the distribution of the benefits is skewed to some aristocratic sections based on class, caste and religion. The inability of the far Left in accommodating interests of the minority caste and religion are what make it difficult for a consolidation of power of the left against neoliberal hegemony. During the paper, the role of the state in adhering to policies that expand on the neoliberal agenda (specifically a disregard towards inequality, attempts towards globalization and promoting a service-led growth while ignoring a large agrarian population) is shown. In view of the last six years of the BJP-led NDA government in power (2014-2020), which focuses on a narrow version of nationalism and proliferates divisive politics on caste and religion, it is argued that rather than a hindrance capitalism actually prospers with a narrative like “Hindutva nationalism”, where the idea of the “nation state” is used to promote unequal policies as a consequence of a “greater good” for the nation. Thus, the current dynamics in Indian polity imply fresh challenges to both the civil society and the far Left in order to organize against not just neoliberal policies but human rights violation and social unrest which are not disconnected from each other. This analysis is especially important at this time because India continues to have a young growing population in its current phase and it is not just their incomes but also their sensitization to the differences in cultures in India which will determine long run inclusive development.

2.A brief history of politics and economics in India since 1991:

About 30 years ago, in 1991, India was forced to enact a set of liberalization policies as part of an IMF bailout package. Although the restructuring loans of IMF were a major push towards liberalization, the changing nature of Indian civil society, the fall of the Soviet Union and the pressures of global integration (especially with the US) had led to liberalization attempts post 1985. Facing a balance-of-payments crisis in 1991, the Indian National Congress(hereafter referred to as the INC) leader, PV Narsimha Rao along with the then finance minister Manmohan Singh had to implement reforms that reduced import tariffs(average peak tariff rate reduced from 355% to 150% on 1991¹), deregulated domestic markets, reduced taxes and incentivized foreign investment in India². In addition to this, nationalization of industries which was a prime component of the “license – raj” (a broad term used to define the INC economy and associated infamous red-tapism during (1947-1985)) was ended. This was a welcome change for at least the top decile of the civil society in India which comprised of industrial capitalists since it opened up avenues for the hegemony of capital. Post-1991, INC- hailed as the prime centre-left political party in India, which had enjoyed a dominant position in the local assembly elections , faced major backlash from the civil society in the 1996 elections on at least two accounts : 1) corruption and criminal allegations 2) inability to keep peace in Kashmir and Punjab. Despite floating the narrative of a welfare state with a secular ideology, INC had failed in its attempts to appease sections of society that had faced significant inequality in incomes and opportunity (this is not surprising since it

¹ Tariffs have been on a decline since then, since 1007-08 the peak rate of tariffs (on average) has been 10%. This is a 93.33% decrease (Goldar et al. 2003)

² Inflows as % of GDP increased from 0.1% in 1992 to 1.7% in 2011. As % of gross fixed capital formation this is 6.4% in 2011 (the same for China is 3.7%). The peak period was in 2007-08 after which it declined (Balakrishnan, 2014) and (Shin, 2014).

was a coalition of propertied class that elected the INC to power and was also a cause of red tapism).

This was an example of a counter movement from the civil society on the lines of income inequality, red tapism and national security. However, what followed 1996 are examples of how fragmented the nature of Indian politics is and how the counter-movement turned out to be of a passive nature. Hung parliaments and unstable coalitions led to re-elections in 1998 and 1999, with the Bharatiya Janata party-led National Democratic Alliance (here after referred to as BJP-led NDA) coming to power in 1999. While some regional parties (AIADMK, BSP) grew in strength, the INC recorded its worst performance followed by the Communist Party of India (CPI) and Communist Party of India Marxist (CPI-M)³. The BJP-led NDA (the prime right wing political party in India) campaigned on the promise of a corruption-free, state intervention-free economy with a nationalistic agenda (based on its roots – the Rashtriya Swayamsevak Sangh (RSS)). In the post-Kargil war phase with Pakistan, this was a win-win strategy. “Nationalism” served as a common-sense to support the party for the civil society, while the extension on neoliberal policies of privatization and globalization (which the party promised) served the interests of the bourgeoisie (also the petty bourgeoisie as is described in section). Thus, despite a major change in the ruling party, the capitalist hegemony continued as a stable system. Come 2004, there was a near-miraculous victory of the United Progressive Alliance led by Congress (hereafter called INC led UPA). It was miraculous, because the basic mandates on which BJP had won the 1999 elections were to a large extent fulfilled through (service sector growth). But if one examines the events that unfolded in the BJP-NDA regime, it is clearer that the BJP was out of favor with a large number of its allies because of the communalist and Hindu fundamentalist undertones visible through their inaction during Godhra Riots (Hill, 2020), the “India Shining” campaign and also fell out of favor with the civil society again because of rising inequality and jobless growth. Thus, despite the fact that Narendra Modi won a second term in Gujarat post the Godhra riots, BJP lost a number of allies and leading Muslim votes in major

³ 28.30% vote share with 114 seats belonged to INC. 5.4% vote share with 33 seats belonged to CPM.

states like Andhra Pradesh and Tamil Nadu. It is also interesting to note that the popularity of the Gujarat chief minister did not dwindle within Gujarat, because most of the vote bank came from upper middle class Hindus and most of the policies in Gujarat have been favorable to them (which is mentioned as the reason behind Gujarat's low rank of 10 in the HDI (Jaffrelot, 2013).

The INC-led UPA came into power for two terms, in 2004 and in 2009. This stint was an opportunity for the INC to realize the needs of the economy and ameliorate the conditions of the underclass. However, following the association of Congress with CPM in 2004, there was a significant capital flight from India followed by a stock market crash (Kohli, 2012)⁴. Although in the 2004-2008 period , the INC constituted important reforms such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA, is an Indian labour law and social security measure that aims to guarantee the 'right to work' and was first proposed in 1991) and Jawaharlal Nehru National Urban Renewal Mission (JNNURM was a massive city-modernization scheme launched by the Government of India under Ministry of Urban Development) , the latter part (2008-2014) was marred by rising unemployment rate, rising inequality and the curse of corruption and red-tapism. The election of INC in 2009 has been a polemical debate among theorists (Yadav et al. 2009). This in turn led to the anti-incumbency mode which brought the BJP led NDA back into power in 2014. The BJP of 2014 was quite different from the one that won in 1999. The civil society (including the bourgeois working class) viewed Narendra Modi as a leader who would replicate the growth of Gujarat (the state that Narendra Modi managed as the Chief Minister) at a national scale. Under the new leadership, BJP managed to appease its highest vote bank by initiating privatization and removing barriers to business. At the same time, true to their cultural ideology they have enunciated a series of attacks on religious minorities and caste minorities in India. With regards to religion, the BJP has recruited its leaders from the RSS, which is a right-wing extremist Hindu group. Since 2014, the story

⁴ Bombay Stock Exchange (BSE) lost about 6.1% and was down to 4595 , much below the 5000 level. (Source: <https://www.cnn.com/2004/BUSINESS/04/21/india.economy/index.html>)

has not changed with regards to inequality and unemployment. Youth unemployment rate was at an all-time high of 10.51 percent in 2019. However, added to these problems are the extreme repression practiced by the state in curbing freedom of speech and enacting undemocratic laws.

3.The effect of global hegemony

The effects of liberalization policies that have increased inequality, coupled with the colonial era problems of caste discrimination have led to the development of these “morbid phenomenons”⁵. However, this is not just an outcome of liberalization policies in India, but changes in global hegemony with respect to the imperialist ambitions of the US. It is no surprise that the US has been trying to build a balancing coalition with South Asian economies excluding China that even Chinese trade as a proportion of East-Asian and South east Asian trade has been increasing (Arrighi, 2005). This is a repercussion of the hegemonic struggle between USA and a growing China. We have already described how IMF structural policies themselves reek of a neoliberal agenda⁶. Similar to Greece, debt blackmail has been used as an important tool against many nations. A vast literature exists regarding the hegemonic policies of organisations such as the United Nations Development Programme (UNDP) against North-east India (Dutta,2009). Another example of how organization that are built to cater to a global hegemony affect developing countries is found in the World Trade Organisation (WTO). An essential work of WTO is to liberalize the market to attain efficiency. However as studies show, domestic prices are almost on a par with International prices after the effect of subsidies have been taken care of. Especially in the case of rice, “domestic prices (Rs 27.42 per kg) are almost on a par with international prices (Rs 28.62 per kg)”⁷.

⁵ Bulent Gokay and Alan Thorne in International Journal of Socialist Renewal mention the rise of Shinzo Abe, Narendra Modi, Rodrigo Duterte, Recip Tayyep Erdogan, Matteo Salvini as examples of this morbid phenomena (used by Gramsci, 1980 to denote Mussolini during the “interregnum” between the fall of one liberal order and the rise of a new one)

⁶ Ironically, the IMF in an article has three of its own researchers explaining why neoliberal reforms might be difficult to sustain (see Ostry et al. 2016) and a clever commentary (Singh, 2016) called “IMF’s autocritique.

⁷ https://www.business-standard.com/article/opinion/soumya-kanti-ghosh-india-s-93-2-quandary-at-wto-114092301319_1.html (Soumya Kanti Ghosh & SBI research)

In this aspect, the Hobbes Hume Waltz theory of the state not coercing but aiding citizens in making markets freer although imposing certain restrictions is visible. Studies even argue to the point that by keeping agricultural subsidies high in advanced economies and denying protection of industries in low income countries, these policies stifle the growth of diversification and manufacturing. Because of lack of adequate capital and poor workforce, basic access to products in foreign markets could be a hindrance. For example, the Cancun round talks in 2003 ended on a deadlock because the US, Japan and EU continued to subsidize their agriculture, while arguing for liberalization in developing economies.

The change in global dynamics, especially with regards to the waning of US global hegemony has also had a significant impact on political parties across the globe which rely on a right-wing nationalist populist ideology. The story spun around neo-liberalism is often that there is no alternative to it.

Interestingly, a lot of studies especially on East Asian economies including Japan have suggested the possibility of development without a neoliberal framework (often termed as a “miracle” of East Asia).

For Indian case as well, some of the highest numbers in terms of growth and social indicators were during the Nehruvian era (especially when we take into account the post-Colonial problems in India).

Moreover, an active coordination of labor across countries would require an understanding of labor struggles in different nations to forge collective action. The hegemony of the US is also a hindrance to forging such collective action, since US labor aristocracy (caught in its own image of world labor) might not evolve into a class for itself.

4.The neoliberal state

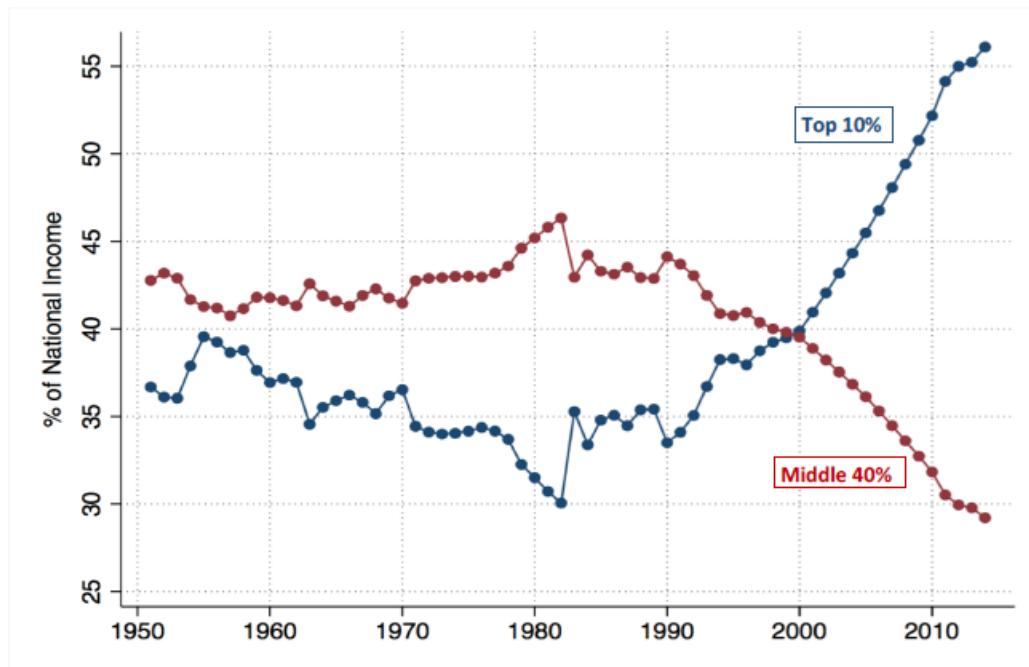
Coercion and consent are the tools used by the State in order to effectively organize the ruling-class and the subaltern classes. All the three branches of the government – the Legislative, the Executive and the Judiciary can be used as institutions to prevent a counter-revolution in the face of repressive measures. Consent is built and maintained through institutions and popularized through media, whereas coercion

can be exercised through the police or the army (as in the case of Indian occupied Kashmir). In case of India, consent and coercion have been used to create an amicable view of liberalization reforms (that is required for the bourgeoisie class) and at the same time, normalize the abject ignorance of the minority caste and religion (especially post 2014). Despite differences in political agenda, both the BJP and the INC have reflected a move towards appeasing the middle-class in India, since the 1990s. This became especially important, since the middle-class (roughly the top 10 – 15% of the Indian populace, even though that is also an overestimate) became increasingly polarized from the underclass. The polarization of the working class into the superior class which reaps benefits and a pauperized lower class has continued since 1991. In fact, of late many labor laws have directly subjugated the power of the working class for e.g. The Essential Services Maintenance Act which allows the government to ban labor strikes, proposal to allow termination of a worker's contract at completion of fixed term employment without making a case for retrenchment and increasing the requirement for a trade union to be considered a sole negotiating union⁸. While the focus of the BJP has always been in promoting a neoliberal agenda with a nationalist undertone, the Congress-led UPA has followed a shift in its motivations post 1991. This can be compared to how, under the pressures of globalization, popular world government parties such as the US democratic party and the post-Thatcher British Conservative party display neoliberal tendencies with some elements of cultural nationalism (Desai, 1999). But what made the version of Hindutva that has occupied India since 2014 such a formidable opponent, has been the decline of political capital of the center-left Congress and the far left CPIM and the CPI ML. The inability of the CPs of India in understanding the caste and religious conflict in India has been documented by some Gramscian scholars (Patnaik, 2004). The rise of this “neo-Hinduism” as is called by some scholars (Rajendra et al. 1990) is attributed to the failure of Congress in appeasing the working class in rural areas

⁸ The bill passed in 2019, affects three of the major labor laws in India - The Trade Unions Act, 1926, The Industrial Employment (Standing Orders) Act, 1946 and the The Industrial Disputes Act, 1947

which allowed the influence of NDA in Southern and Eastern states. The graph below shows the steep movements in shares of the top 10% and the bottom 40% in India post the 1990 liberalization. (Piketty et al. 2019)

Figure 9 - Top 10% vs. Middle 40% national income shares in India, 1951-2015



The subordination of agriculture to services and industry, the reduction of bargaining power of labor, privatization and continued informalization of labor has led to these trends and these reforms are normalized as a necessary move towards a higher growth path. Market rationality, irrespective of the state ideologies is promoted as the “common-sense”. This was visible in the demonetization episode in India, which was enacted on the grounds of reducing black money (86% of the currency in circulation was declared illegal and only 10% of it was replaced leading to widespread unrest). While no significant change with regards to black money has been confirmed the impact of this policy has been devastating

on a large number of workers who rely primarily on cash transactions⁹. Similarly, the enactment of the Goods and Services Tax which is hailed as a “masterstroke” with respect to easing taxation conditions in India have caused confusions along with the large-scale digitization schemes (Roy Choudhry, 2020). Opportunism of the middle class has moved together with the world hegemony, and in this process has effectively utilized the state (irrespective of ideologies) to consolidate a domestic hegemony. This opportunism is not as much a reflection of an underlying hatred or selfishness, but a desire to integrate with the world economy to achieve higher gains. However, in this process, liberal democratic parties such as the INC have also changed. Freedom has been reduced to the freedom of markets. As this process continues, it threatens to blind the middle class about the problems of the bottom classes. So much so that even state atrocities on the minorities in caste and religion which encroach on the rights of these individuals are seen as reforms for the “greater good of the nation” and any form of dissent is seen as anti-establishment. Despite differences in governments at the centre and the state levels since 1991 there has been a push towards implementing neoliberal reforms in many sectors and many of these reforms have led to significant protests. The Anti-Enron movement (Dabhol Power Company, 1995) is an example of such a protest where despite a change in political parties in the state, the project received a green signal for two phases of implementation after three years of opposition (it also revealed the true nature of BJP’s intentions as documented in Ahmed (2010) . Land acquisition practices in certain states of India have proceeded with the simultaneous changes to making business workings easier. Peasant revolts are met with coercive policing by the state or the landed class. This analysis runs contrary to works such as Chatterjee (2008) who argue that the feudal/semi-feudal relationships no longer persist in India and that the reforms enacted have actually reached the rural society. Moreover, migration from villages to cities is as much a reflection of the increasing opportunities to villagers as a

⁹ (Chodorow-Reich et al.) 2019 show that the demonetization episodes in the near term have caused an economic shrinkage and a low bank credit growth).

reflection of the difficulties with agriculture with marginal landholdings in India. But this is not the entire story, since land ownership is skewed towards large landowners. Indian Human Development Report (2011), shows that roughly 10.5% households own land in excess of 5 hectares, and do not fall into the marginal farmers category. Of these 7% own a washing machine and 6% of them own a car. Moreover, even companies investing in agriculture are exempt from taxation. Taxing such groups is likely to aid public investment. Rao and Sengupta (2012), argue that over 50 companies reported agricultural incomes larger than Rs 100 crore (in 2009-10), and their total agricultural income amounting to Rs 31,313 crore.

Uneven development of the states within India have also been a reflection of the state-middle class hegemony in India. Southern and Western states of India have enjoyed higher growth rates than Northern and Eastern states. Of course, the performance of the state governments is also equally (if not more) important than that of the central government. However, the push towards liberalization was often supported by those states for which service sector growth had already outstripped agricultural growth. (Kohli, 2012) documents how decline in public investments and corruption in lower level bureaucracy have led to uneven developments across states, with poorer states such as Bihar and Uttar Pradesh lagging behind. The states of West Bengal and Kerala have recorded significant reductions in poverty. Besley et al. (2000) rank these two states on top with the bottom states being Madhya Pradesh, Bihar, Jammu Kashmir and Assam). A fair point is made by many papers, for example (Sen et al. 2002) and (Karan et al. 2014) that the improvement in social indicators in Kerala certain states follows a large scale political mobilization of lower classes creating a “virtuous cycle” (Sen et al. 2002). Similarly, the large-scale tenancy reforms in West Bengal during the Left rule has been hailed as a reason for a reduction in poverty. However, these are also the states where Dalit movements and Feminist movements have been active in voicing dissent and some scholars have mentioned how these

marginalized groups do not accept that even far Left parties have been fair to them¹⁰. Even if we take the idea that left governments have been more effective at social upliftment with a pinch of salt, one can argue that along with Kerala and West Bengal, other states such as Karnataka and Andhra Pradesh have actively challenged the Brahminical domination. Given the uneven development and the resulting urban-rural gap in different states, it is unsurprising to see the election of a nationalist-neoliberal such as BJP which ran its campaigns on items such as “50 lakh urban houses”, monorails, flyovers and bus transfers to woo the “middle-class”, but had nothing concrete planned for rural sector (especially the peasantry)(Jaffrelot, 2014). Given the current move towards an upper caste Hindutva nationalism, it would be interesting to see if the civil society in these states has indeed resisted the attempts of communalization or casteism. The disparity across states is eerily similar to the North-South divide in Italy during the Italian risorgimento which exists till today. This is another reflection of how capitalism leads to uneven development and does not occur in isolation across countries. The export of capital to developing nations also mean an increased replacement of the social relations of production within that nation, albeit with systematic lags. The phase of industrial capitalism and the colonial rule stripped off the Indian economy of its existing production processes. This story is as much true as the story of today, where finance capital is calling the cards. The uneven development between Indian states is abetted by and draws from the uneven development across the globe. It is sad that despite 73 years of independence, only the agents of exploitation have changed, the exploited have not.

In the past few years, the use of repressive state apparatus in India has also become common in India. Human rights violation in India through the process of extra-judicial killings, arbitrary laws and insensitive and provocative speeches have been brought to attention by domestic and international

¹⁰ Patnaik ,2014 examines how CPs in India have also not been inclusive towards Dalits and Feminists and have in fact followed a borrowed idea of Communism from China, which might not engage in a caste analysis.

media¹¹. The BJP-led NDA enjoying its majority has promoted the firebrand nationalist image with its “Hindu – Rashtra” overtones. On the other hand, in order to establish a new “common-sense”, policies and reforms have often been backed by strong messages about the economy and corruption. Reports of India’s “historic” rise in the ease of doing business index have been influential in gaining BJP the popularity of an advanced state. At the same time, any dissent is thwarted off with coercion or with consent. This was how currency demonetization in India in 2016 was carried out, with absolute coercion through closing of cash machines while establishing a “new normal” based on the common-sense consent of preventing black money. So is the case with the latest appeal of Citizenship Amendment Act & National Register of Citizens (NRC-CAA) proposition and the Kashmir lockdown (as a response to the protests against article 370 repeal) in the wake of changes to the special status given to Kashmir¹². It is not just with the use of police, but also with the change in laws, media and constitutional bypasses that the state proceeds with promulgating its own interests. Instances such as Uttar Pradesh government’s shaming of protestors by spreading posters with their names in 2020 with regards to the anti-NRC-CAA protests, The Information and Broadcasting ministry’s ban on TV channels which showed the protest, the Supreme Court’s judgment on the Ayodhya issue based on “faith” on Hinduism are examples of how these organizations have been molded to become state repressive institutions (in July 2016 a controversial bill was passed which allowed children under the age of 14 to engage in “home based work”). The silence of the state and central government in the wake of increasing Hindu terror has led to a comparison of the BJP government India with Hitler’s Nazi Germany (Gandesh, 2020). On the other hand, self-praise for developing “smart cities”, “100% electrification of villages” and “clean India” are being used to hide important indicators that show that rural wages have actually grown at 2% for 2018-

¹¹ UN-Human Rights Watch January 2020 reports suggest that since May 2015 “cow-vigilantes” and mobs have killed 50 and injured 250 people based on rumors about trading or killing cows for beef.

¹² Freedom House points for the Global Freedom Index dropped from 77 in 2017 to 71 in 2020. Moreover, India occupied Kashmir is taken as a non-free state.

2020, consumer spending has fallen by and capacity utilization rate in manufacturing has actually declined by 4-5% in 2019 second quarter¹³. These are issues which even a petty bourgeois class should be concerned about since it could directly affect profitability. At one end the economy is opening up to allow further investment in manufacturing and industry, whereas international funding for non-Governmental organizations is being denied¹⁴. However, such is the scourge of a majoritarian dictatorship that even important indicators are often ignored in blind faith.

5.The Civil society

It would be erroneous to interpret hegemony through domination and consent as being motivated only through state instruments. The owners of capital and the civil society also have an important role to play in proliferating the hegemony of capital over labor. The Indian middle class is quite a misnomer in the sense that it is not simply a class-based concept. It reflects differences in income along with differences in caste, language and religion. It also serves to provide a major consumer base for the economy, which makes it all the more important for political parties. This paper agrees with other writings which have defined the Indian Middle Class as a class-in-itself. (see for e.g. Heller et al. 2006). However, it differs from how the middle class in India is often seen as a “contradictory class location”. Since the middle-class does not derive its income necessarily from property, it can be categorized as a working class. However, with the skill set it possesses and the privilege it enjoys with regards to access to public institutions such as healthcare and education, it can reproduce its labor power with ease. It seems to me that what is categorized as the Petty bourgeoisie in Marx (1848) as “fluctuating between proletariat and bourgeoisie, and ever renewing itself as a supplementary part of bourgeois society”, is something that the Indian middle class can be compared to. However, literature has also focused on finer stratifications

¹³ Vol. 55, Issue No. 10, 07 Mar, 2020, Economic and Political Weekly

¹⁴ “In June 2016, the Home Affairs ministry withdrew FCRA registration from the Sabrang Trust, an NGO that has advocated for the victims of the 2002 riots in Gujarat” – Freedom house report, 2020

into 1) dominant fractions 2) petty bourgeoisie and 3) subordinate middle class (Heller et al. 2016).

Without relying on further clarifications, for our purpose we can use a broader category. The responsibility of achieving “consent” in a democracy under a world hegemony falls upon this class, because of its prowess in education and skills and its ability to sway opinions. In turn it enjoys the fruits of liberalization. Historically, the middle class in the Nehruvian phase (1947-1960) also served a purpose of trying to achieve a balance between promoting its rent-seeking motives, while preserving the national interest in the ambit of a planned economy. Thus, as is argued by many scholars (Hill, 2020) and (Heller et al. 2016), the middle class becomes the frontrunner of the ruling bloc. In fact establishments such as the Federation of Indian Chambers of Commerce & Industry (FICCI), the National Knowledge Commission, the Confederation of Indian Industry (CII) are often engaged with the government in constituting a state-civil society partnership as a way of securing a hegemony. While these relationships form the headlines of many media stories (just like headlines about fostering international relationships with US and China), the civil society that they cater to is skewed. The social responsibility of a state with regards to the marginalized communities is shifted to mere token grants or philanthropy of multinational corporations or public-private-partnered organizations. Since 1991, both the Congress led UPA and the BJP led NDA have actively focused on liberalization. The impetus for this arises from a struggle to continue planned economy in a world where the hegemony of capital rules. Thus, the middle class has also developed to appreciate the market liberalism while turning a blind eye to distribution. Of late (2015), this class has also been consumers of the story of “nationalism” that has been popularized by the Modi government (not only through its active speeches but also through media as an institution). The reason why this story might be successful is two-fold, firstly protectionism as articulated through nationalism gives a sense of comfort to the profit-seeking motives of the middle class from global

shocks¹⁵. Additionally, the promotion of “Hindutva” as a way of living and “Brahmanism” as a trait of the purest classes, are examples of how residual forms from Feudal structures (casteism) and Colonial era (religious fragmentation) still exists in a relatively young capitalist nation.(Ghanshyam) shows how the rising social mobility of the Scheduled Castes, has caused competition across castes and social groups. Given the sharp increase in inequality on grounds of income, discrimination on grounds of caste and religion, dominance of the Hindutva pogrom, the technicians of knowledge coming from the civil society have slowly become aware of their role in a class. However, this does not by itself imply that there is a clear opposition to the neoliberal policies (since 1991) or the toxic Hindutva nationalism (since 2014) that has continued. This is because of the differences in the social background of intellectuals in India. Moreover, by advocating a “make-in-India” program, which is a lip service to the workers of India, a refined form of nationalism that corrupts the global labor movement (as emphasized in Lenin’s “Corrupting the Workers with Refined Nationalism”) is created by this hegemony of the petty-bourgeoisie and the state, today (like the Bundists and Narodniks in the Soviet Union). Any attempt at an international solidarity for workers within an imperialist framework must take carefully look at how nationalism that segregates the working class is spread. While, I do not have an indicator to show this, but the increased establishment of “shakhas” promulgated by the Rashtriya Swayamsevak Sangh (the parent organization of the BJP) which focus their teachings on the supremacy of Hinduism and the Brahmanical ideology are a way of seeing how this refined nationalism might affect the working class(the number of Shakhhas have increased from 40000 to 51335 after the re-election of BJP in 2014). In school history books in certain areas as well, there has been a botched interpretation of the Mughal rule to denigrate the old Muslim rulers. These are important institutions which can affect the youth being employed at later periods.

¹⁵ “Nationalism is the necessary ideological corollary of capitalism”, Neil Davidson (<https://www.variant.org.uk/32texts/davidson32.html>) and (Harman 1991)

In Gramscian conception, traditional intellectuals are those who defend the traditional social order despite changes in society. Thus, defending nationalism and neoliberalism despite an increasing polarization of classes and increasing inequality, is defended by conformists of the current state government. Within this definition, many spiritual leaders, religious fundamentalists and influential business magnates have often come out in support of the state. Organic intellectuals and cosmopolitan intellectuals have been subject to criticism by populist media reports and agents of the hegemonic state. Arrests of professors and Dalit activists such as Anand Teltumbde, GN Saibaba, state oppression of protests against the atrocities at Una, Gujarat and the institutional murder of students in universities (Rohith Vemula case, University of Hyderabad) are clear examples of a state which functions with coercion. Quite often terminology such as “urban-Naxalites” and “anti-national” have been used by many “traditional intellectuals” and politicians alike to incite peoples against protestors. The Indian middle class and a majority of the media has been an active accomplice to the insensitivity meted out against the lower castes and religions. The increase in hate crimes based on religion, cow-vigilantism and mob lynching since 2014 paint the picture of a multipartite division of a nation state (divided on the basis of income historically and now divided on the question of caste and religion). Recent works (Basu, 2019), have highlighted that the rise in majoritarian and exclusivist BJP has increased hate crimes against religious minorities by 544% (in BJP rules states). The paper attributes these violent uprisings as an expression of deep-seated hatred towards the rise of minorities which finds its way out in a deeply disturbing social atmosphere. With the current epidemic facing the globe, concerns regarding the safety of minorities in India will be even graver.

6. Concluding remarks

A counter hegemony in India is not possible unless the civil society transforms from a class in itself to a class for itself. In order to establish this, opposition parties, especially the CPI-M and CPI-ML must realize the intersectionality of caste, class and religion in the diverse economy of India and encourage active

involvement from these sections. Moreover, the civil society (including the middle class) must be conscious of their position in a society and of the issues with the lowest mass. In this regard, the role of the media, the non-governmental organizations and organic intellectuals are important. At a global scale, the international solidarity of labor would require an understanding of the global hegemony of capital. It is possible that given the pervasiveness of globalization and financialization, even centre left political parties would resort to neoliberal policies if elected in near future. Thus, the growth of parties such as the Aam Aadmi Party (AAP) in Delhi, India is an example of a party which might position itself in such a way that it promotes neoliberalism while ignoring the divisions of caste and religion in India. In this context, what would be a more difficult task would be to consolidate labor movements across India, with a view to establishing a solidarity of CPs in states beyond Kerala.

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