

Neo-liberalism and Its Discontents

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Ever since economic liberalisation was adopted as an economic strategy in India, there has been a wide-ranging debate about its effect on economic growth, capital accumulation and the lives of rural and urban dwellers in the country. Critics of liberalisation have argued that not only have some sections of Indian society not benefited from India's phenomenal economic growth, they have been dispossessed and in some cases have sunk into higher levels of absolute and relative deprivation. It is in this context that the edited volume *India's New Economic Policy: A Critical Analysis* examines the consequences of liberalisation going beyond the glitter of economic growth. The book invites readers to consider the marginalisation and deprivation associated with liberalisation policies, and draws attention to the resistances against and contestations of the neo-liberal economic and political project. The stated objective of the book is to stimulate a debate about

India's New Economic Policy: A Critical Analysis

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and influence the discourse on India's current economic path. The varied issues considered in the book are all worthy of detailed discussion. However, I focus my attention on three dominant themes in the book: urbanisation, the processes of development and environmentalism, and resistances to economic liberalisation.

Urbanisation

This book makes a timely contribution to the debate on urbanisation in the current Indian economy. Ahmed argues that the urban bias inherent in state planning, at least since the 1980s, along with affirmative action legislated for the public sector, led to a subsequent concentration of private capital in urban centres and secured the ardent support of the urban class and caste elites. He provides a brief but

interesting account of the rise of, what is now known as, the Confederation of Indian Industry (CII) in favour of de-regulation, de-control, de-licensing and anti-affirmative action; what he describes as the convergence and reassertion of class (and also upper caste) power. Neo-liberal economic policies dominate the sphere of international agreements and economic policies thereby providing the framework for policies adopted in India; Utsa Patnaik's chapter on international trade and food security, as well as Suman Sahai's chapter on biofuels, GMO (genetically modified organisms) discuss this at length. Yet, Ahmed's essay, along with others in the book provides credence to the claim that neo-liberalism is not necessarily imposed by external agents; the Indian state as well as some sections of domestic capital have been complicit in what Tickell and Peck (2003) refer to as "rollout neoliberalism".

To what extent this economic power has translated into political power in the hands of the urban elites is still unclear and requires further reflection. On the one hand is the Bharatiya Janata Party's loss in the 2004 elections despite their "India Shining" campaign, and the more

recent loss of electoral power by the Left Front in West Bengal after the Nandigram debacle; on the other hand, is the Jan Lokpal Bill that is largely led by urban elites. What is clear, based on the data presented by Kundu, is that the rise of the urban sphere cannot be merely attributed to numerical dominance. Based on historical and forecasted data he argues that rates of urbanisation have been lower than predicted, and concentration of urban growth has been primarily restricted to large cities. The latter claim, however, is curious given the rise of smaller towns and cities in southern India in the last few years. Kundu's second argument is that the benefits of growth have not percolated to all sections of urban society. The urban poor and rural migrant population have to contend with insecure employment, decreasing or stagnant real wages and unsatisfactory working conditions especially for women, or are pushed to look for work in "degenerated peripheries". While he notes that the self-employed within the informal sector have benefited, he does not elaborate much on the class conflict unfolding in the urban areas.

Labour flexibilisation is a significant factor in attracting highly mobile capital and, at least partially, explains the push towards informal and casual employment by capital and policymakers. Each of the chapters by Swapna Banerjee-Guha, Shipra Maitra, and Ipsita Chatterjee describes or alludes to city officials and urban planners as city "entrepreneurs" operating under roll-out neo-liberalism and bent on attracting and retaining this mobile capital. This has converted the role of cities to what Banerjee-Guha describes as "incubators of neoliberal strategies". Nevertheless, the cautions of Leitner et al (2007) are pertinent in this instance; they argue that urban policies "resonate with and are not caused by neo-liberal imaginaries and practices". Chatterjee's discussion on the lack of response by slum dwellers to slum removal on the banks of the river Sabarmati, for instance, is not evidence of the hegemony of neo-liberalism embodied in India's new economic policy. Rather it should be contextualised in the sociopolitical scenario of religious violence and tension in Ahmedabad, which divides slum-dwellers and renders them

unable to constitute a coherent opposition to neo-liberal policies.

Development and Environment

A second significant theme that the book deals with is that of access to the means of production and reproduction. The dual processes of what is erroneously known as "development" and "environmentalism" have proceeded to dispossess already marginalised populations, in what Harvey (2003) refers to as "accumulation by

dispossession". Patnaik and Sahai, in their respective chapters, discuss the role of international trade, and technological innovations leading to the prominence of genetically modified crops and biofuels in endangering food security in countries of the global south including India. Similarly, the process of urbanisation with its real estate sharks, market processes and legal provisions, such as the Special Economic Zone (SEZ) Act, 2005, allow the exclusion and further alienation and marginalisation

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of some sections of society from economic “development”. Rupal Oza, particularly, focuses on juridical sanction that has led to the sez debacles in India in places like Nandigram and Jagatsinghpur.

Simultaneously, the rise of environmental concerns has taken on an avatar whereby it is divorced from concerns about the urban poor. Chatterjee describes the skewed priorities that engage in slum removal and other forms of city beautification in Ahmedabad, but is inattentive to issues of employment creation, healthcare and food security. Negi discusses the effect of relocation of dirty industries outside of Delhi by a Supreme Court order; and Bharti Chaturvedi and Vinay Gidwani deliberate over privatisation of garbage collection in Delhi and Ghaziabad. The three chapters provide instances of “green neoliberalism” (Naidu and Manolacos 2010). While some of these environmental concerns cannot be completely discounted, the solutions and employed methods demonstrate a blatant disregard for the urban poor. While the woes of the working classes by no means originate in economic liberalisation, neo-liberal policies certainly serve to accentuate existing differences in class, religion, caste and gender (though unfortunately not one chapter in the book touches on the gender aspect). Consistent with Kundu’s argument about an increasingly inhospitable metropole, these chapters provide evidence of marginalisation and dispossession of livelihoods and living spaces for some sections of urban society through the twin processes of ghettoisation for the poor, and gated communities for the bourgeoisie.

Decentering Neo-liberalism

Oza argues that dispossession through accumulation, especially under neo-liberalism, is often justified as a necessary evil – a natural outcome in the quest for the greater good, but this discourse masks the renegotiations of the relationship between state and capital. In this context, therefore, it is important to investigate whether neo-liberal discourses are hegemonic. Do the discourses face contestations? What forms do such contestations assume? How might various contestations converge to constitute an overarching

political project? Analysing these questions is important to “decentering” neo-liberalism (Leitner et al 2007). Dave Featherstone’s chapter on subaltern rural identities formed in explicit opposition to the neo-liberal project, Chaturvedi and Gidwani’s essay on resistances mounted against the loss of control of livelihoods associated with garbage collection, and Rohit Negi’s discussion of resistance to the relocation of industrial activity to Delhi’s periphery not only analyse class conflicts but also describe or allude to class coalitions – between landed classes and agricultural workers in the former case, and workers and petty bourgeoisie in the latter two cases. The opposition to neo-liberalism, however, appear to be reactive to certain aspects of neo-liberalism rather than to class differentiation and exploitation inherent in the capitalist system.

Further, Raju Das and Featherstone separately analyse different aspects of movements against capitalism and neo-liberalism. Featherstone uses the notion of “militant particularism” to critically evaluate place-based farmers’ movements that constitute prominent rural opposition to neo-liberalism. He criticises the movements’ adoption of a nationalist rhetoric that is not only open to co-optation by the Hindu Right, but also trivialises the concerns of certain castes and rural classes. Das also focuses on rural struggles but directs his attention to the Naxalite movement. He attributes the emergence and continuance of the movement to the failure of capitalist development and the developmental state to provide succour to the most impoverished and marginalised people in rural India, and the ability of the Naxalite movement to provide much needed political and economic support in lieu. He correctly points out the limitations of the movement, particularly in their belief of widespread feudal elements in Indian society. However, his criticism that existence of the movement allows the State to target all forms of dissension is disingenuous and fails to correctly understand the character of an increasingly authoritarian Indian state. The chapters, together, raise questions about the potential of ongoing contestations and oppositions for sustaining a larger political agenda

of structural change. These questions require further debates.

Conclusions

This book, while varied in its subject matter, focuses largely on issues pertaining to the urban sphere. At a time when the middle and upper income classes of urban Indian society are ascending in their economic power, it makes a significant contribution to the discussion on the processes of urbanisation in India and its neo-liberal turn. However, the absence of a discussion on urbanisation in the southern and eastern parts of the country is noticeable. This limitation is understandable due to space constraints and given that the book was not devoted solely to urban issues. The book, nevertheless invites a cross-comparison of urbanisation in different parts of the country with their different histories and sociopolitical processes, which would be worthy of a future research project.

This book has many elements to recommend it. Of particular note are case studies of cities to illustrate theoretical arguments, attention to the complexities of neo-liberalisation, and contestations of neo-liberal economic strategies. It would be of particular interest to economic geographers and those whose academic investigations lie in the field of urban studies. Further, the non-technical but not a-theoretic style of writing also make it a good read for anyone whose intellectual curiosity is piqued by neo-liberalism and its discontents.

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