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On the Redistribution with Growth Strategy: A Discourse Analysis

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This essay analyses the constitutive relations between the emergence of the global discourse on poverty and welfare state, and the 'Redistribution with Growth' strategy that had characterised Indian policy-making since the 1970s, following the discourse method. In Section I, it interrogates the theoretical underpinnings behind the welfare-oriented redistributive policies of employment generation and income transfer in reflection to the evolution of the subaltern discourse based on basic needs as characteristically distinct from the accumulation-based logic of the modern industrial capitalist sector. Section II brings forth the discourse of redistributive development as complex hegemonic as opposed to that of planning as simple hegemonic, as in Gramscian sense, to reconceptualise the concept of post-colonial capitalism in the Indian economy. Section III extends the discussion with certain reservations regarding the theoretical underpinnings of such a non-essentialist rendition of Gramsci's theory of complex hegemony towards a more nuanced notion of displaced hegemony.

Keywords: minimum needs approach, welfare state, subaltern, post-colonial capitalism, discourse as hegemonic, simple hegemonic, complex hegemonic

The 'Redistribution with Growth' strategy of the 1970s in the Indian context emerged in the context of a shift in public policymaking from the public sector led heavy-scale industrialisation policy as per Nehru-Mahalanabis Plan of the 1950s, which India had accepted then as a 25 year perspective. But it proved inadequate later to meet the claims and hence the alternate strategy was sought in the Fifth Five Year Plan, as discussed here through the various debates that went on in the sixties and seventies involving the facets of planning and public policy-making (Chakravarty, 1987).

By tracing in terms of the process of emergence through history, this essay establishes the relations between the various forces in the structural and superstructural levels, active in a particular period of time. It views the Indian development experience as a series of changing policies, such that these shifts in the policy regimes and public actions are considered to be inevitably linked to the different perceptions of poverty at different periods of time (Dreze & Sen, 2002). In this particular essay, we show how the perception of what constitutes poverty - its nature and its causes – changed in the 1970s to determine the changing attitudes of the Indian government at that time in defining the 'Redistribution with growth' strategy in the domain of public action. In that sense, the very experience of poverty reduction in India had been marked by continuities and discontinuities in perceptions of poverty over the periods (Chaudhuri, 1993).

The rise of subaltern politics in the Indian context and the corresponding evolution of the notion of welfare state and its various populist public works programmes with 'basic needs' as the organising principle is addressed in Section I through a discourse analysis, by which development is seen as a regime of representation and power, that the international developmental organisations, universities and research institutions produce from the actions, their modalities, and the strategies that their practice involves. Their statements regarding the object of knowledge (here, the third world economy), involves a particular way of knowing the reality (underdevelopment), that produces and disseminates effects of truth (i.e., of development) and brings into play agents (e.g., the state) who intervene and act. We contend that as opposed to the post- developmentalists, development is to be seen as a multivalent idiom comprising a number of discourses which in and through conflicting political projects give shape and form to development as a trajectory of sociohistorical change and consequently, the subaltern discourse is understood in less absolute and unitary terms than what post-development theory does, that it is effaced, produced, and displaced by the development discourses in their specific dynamics. This brings forth the idea of the discourse of redistributive development as complex hegemonic in Section II, as opposed to that of planning as simple hegemonic in the Gramscian sense of the term, where development is posited as a complex of persuasion and coercion to reconceptualise the concept of post-colonial capitalism in the Indian economy. We conclude with our reservations in Section III regarding the theoretical underpinnings of such a non-essentialist rendition of Gramsci's theory of complex hegemony in terms of three critiques, namely the impossibility of the subaltern 'need'-based space as an independent subordinate discourse, second - the non-compartmentalisation of the accumulation-need economy due to the their mutual interconstitutivity of overdetermined affects, and lastly, the entry-point of production for accumulation or need as problematic, for the purpose of developing a framework to tackle the inclusive aspects of hegemony of the development discourse in the present Indian economic policy-making since the nineties.

The 'Redistribution with Growth' strategy

The new strategy of the 1970s in the Indian context, addressed here as the 'Redistribution with Growth' strategy, was a part of much bigger struggle of the World Bank economists against 'trickle-down effect', who argued that there were many third world countries present which exhibited increasing poverty and inequality despite high rates of growth (Thirlwall, 1995, p. 49). It was acknowledged for the first time that there exists 40% of the Indian population who could not meet their minimum needs of basic survival. Correspondingly, a highly progressive tax system was launched by the Indira Gandhi government (1966-77 and 80-84) with an aim of redistribution from richest 30% of the population to ensure the minimum level of subsistence to the poorest 30%, and the idea was pushed further by the Janata Party towards various welfare generation programmes and anti-poverty schemes. When the Congress returned to power with the Sixth Five year Plan (1980-85), the role of government in planning had already shifted from investment-goods sector- led long-term high economic growth to matters of income distribution and self-subsistent employment generation through greater government expenditure.

The decisive break in the approach of the World Bank and IMF in the 1970s

was due to the realisation that there exists a major section of the economy which does not abide by the logic of capitalist accumulation, but is organised in terms of their basic needs for survival. To secure the closure in the challenged discourse of development, the state's functions were modified in the light that besides creating conditions for expansion of capital, it would also serve the purpose of ensuring the basic needs by providing health, education or food security to the poor. It was in such spirit that when Mcnamara was appointed the President of the World Bank in 1968, he exhibited serious concerns towards the third-world poverty and assembled a group of first class developmental economists headed by H. Chenery (1974) in the research department to target it directly through redistribution and welfare programmes (Stiglitz, 2003, p. 13). Under such global governance, the evolution of the notion of the welfare state served as the mediator between the space of capital, i.e. the accumulation economy and the space of non-capital, i.e. the need economy by simultaneous destruction and creation of non-capital. Before we establish how the new space of development was constituted in the Indian post-colonial economic in the process of securing the hierarchy of capital over non-capital, let us look over the economic consequences of the Green Revolution among the agricultural farmer class which laid the conditions for emergence of a poverty-oriented strategy in the Indian economy via a new set of public works programs derived from the discourse of the "Minimum needs" targeted development to mark the discontinuities from the discourse of planning under the Nehru-Mahalanabis strategy.

The agricultural stagnation of the Indian economy in the late sixties was mitigated by additional large-scale imports of US wheat (under the US Public Law 480) as an immediate measure, but brought food insecurity into the centre of the picture of Indian policymaking that led to a new agricultural strategy formulated during the annual plans period and finally adopted in the Fourth Five year plan in 1969 (Kapila, 2008; Gulati & Fan, 2008).The new policy, celebrated as the Green Revolution today, marked a distinct departure from the structural change oriented concerns of the previous land reforms, and instead emphasised on technological modernisation of agriculture in the form of high-yielding variety seeds, and chemical fertilisers and pesticides based production methods. Such high capital-intensity of the new choices of techniques (Sen, 1960), supported by adequate provision of credit and electricity and diesel oil have been claimed to have very impressive effects on the rate of agricultural production, especially that of wheat, but it is crucial to note how it led to the following changes in the distributive patterns of incomes, savings and consumption that contributed to regional disparities in rural agriculture pushing towards a reformulation of the basic development strategy in the early seventies (Chakravarty, 1987, p. 26).

Before the Green revolution, the working capital in traditional agriculture was primarily organic manure obtained from the farm itself (Frankel, 2015; Griffin, 1979; Herring 1983). Due to the extensive use of seeds, fertilisers and pesticides now, and the increase in the purchased inputs in the agricultural sector, the agricultural-industrial linkages were now two-fold stronger as compared to the previous situation where the input base of agriculture was largely provided by the agricultural sector itself. With greater monetisation and commercialisation of agricultural output going on, the change in the methods of production were now heavily dependent on adequate provision of credit and endowment of infrastructure as adequate roads, market towns, co-operative societies and, most importantly, good

irrigation coverage. The general argument was that the seed-fertiliser based technology was scale neutral, all items and electricity were in principle divisible and the new technology, unlike traditional forms of mechanisation, could be profitably used by both small and large farmers.

What they missed out was that the working capital requirements were now much higher for the new technology with the result that the necessary capital was to be obtained on the basis of market transactions (Chakravarty, 1987, p. 27).This meant that only the well-to-do farmers could now afford the new pack of measures with the means of the credit to those whom the credit delivery system considered credit-worthy. With irrigation works shifting from major publicly financed projects to small tube-wells and energised pump sets, accompanied by liberalisation of certain licensing by agriculture related industries, the basic deficiencies of small farmers were exposed as the failed government machinery resulted in the Green Revolution conferring more than proportionate benefits to the prosperous farmers in the infrastructurally better endowed regions (Chakravarty, 1987, p. 27). This is reflected in the high growth rates of certain type of durable consumer goods, growth of rural investment in financial assets, and an increase in the share of subsidies in the government budget in that period. With such increased polarisation in the countryside as well as mechanisation of agriculture, there were serious concerns for massive urban unemployment unless industrial demand for labour was going to increase substantially.

This required a sharp rise in the size of the public sector financed by initial savings out of taxation resulting in a greater flow of current income in the form of increased production, productivity and employment in the public sector. But the inefficiencies in the public sector enterprises, both in their objectives of profit-making and operation as well proved to be unreliable for the strong pressures that the period characterised. The cutbacks in public investment after the Food crisis due to excess capacity and increase in the rupee cost of investment on Devaluation of 1966 sharply reduced the aggregate level of investment in the public sector whereas incentives were given to big farmers to keep up the agricultural investment for the Green revolution. With the grain output thus recovered, the increase in production raised fears of a demand-sided bottleneck, i.e. a surplus agricultural production, and raised the need for demand-side management policies through employment generation and direct transfers. Moreover, it was getting clear by the seventies that besides the state owned industrial sector, even the development of the private sector in industry could not absorb the additional labour force generated by the displacements from agricultural transformations (Chakravarty, 1987, p. 30).

The rising levels of inequality, inefficiency and unemployment brought the question of raising the minimum standard of living of the lowest three deciles of income through redistribution into the political centre stage (Dandekar, 1971; Kohli 1987, 1991; Minhas, 1970). The trickle down hypothesis came to be questioned and it was argued against the notion of an improvement in consumption only as the end product of a process of accumulation. There was a consensus to attack poverty directly without depending upon growth policies in the Fifth Five Year Plan (1974-1978), with the special role of alleviating poverty devoted to rural employment generation schemes and other public works programmes (Jha et.al, 2009, Jha & Gaiha, 2012, Jha et.al, 2013; Khera, 2011; Mooji & Dev, 2004; Nagaraj, 2000; Saxena, 2001; Toye, 1981). Initially, the development strategy of the earlier phase of planning

was not discarded altogether, but it was supplanted by a number of anti-poverty programmes in the late 1970s like the Marginal Farmers and Agricultural Labourers' Development Agency (MFAL), Small Farmers Development Agency (SFDA), Cash Scheme for Rural Employment (CSRE) and Food for Work Program (FWP). These programs were initially uncoordinated or inefficiently executed and they often had overlapping areas of operation and were aimed at the same target groups. But when the Janata Party came to power and decided to terminate the Fifth FYP before it was over, they adopted a new development strategy in the Draft Five Year plan (1978-83) and called for the highest priority to the social justice of the poorer sections of population. They condemned the Nehru-Mahanalabis model of heavy industrialisation following the populist arguments of an enclave type development resulting in islands of prosperity amidst an ocean of poverty and unemployment. When they lost power back to the Congress in 1980 and the Sixth Plan (1980-1985) was adopted, an much more integrated approach was followed with comprehensive and rigorously formulated programs (Bagchee, 1987), the major ones being the Integrated Rural Development Program (IRDP), the National Rural Employment Program (NREP) and the Rural Landless Employment Guarantee Scheme (RLEGP) among which the last two were merged in 1989 to form the Jawahar Rojgar Yojana (Jawahar Income Scheme). These programs aimed at the improvement of the condition of small and marginal farmers on the one hand, and creation of employment opportunities for the landless agricultural labourers and artisans on the other (Bhalla, 2011; Jain, 1968). Through these, as it was argued, assets were created for the poor which included irrigation, implements for farming in the small and marginal farms, animals for diary and animal husbandry as non-farm activities. Also, tools and training for artisans in cottage industries and handicrafts were provided so that they could engage in income generating productive activities. In areas of health, various family welfare and nutrition programs for vulnerable groups such as pregnant women, nursing mothers and children were launched to provide health services directly to the poor. They also included schemes for controlling communicable and common diseases in rural areas through education and training health specialist and health personnel.

The notion of the welfare state, as elaborated through these public services above, was founded on the basic principle that a part of the surplus generated in the capitalist sector is to be redistributed to the poor as per the functionalities derived from their basic social needs (Midgley, 1999). Need as the crucial signifier emerged in the 1950s and 60s as part of the aforementioned struggle of the World Bank economists to establish the new idea so as to be crystallised within the discourse at the international sites. The idea of direct assault on poverty authorised by the discourse, and new practices defined by the developmental state in terms of its changed nature and modalities of development management can be traced back to the rise of social democracy in the context of Western Europe when the mechanisation of agriculture and rapid expansion of urban manufacture by the end of the 19th century failed to guarantee decent working conditions and sustain satisfactory standards of living (Midgley, 1999, p. 4). The social democrats claimed purposeful intervention of the state for subduing capitalism and introduced labour reforms and other social reforms for harnessing the dynamic strength of capitalism towards social ends. However, Keynes and the other leading interventionist thinkers never subjugated economic development to social welfare and championed sustained economic growth and full

employment as primary social goals. They did not oppose public welfare but the social provisions of the New Deal were limited to old age pensions and unemployment insurances and assistance for needy children.

What emerged in the post Second World War scenario was a much more comprehensive redistributive welfare approach, displaced by the productivist emphasis of the social democratic agenda. Changing social and demographic realities, increased politicisation of social issues, growing demands by various interest groups and failure of the governments across the world led to the emergence of the welfare state and advocacy of the redistributive conception of social policy. The resources generated by economic development were to be expropriated through the tax system and directed through comprehensive, universalistic social programs to meet the social needs (Titmuss, 1958). These social services, designed to support and maintain large numbers of people, through the collective mechanism of the state was its unconditional responsibility in order to promote the socially desirable goals of solidarity, equity, altruism and the institutionalisation of a collective consciousness. The idea was to do away with the evils of capitalism, i.e. the 'diswelfares' created by economic growth through these social policies.

The rise of subaltern politics in the Indian context was marked by such mobilisations around social movements projects (Desai, 2015; Motta & Nilsen, 2011; Nilsen and Nielsen, 2016). Previously, in the aftermath of the decolonisation of the Third World under US hegemony, the newly independent India had witnessed a demobilisation of the mass movement that had carried forward the collective oppositional project of anti-colonial nationalism. It is true that the subaltern groups were offered greater access to expanded public employment and public services as well as minimum wage guarantee through various forms of subsidised consumption, but they were gradually removed from the context of post-colonial nation-building under the lubrics of non-political, technical exercises of scientific expertise and bureaucratic management that viewed poverty in terms of the shortcomings of the poor individual or the poor household rather than the relations of power that generate impoverishment for some social groups and enrichment for others. The form and direction that social change assumed in the specific spatiotemporal context was removed from the sphere of political contestation. Such a discourse of depoliticised development was precisely what was fundamentally destabilised in the seventies as subaltern groups mobilised around oppositional projects that challenged both the contradictions of national development regimes and institutionalised elite politics inherent in the Nehru-Mahalanabis plan. The centralisation of political power in an elite-dominated state apparatus as well as the prevailing form and direction of development that had dispossessed marginal farmers and subsistence producers and subjected them to persistent gendered and caste-based violence was challenged as the Adivasis, women, Dalits and informal sector workers mobilised outside the domain of electoral politics to enunciate a new discourse of entitlement centered on subaltern groups and popular classes who posited themselves as being entitled to dignified livelihoods and political recognition and participation. As it laid bare how the developmental interventions that were claimed to serve a common national good systematically actually served the interests of dominant social forces, by policies such as Monopolies and Restrictive Trade Practices (MRTP) Act, 1969, and Sick Textile Undertakings (Nationalisation) Act, 1974 so that domestic capitalists could socialise their losses and privately appropriate the gains of growth, so

alternative forms of development were sought for that would reflect and promote genuinely popular needs, interests and aspirations of the general masses. Accordingly, a more radicalised Third Worldism was articulated in the global discourse by the NAM with a vision in which the needs, interests and aspirations of the Third World people would prevail, that India was to follow till the early eighties.

Development as complex hegemonic

Much later in the 1990s, when a particular radical form of critique would emerge in the field of development research by the post-developmentalists (like Gustavo Esteva, Arturo Escobar, Majid Rahnema), high hopes were to be placed on these progressive social movements as forms of resistance that reject the normalising power of development and destabilise hegemonic power relations in the capitalist world-system by the articulation of oppositional meanings of development articulated from below and crafting alternatives through popular resistance. This is because the post-developmentalist critique (Escobar, 2011) that development was an idiom that converted the modernisation of the western world into a universal model and yardstick for social change in the Third World through powerful institutions in which western powers dominate thus enabling the North to exercise power over the South and marginalising the non-Western knowledge systems has made way for the social movements as prime contributors to the formation of problematised social relations around which novel cultural productions might emerge. But what is crucial here to note is that the subaltern groups and social movements do not oppose or reject development in its entirety, but relate in certain specific ways and patterns to discourses and the practices of development, and of the micropolitics of everyday development encounters, rather seeking to negotiate and change the direction and meanings of development (Nilsen, 2016, p. 272). Thus development is not to be seen here as simply a monolithic discursive regime through which dominant social forces exercise power over subaltern social forces, but is rather a multivalent idiom comprising a number of discourses which in and through conflicting political projects give shape and form to development as a trajectory of sociohistorical change.

Once we view development as such a contested idiom with conflictual trajectory, the efforts on part of the subaltern come to be viewed as the locus of oppositional meanings and claims-making in their concrete ways by which they appropriate the rhetoric of development and inflect with new meanings that express their needs, grievances and interests in order to make claims on dominant groups – NGOs, governments or multinational organisations. In this way, it repoliticises the meaning of development by means of the claims the subaltern groups make around demands for redistribution or recognition in some other form. Subaltern demands often delegitimise dominant meanings of development by bringing attention to discrepancies between state ideologies and their lived realities so that dominant groups are compelled to accommodate such challenges through concessions that respond to subaltern demands to lesser or greater extents. This is, however, only to ensure the reproduction of hegemony (Nilsen, 2016, p. 273). Seen thus, the power of development does not simply mould the global South after its own Eurocentric image as the post-developmentalists would argue. In contrast, power is constantly exercised through discourses of development, but it is also constantly challenged and as a result reshaped. Arguing from the other side, it can be seen that the subaltern struggles and resistances for autonomous control over their subsistence base, their

common property resources like the land, water, forests, and hills are also not simply an assertion of otherness that rejects development. Rather, the practice of meaning- and claims-making hinges on the antagonistic appropriations of the dominant idioms and symbols. It is for this reason that we contend that only when we can go beyond the figure of the autonomous subaltern can we see how the actually existing subaltern uses her tenacious capacity for turning instruments of domination into weapons of struggle. To state one of our primary claims here, an independent discourse of the subordinate sector is a contradiction in terms. We understand the subaltern discourse in less absolute and unitary terms than what post-development theory does, that it is effaced, produced, and displaced by the development discourses in their specific dynamics. Let us follow through the consequences.

We have seen how the basic needs approach constituted a shift in the discourse by which it restructured its own space in response to the changing extra-discursive conditions to produce a new representation of the economy - the need economy. This representation now allowed other meanings to permeate through the sutures and unsettle the earlier representation of the accumulation-centric planning discourse. Accumulation and growth as the logic of production which organised the other economic categories previously like labour, employment and the state by investing them with provisionally assigned stable meanings to suture the discursive space were now susceptible to subversion by need as the alternate nodal point in the new economic space as its altered mode of organisation would infuse the floating signifiers with new meanings (Sanyal, 2007, p. 180). Production, rather than for surplus accumulation, is now organised in terms of consumption or direct satisfaction of needs and creation of capability of the poor. Thus employment in the accumulation discourse, formed on the basis of employment of surplus producing labour, was now derived from the logic that market is an arrangement that allows one set of entitlements to be converted into another through exchange of income. This defined the new role of the state in terms of providing entitlements to fulfil needs and expand capabilities of the targeted population groups. Developmental governmentality becomes crucial in this representation as the welfarist state with its redistributive roles, in contrast to its previous regime of facilitating capitalist accumulation, is rearticulated in terms of need, entitlement and capability as the new set of nodal points (Sanyal, 2007, p. 176).

Lately, especially in these neo-liberal times, much has been said in the academic and philosophic circles, in favour of the diversity and plurality that constitutes capitalist development in the dominant imaginary, particularly produced through a process of promotion of the non-capitalist forms of production in the need economy, a strategy, as Sanyal (2007) opines, “advocating the politics of difference lost in their battle against capitalism” (p. 206). Whereas it recognises need based production in positive light, the discourse confines it to a space outside the world that is capital’s own. For us, it is crucial to recognise it is not posited in radical opposition to the space defined by growth, i.e. the surplus economy; need as a nodal point is not pitted against accumulation. The efficient management of poverty in this need discourse secures the legitimacy of capital in the space of accumulation. It is hegemonic in the sense of its relation between capital and the imaginaries of development that creates the conditions of capital, its arising and reproduction. A hegemonic articulation that turns the accumulation discourse and need discourse as two moments of its organisation to secure the otherwise decentered economic space as a provisional

discursive totality, accommodating discontinuity in the provisional totality produced by the discursive closure in the sense of the simultaneous presence of distinct spaces, i.e. a complex space. Such a notion of complex hegemony has to be established here, but let us first try a brief theoretical recap for our understanding.

Following Laclau and Mouffe (2014) in their non-essentialist reading of the Gramscian problematic of hegemony, we had established the meaning of the term in the simple sense before to characterise planning as a hegemonic discourse of development that emerged in the 1950s. Simple hegemony has been defined in relation to the planning discourse as an articulatory practice that produced the social space of development by temporarily fixing the meanings of the economic signifiers and thereby turning the floating elements into moments of the discursive construct. Thus, rather than presupposing a pre-given essence of the Indian economy such as feudal or colonial economy, we emphasised how the discourse of development is produced as a contingent, partial totality by the temporal fixity of meanings by what is called nodal points. These are privileged signifiers, or privileged discursive points, that arrest the flow of meanings of other signifiers in the signifying chain and constitute the hegemony. The practice of articulation or the organising principle consists precisely in the construction of the nodal points around which other floating elements are organised as moments. Thus, planning as a hegemonic closure has been conceptualised as creating a discursive space, a closure around a single nodal point, that of accumulation, thus corresponding to the Gramscian notion of simple hegemony, or to be more precise now, a simple hegemonic discursive construct.

In the 1970s and 1980s, we have seen how this hegemonic closure around accumulation was subverted as the floating signifiers were inscribed with new meanings to unsettle the chain of signification in the predominant discourse and an alternative potentially hegemonic closure was pitted in relation to the new nodal point of need to construct a separate space of the need economy. Let us consider this as two nodal points, A and B, each privileging certain signifiers around which other floating signifiers are organised to produce a hegemonic closure. When the discursive construct around B engages in contestation with the space produced by A, a third nodal point C creates a third space that accommodates A and B as its moments. C, here, constitutes a discursive closure by being a privileged signifier by turning A and B into its moments such that A and B, each a privileged signifier within the space constituted by C, further provide discursive closures within the closure. Thus the spaces produced by A and B are turned into two subspaces, two moments, flowing from the original space created by C. This is how the hegemonic closure around C can arrange the two discourses in a hierarchical relation in which one dominates the other. Such a conceptualisation corresponds to a complex form of hegemony as per the Gramscian notion, or more specifically now, a complex hegemonic discursive construct (Sanyal 2007, p. 216).

In reference to the Indian capitalist development experience, such a displacement of the Gramscian notion of complex hegemony has serious implications. For, in the original Gramscian rendition (1971), hegemony takes a complex form when the thesis incorporates a part of the antithesis to produce a surrogate synthesis. In the Indian case, the market can be viewed as such a complex space from which the two contending spaces of accumulation and need are seen as flowing. Dominance here expresses itself through the hierarchical relation between the two moments. As the market is capable of harbouring a variety of forms of organisation of production, the process

of development is envisaged as a market-driven process involving the two economies as two moments. The "economy", as we have seen, is very different in the accumulation-centric and need-centric discourses of developments. In the first moment of hegemony, the discourse represented the economy by treating accumulation as the nodal point and fixing the meanings of production, labour and the state entirely in relation to the logic of accumulation. What did not conform to the logic was kept out of the sutured totality as the "other" of accumulation, as an economic space to be transformed or fed to the accumulation economy. Thus, it was hegemony in its simple form in which capital ruled with its own agenda via the elitist ideologies of modernisation and progress.

On the other hand, in the second moment of the complex hegemony, the economy was reorganised around the new nodal point of the need of the masses, thereby dethroning the logic of accumulation, to produce the site of the need economy, where the purpose of production was derived from employment, income and consumption, and the state was to create conditions to ensure these entitlements to them. Each entity carries plural and contending meanings in this need economy as different from the surplus economy. This "other" is now incorporated within the discourse and allowed to coexist with the capitalist economy within the network of commodity relations and circuits of money. Previously, capital and pre-capital were arranged in an explicit hierarchy- one dynamic and progressive, and the other stagnant and retrograde – that served to legitimise capitalist accumulation. The new articulation of the economy sees the market as defining the entire economic space, but recognises a discontinuity within the space, the accumulation economy and the need economy are posited as two distinct economic systems within the market economy. To note, they are not placed in a hierarchy similar to capital and pre-capital. Often promoting its qualities in positive light, the antithetical "other" of capital is now turned into a negotiable "other" and is allowed a place alongside the accumulation economy. Thus, there is an accommodation involved here, capital does not rule by its elitist thesis, but incorporates a part of the antithesis, the demands of the subaltern, their needs, to produce a surrogate synthesis. Market as the master nodal point articulates the two nodal points and their corresponding spaces to provide the discursive closure, turning them into two moments, thus defining the respective subspaces for accumulation and need-based production as per the logic of commodity production. Producing a regime of identities and meanings, development fosters and foregrounds the need for legitimising the accumulation economy, i.e. for ensuring its politico-ideological conditions of its reproduction. To note, capital can successfully reproduce itself here only when the outside of the capitalist economy is politically managed in terms of developmental interventions. The simultaneous presence of these two processes, capitalist accumulation and welfarist governmentality, in their mutuality and contradictions is what, as Sanyal (2007) argues, comprises the dynamics of post-colonial capitalism.

Viewed in this way, post-colonial capitalism seems to be necessarily heterogeneous. In a world of difference and plurality of other forms of production, capital appears to live in harmonious relation with them, thus existing not as a universal, but a particular part of the universal of capitalism. Capitalism thus refers to the realm of the market that contains both capital and the needed economy. Unlike the case of simple hegemonic, where capital was antithetical to difference, capital as hegemonic in its complex form promotes and valorises the "other", instead of

suppressing and silencing it, and revises the development agenda to incorporate the conditions of existence of the needed economy. Development now involves a transfer of productive resources towards the need-based productive activities for the dispossessed, and provisions of credit, inputs and technology for those outside the domain of capital. Thus, as the circuit of capital, of the accumulation economy, continually expands and inevitably encroaches upon the need economy and usurps its space within capital's own domain, its legitimisation of capital's existence necessitates the reverse flow of resources and the constitution of need-based activities. Capital strives to expand its circuit of accumulation, and governmentality responds to it in terms of welfarist intervention. It is in this dual process of creation and destruction, of conservation and dissolution, this reproduction of the capital-noncapital dualism that a complex form of hegemony is discerned here, simultaneously enabling and constraining, empowering and debilitating these two processes. The domination of capital, explicit as in the simple hegemony of capital in terms of accumulation and progress, is operative here in the complex case as the harmonious coexistence of the two circuits, but by the subordination of the need economy to the power of capital.

Domination and subordination are categories used here, as of the complex of the elite-subaltern relationship borrowed from linguistics. We could have addressed our issue - the issue of the complexity of hegemony - from a number of vantage points such as that of the elite-subaltern, traditional-modernism or master-servant, but our point still has to be made. Here, let us stick to the accumulation-need based dual representation of the economy, but only to utilise the categories of domination and subordination for establishing the notion of complexity of the hegemony. For, if we consider the post-developmentalists like Gibson-Graham (1997) who describe hegemony of capitalism as monist and therefore antithetical to difference, domination seems to mean that capital subsumes the entire economy with its varied and plural activities, marginalising the non-capitalist sites and keeping heterogeneity and difference out of the representation. A corresponding counter-hegemonic move is immediately implied in such cases by the foregrounding of the non-capitalist sites and decentering the economy to contest the hegemonic order. But as in the Indian case, hegemony takes a complex form by expressing itself through diversity, as the dominant representation valorises heterogeneity rather than monism, producing and activating the human multiplicity, and thus dominance works through a resuscitation rather than annihilation of its 'other'. The 'other' is brought to light and allowed a voice, rather than suppressed and silenced. Thus it is not just coercion, dominance here involves a derivation of 'consent'. Such a reconceptualisation of power in its complex form, such a representation recognising and expressing difference will have to be understood using idioms of power, of domination and subordination.

Let us first state the underlying principles of the problematic of hegemony as a complex of dominance and subordinance. Dominance subsists in its explicit other, subordination. Again dominance is itself a complex, that of persuasion and coercion, whereas the complex of subordination includes as its elements collaboration and resistance. Thus, dominance-subordination relations define a complex of complexes. In the simple hegemonic, as in Gramsci, the elite persuade through a system of signs which have identical significance to the subaltern, and they collaborate based on these. Thus, collaboration on part of the subaltern can be represented as the mirror

image of the elite's power of persuasion. Collaboration is not seen as an autonomous element embedded in the consciousness of the subaltern, but persuasion and collaboration are defined as an exchange relationship – persuasion flows from the elite to the subaltern and collaboration flows from the subaltern to the elite. This is what Gramsci (1971) means by simple hegemonic power. Such a notion of hegemony is founded on the idea that it constructs a contingent totality structured by a single nodal point, lending it a semblance of relative permanence. The rest of the parts belonging to the totality identify with the nodal point, in spite of reservations and contradictions, and give consent to the domination of the nodal point over the totality that include the other parts. Surplus meanings of the nodal signifier overflow totality, eliciting consent to its rule by way of identity construction of the remaining parts. For example, as in orthodox Marxism, one particular class assumes the role of the universal under a dominant mode of production.

In our discussion on planning as a discourse, we extended the theory of hegemony, following Laclau and Mouffe (2014), to show that the nodal set of signifiers does not include just one element, but there are plural nodal points like accumulation, progress and rationality that organise the discursive space so that identity construction are internally torn by sharper contradictions that render the totality more unstable and less permanent, one we have called simple hegemonic discursive power. However, the common point in both Gramsci and Laclau- Mouffe is that hegemony operates through the parts that structure totally includes. Simple hegemony can thus be defined as hegemony over the included. Now, in our discussion on the period of welfarist redistribution as a power regime, and also after that, we have established how the accumulation economy acknowledges an outside to it in the form of a needed economy to secure its political and economic conditions of existence. We have characterised such hegemony as that over the excluded, i.e. the elite constructs the new universal with an appropriation of the excluded, incorporating the subaltern demands through multiple nodal points overflowing into the excluded space. As Sanyal (2007) acknowledges, this is much in line with Gramsci's discussion on passive revolution where the thesis incorporates a part of the antithesis to produce a surrogate synthesis. In the Indian case, here the market is a complex space from which two contending spaces of accumulation and need are seen as flowing, as its two moments of organisation. Whereas in the case of full-fledged capitalism, the classical case would be the one in which the dominant class can project its own ideas and is able to elicit collaboration, i.e. rule by thesis, Gramsci was primarily concerned with the non-classical case, one in which capital appropriate the demands of the working class to construct a new universal that will ideologically unite the two classes, thereby blocking the true synthesis. In the same vein, capitalist accumulation appears to be unable to secure its hegemony on its own and hence constructs a more complex discursive closure to incorporate a part of the need economy, in terms of its right to food, health and education, in order to reproduce and stabilise its own hierarchy, as two moments of the master signifier of the market.

Postcolonial capitalism: A theoretical critique

Such a non-essentialist rendition of Gramsci's theory of complex hegemony in the spirit of Laclau-Mouffe provides the framework for Sanyal (2007) to theorise his problematic of post-colonial capitalism, which he extends to the formal-informal sector framework to characterise the rapidly changing economic order in the post

1990s scenario in the face of globalisation of the Indian economy and theorise on the issues of micro-financing and informalisation of jobs. We follow a different approach, but this, we believe, is the perfect occasion to raise a few issues on the theoretical underpinnings of post-colonial capitalism as a complex hegemonic discursive construct of accumulation and need spaces. For, seen in this way, it might be signified as a failure of hegemonic power of capital. At least a traditional notion of complex hegemony implies such failure where the thesis has to incorporate its antithesis to block the true synthesis. But, given our framework where we have moved away from the notion of an essentialist Hegelian opposition so that the persuasive and collaborative principles do not stand in a thesis-antithesis confrontation, can it not be that our failure to recognise hegemonic power in the above case is due to the fact that hegemonic power appears in an altered form? Is it possible that hegemony continues to work over the excluded without any kind of appropriation or inclusion of another totality, such that the moment of the universal that is projected undergoes a process of displacement or transvaluation in the hands of the ruling class? When simple persuasive principles always do not work in modern capitalism, and the subaltern does not understand the language of persuasion of the elite, can the elite appropriate the collaborative principles internal to the subaltern as an autonomous force - a displacement of the collaborative principles, so that the subaltern can now read the persuasive principles by means of its own modified language, i.e., the displaced collaborative principles?

The answers to these questions are founded on the crucial assumption that the complex of persuasive principles of the elite and that of the collaborative principles of the subaltern do not belong to the same cultural (discursive) space. Let us elaborate using our previous accumulation-need framework. From the viewpoint of the needed economy, i.e. the space of non-capital, the persuasive principles of the accumulation economy (or capital) constitute a homogeneous field given externally. Of course, these persuasive principles flow through a constructed discursive space, that of accumulation, overdetermined by many contradictions and therefore continually changing its forms. But, from the standpoint of the needed economy, these changes are unimportant so that the complex of persuasion can be assumed to be homogeneous. However, the complex of persuasion and that of collaboration do not belong to the same discursive space, they are qualitatively different. If the space of capital and non-capital belong to two different discursive spaces, each in accordance with its own nodal point, then it is theoretically necessary to show how the signals are transmitted from one space to another. Thus collaboration is not immediately a negative (mirror image) of persuasion. To persuade it is necessary that the needed economy understands the language of persuasion. And when it's not the case, the question remains how does capital construct a discursive space in which the communication with the needed economy is made possible?

We argue that capital needs to construct a synthetic discursive space which can include the complex of persuasion and that of collaboration (in a displaced form) as its moments (Chaudhuri, 1988). The articulated field is constructed in which persuasive and collaborative principles emerge as moments of the discursive field. Capital distorts the constitutive principles of non-capital, mixes them up with his own persuasive principles, and sends them back to others. Capital learns the language (the subaltern demands and grudges) of its other, and constructs a new code to convey the message of its persuasive principles. The dispossessed and the

marginalised can then understand and speak in a new language, as in terms of the "need economy". Thus, unlike in the simplistic version of hegemony, where the dominant ideas propagated by the ruling class makes the subaltern classes collaborate as they identity with sectional interest of the ruling class as their own, here we see that persuasion by the elite is not able to elicit collaboration from the subaltern classes and the mirror image of persuasion in not produced in the subaltern consciousness, and instead hegemony is established through an ideological practice on the part of the elite, establishing a relation among elements (persuasion and coercion) such that their identity is modified as a result of the articulatory practice. It can be called a displaced (or synthetic) form of hegemony, because it is a product of the master's appropriation of the principles that constitute the subaltern as an autonomous force, i.e. it's a displacement of the servant's constitutive principles (Chaudhuri 1988, p. 19).

To define hegemony thus, hegemonic power is a condensation[1] of the persuasive power and displaced collaborative principles. It is the elite's appropriation of the collaborative principles internal to the subaltern as an autonomous force, a displacement of the collaborative principles. Since the elite's persuasive principle are defined over a different discursive space (around accumulation and progress), therefore there are possibilities of displacement of the signs of collaboration from one space to another (that of the need space) – from collaboration to resistance, as the diverse and heterogeneous subaltern demands and resistances get displaced as 'basic needs' or 'minimum standard of living' in the development literature, which then calls for further welfarist interventions and complex networks of governmentality through the state, global institutions and NGOs. Similarly, possibilities of condensation also exist. The subaltern needs or signs can also condense, and they condense because they can be displaced from one space to another, with the elite's persuasive principles of marketable production as moments of a new universal at the level of idea, or as theoretically posited categories of a more developed discursive space, constructed from specific class positions. Hegemony is an expression of these displacements and condensations of the elite's ideology.

Conclusion

The categories of displacement, and condensation call for greater attention from our part than the scope of this essay permits. But at least now that we can reconceptualise hegemony away from its simplistic form, it becomes evident that postcolonial capitalism is not a case of absence/failure of hegemony, rather through

1 Condensation and displacement are terms originating in Freud's processes of dream work (Homer 2004: 43). Condensation designates the process whereby two or more signs or images in a dream are combined to form a composite image that is then invested with the meaning of both its constitutive elements. In persecutory dreams, the dreamer may dream that they are being punished by an unknown authoritarian figure and try to identify that figure with someone in their life. The person may not be a single person, but a composite - a condensation of parental figures or employers or partner. All of the ambivalent feelings that the dreamer has around these figures combine into a single persecutor in the dream. Displacement describes the process through which meaning is transferred from one sign to another. Let us take the example of anxiety dreams. In anxiety dreams the dreamer may become anxious about some very minor incident in their lives, but this functions as simply a way of avoiding, or displacing, a much more serious problem. These two processes are what Freud (1996) called primary processes in contrast to the secondary processes of conscious thought.

this subtler form of hegemony, the accumulation economy appropriates smoothly its outside as the need-space. Also, it becomes clear that accumulation and need are not two dissimilar or antithetical spaces. In other words, the space of need itself changes in the presence of capital. Accumulation displaces need, it is seen in the logic of capitalist accumulation. Capital and non-capital are not two entirely opposed spaces that can be divided into watertight compartments, capital constitutes and determines non-capital.

This overdetermining aspects of accumulation and need economies forbid us to define the Indian economy as a complex of the two structures, as we can see that any social configuration includes many other structures. Naming the outside of capital as the need space excludes innumerable other possibilities and characteristics that it constitutes. The need economy as a separate discursive space presupposes a negative essence to capital and its space of accumulation, and foregrounds as an alternative a homogeneous deliberative subaltern consciousness. By upholding the need economy, capital is actually upholding another notion of a separate independent totality, displaced and distorted in its own light. Such overdetermined aspects of the capitalist hegemony with its 'outside' is what we have tried to address here briefly by the theory of displaced hegemony. To rethink hegemonic power as a complex of the different qualities of persuasion and collaboration, and their displacement and condensations, brings out as its implications as to how the outside of capital is constructed as the need economy by development interventions, as well as producing the subjectivity of the need space, and thus fixing its position in the exterior of capital's own space. The constitution of the need-economy, or later the informal sector, through the developmental interventions involves an implosion of the two regimes of power, the restrictive and the productive.

Lastly, Sanyal (2007) is self-aware of the fact here that he uses the term non-capital to describe the need-economy or the informal economy, but the need-accumulation, or the formal-informal does not exactly coincide with the division between capital and non-capital on the basis of wage-labourer. The concept of the need economy, for instance, covers the entire ensemble of non-capitalist production, but also might include small capitalist production organised by small entrepreneurs in the informal sector by hiring wage-workers in "micro-enterprises". There might be enterprises where employer himself is a worker, and because of low levels of technology and productivity, he has a low level of income and thus his production is organised for mere consumption. But seen from the mode of production perspective, such an activity will be identified as capitalist production and as such belonging to the accumulation space, and not the need-space. These three critiques, namely, (i) the impossibility of the subaltern 'need'-based space as an independent subordinate discourse, (ii) the non-compartmentalisation of the accumulation-need economy due to the their mutual interconstitutivity of overdetermined affects, and lastly, (iii) the entry-point of production for accumulation or need as problematic, provoke us to move away from such a conceptualisation of post-colonial capitalism in future towards the new form of hegemony that we have enunciated in details in this essay.

In the post 1990s globalised scenario of neo-liberalism, two positions have emerged in the contemporary Indian political-economic discourse, - one, propagated by liberals and leftists alike, is that of in favour of modernisation, a transition from the traditional to the modern, through institutional changes oriented towards a free play of the global integrated market, whereas the other position has been marked by

backlashes of protectionism and authoritarian nationalism, founded on a justification of the traditional over the modern, highlighting the existence of a vast popular mass of peasants, adivasis, women, children - the unskilled - or in short, the subaltern, who are then to be addressed through the populist agendas derived from the discourse on inclusive development.

Inclusive development has been posited as the remedy to the problems and issues that the vast majority of poor people have dealt with in the face of the ongoing unfettered aggression of capital in all spheres of the Indian economy. As the Indian Government has, on the one hand, followed a laissez-faire policy to create, secure and facilitate conditions for a competitive market economy, and then leave that economy to self-regulate itself through the free interaction of private agents, setting effective, incentive compatible rules with minimal interference, on the other, the structural and social exclusions have caused the state to address them in forms of the much discussed social programmes targeted towards socially excluded groups or redistributive programmes targeting the bottom quintile of the income bracket. Such dual role of the state, of aggressive accumulation and a roll-back towards benevolence, has been the primary concern in this work that has been analysed through the accumulation-need framework utilised here to capture the two modalities of power, two seemingly contrasting rationales of neo-liberalism and a welfarist sovereign state. For, to align itself to the global competitive economy, it must be supplemented by inclusive development addressing the exclusions, often as caste-based reservations and identity politics, so that India can be integrated directly or indirectly through these processes with global capitalist enterprises, and local capitalist enterprises and non-capitalist enterprises can be intertwined with global capital, through local-global markets via instances of subcontracting, outsourcing, off-shoring etc., i.e. through the circuits of global capital.

It has been the task in this essay to go beyond the duality inherent between the elite and subaltern, the modern and the traditional. By framing the question in terms of the interlinkages between the accumulation economy and the need economy, rather than positing them as two compartmentalised narratives, it brings into light how the logic of capital produces the need-based discourse of the subaltern, effacing and displacing it, i.e., in a word, overdetermined it. Hence, any notion of an independent discourse, free from the play of the capital, however we may name it - the subaltern, or the masses, or the rural, or the traditional or the informal - is thus a theoretical impossibility, a contradiction in terms. This is the sole purpose, the reason we use the notion of complex hegemony here, so as to highlight the idea of inclusion or revival of the other, rather than annihilation or exclusion, in our discussion on the emergence of the discourse on welfare and redistribution in Indian public policymaking scenario.

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