

Reconceptualising Governance in the Context of Neo-liberalism: Moving from Welfare Politics to Clientele Politics in the Case of Assam

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This paper aims to provide a theoretical analysis of neo-liberalism and issues in governance within the Indian context, focusing on Assam. It argues that market-friendly reforms implemented after 1991 did not erase the legacy of the robust and progressive Nehruvian state. Rather, a much more conspicuous reworking of the state is achieved through increasing intervention in social sectors. The study further argues that pro-market transitions by populist regimes are typically characterised by a series of short-term calculative measures that differ from the perspective of the welfare state. It also considers the governance practices in Assam within the broader economic and political trends.

Keywords: Neo-liberalism, Governance, Populist Politics, State, Assam

Since the liberalisation of the Indian economy, there has been a noticeable change in the country's governing practices and the nature of the state. This is the outcome of the globalisation process and the implementation of neoliberal economic reform, which has an enormous impact on the state's politics and economy. India's economic liberalisation got off to a dramatic start with abrupt and significant adjustments to the development strategy. Economic liberalisation has also subsequently produced a dramatic shift in the discourse of governance. Over the last few decades, the politics of the nation has been guided by the structure of capitalism, and it has made an apparent shift in the Indian State's approach from a welfarist notion to a clientelist approach. Moreover, the notion of citizenship for the state has also transformed from citizen to client and transformed the state as the patron for the masses. The practice of governance in the context of Assam has changed the whole discourse of citizenship from rights claimants to passive beneficiaries. Therefore, in this background, the present paper is an attempt to discuss the dominant neoliberal ideas and how they have transformed the nature and practice of the state from welfare to a patronage state in the present time. The paper has been divided into four different sections. First, the paper deals with a theoretical understanding of the concept of neo-liberalism and governance in terms of India. Second, it argues the changing discourses of citizenship from welfarism to clientelism in the neoliberal state

mechanism. Third, it deals with the reconciling of capitalism and populist policies in the case of Assam. Fourth, it gives the concluding observation on the arguments put forward by the preceding sections.

Understanding Governance in the Context of Neo-liberalism

In the Indian context, neoliberal reform emerged in two phases: first, under Indira and Rajiv Gandhi in the 1980s, and then, with the massive reforms of 1991. The 1980s saw a relatively few changes to policy, with the main emphasis being on internal liberalisation. Even though they were small, the 1980s reforms set the stage for the 1991 reforms, which represented a more substantial and wide-ranging change. The 1991 reforms marked a radical shift in the nation's approach to development. They were the driving force behind India's transition from a model of dirigisme to a private-sector-driven economy. The reforms that started in 1991 changed the frameworks for both internal and external economic policy, in contrast to the liberalising measures of the 1980s. The industrial licensing system, also known as the infamous "licence-permit raj," which served as the focal point of India's post-independence policy regime, was essentially abolished, significantly lowering state's influence over the private sector. The primary driver of growth in the nation shifted from public to private investment, which had a significant impact on the subject and type of policymaking. The changes were successful in solidifying India's place in the world economy over time (Zaffrelet, Kohli & Kanta, 2019).

The impact of neoliberal capitalism, which was greatly influenced by neo-economic reforms in India, has been felt inequitably over time, across regions and sectors. The current social structures have also changed as a result of these capitalist relations. To safeguard liberty and advance economic development, neo-liberalism supports liberal rights and a free-market system of business. Although they emphasise the necessity of democracy as much as its limitations, neoliberals are broadly democratic. Considering everything, neo-liberalism is sceptical of the regulatory state and large government-led policy on spending, but it does support public goods and social insurance as legitimate government functions. Thus, neo-liberalism is not only an economic doctrine but also a political mechanism that believes in the retreat of the state. Therefore, it can be said that neo-liberalism is also a political ideology that enables capitalism to flourish. Neo-liberalism as a defence of capitalism does not equate to adopting a consumerist mindset and viewing profit-seeking as a way of life. Nonetheless, there are ardent neoliberal proponents and opponents of this discussion. The seemingly reckless setting up of an international capitalist system is intimately associated with the growth of neo-liberalism. The creation of a global capitalist system is the necessary outcome of the process of neo-liberalism. Liberal theorists have long held that market forces are inevitable and determined to bring about widespread prosperity, which has propelled economic globalisation. Global liberalism, in its political and economic forms, will therefore emerge at the same time as the twenty-first century becomes increasingly globalised. This quest for globalisation and modernity has prepared the ground for the withdrawal of the state, and it is equally legitimised by the market-driven development agenda, which can be called a substitution of government by the neo-liberal concept of governance. (Gupta,2003)

'Government' and 'Governance' are often used interchangeably to denote the exercise of authority over a territory or system. However, contemporary usage

does not regard 'governance' as a synonym for government. It was first used by Harlem Cleveland in the late 1970s when he said, 'What the people want is less government and more governance' (George, 2008). The principal difference between government and governance, as argued by Rosenau is that while the government rules and controls, governance means orchestrating and managing. (Rosenau and Ernst, 1992). The concept of governance is more encompassing and wider than the government, which conventionally refers to the state as the sole mechanism to determine its policies. Restructuring the state-market-civil society relationship is at the core of governance. The neoliberal vision of governance demands a minimalist state. (Singh, 2016) The former traditional welfare state is being transformed into a corporatist state. The state is often unable to respond positively to demands for social development placed on it by domestic constituencies. The World Trade Organisation (WTO), International Monetary Fund (IMF), and other international organisations whose operations have an impact on countries are amongst the international institutions whose rules and regulations impose restrictions on governments' ability to operate (Chakrabarty a& Chand, 2017).

The retreat of the state is one of the significant features of neo-liberalism. Since the neo-liberal reforms were adopted in 1991, the state has viewed efficiency and economic growth as primary goals. The decision to rely more on market forces to lessen the role of the state in the economy has been deliberate. As a result, the government is no longer actively involved in the distribution of resources, either directly through industrial licensing or inadvertently through financial sector intervention. These decisions have been left to the market forces. It is all about giving the market a free ride. This results in a gradual reduction in the role of the state, followed by cutting down the expenses on various social welfare measures. The impoverished and marginalised groups frequently bear the brunt of all these restrictions on the state's ability to provide subsidies.

Globalisation and markets have the logic of their own. The idea of accessibility for some and marginalisation of others, or wealth for some and poverty for others, is the foundation of the market principle (Nayyar, 2001). This has created some winners but more losers. This process of exclusion can be manifested in the form of economic, social, and political deprivation of the poor section of society. Market mechanism excludes people as both consumers and producers or buyers and sellers, who are unable to accept or conform to the values of a market society. This exclusionary process could result from patterns of uneven development and unequal benefit and burden distribution, whereby some people experience growing affluence while many others continue to live in poverty (Nayyar,1996). The economic form of exclusion has exacerbated other forms of exclusion. Politics of segmentation resulting from political process conflicts have been sparked by this exclusionary process. These conflicts are linked to the conflicts that exist between the democratic realm of politics and the economic sphere (Nayyar,1998). Paul Brass has mentioned the sceptical notion of governance where, in a state-controlled democracy, a huge mass of people is deprived of political and social equality (Brass, 2006). The politics of democracy include those who are left out by the market economy. Therefore, in politics and economics, inclusion and exclusion are asymmetrical. In this process of confluence of economics and politics, the rich and powerful started dominating economics, and the poor also started showing their influence in politics. These 'excluded other sections' of society have become targets for the political elites. Governments across

the party lines follow the neoliberal ideology, creating multilayer dependent beneficiaries through populist policies. These populist policies primarily try to intact the socioeconomic hierarchies of the society without focussing on the removal of structural inequalities in the society (Nayyar, 2001). The obsession with power politics and insecurity about the position and status of the political regime further encouraged populist policies and short-term objectives rather than long-term goals and welfare policies. The effects of short-term policies or actions that endure over time to influence long-term outcomes in both the economy and politics are known as “hysteresis,” and this short-termism may contribute to it (Nayyar, 2001). In their efforts to uphold or advance the interests of the classes or groups they represent, governments frequently act in a sectarian manner. According to this, the government apparatus has been deliberately employed in the neoliberal era to further the objectives of the ruling class. In this context, it has been observed that India’s politics and policies have gradually shifted in favour of business over the past three to four decades. Following her return to power in 1980, then-prime minister Indira Gandhi started this change. Her son Rajiv Gandhi then deepened it during the second half of the 1980s. In 1991, some fundamental policy changes prompted further acceleration and modification of this change. It would be challenging to dispute India’s gradual but noticeable shift from a socialist political economy to one that places a strong emphasis on business interests and economic growth, especially with Narendra Modi serving as prime minister at the moment (Zaffrelet, Christophe, Kohli & Kanta, 2019). However, radical liberalism has led to the unprecedented emergence of state-level political parties and leaders having interests of corporate capital on a national and international scale. This changing discourse of the politics of the state has also changed the concept of citizenship which sometimes shifted from the passive targeted beneficiaries to rights claimant citizens. However, the gradual erosion of the welfare state to a patronage state in corporatist domination of capitalism further transformed citizens into clients or consumers. Therefore, the next section of the paper is an attempt to discuss the reconciliation of capitalism and populist policies of the neoliberal state.

Citizenship in the Neoliberal State

In contrast to the dominant view, neo-liberalism is not necessarily the withdrawal of the state as a regulatory institution. Rather, it is more about the shift in regulation, priorities, and the complete overhauling of the personnel in the state institutions, which favours big capital and the elite. (Dutta, 2021). The welfare state’s objective is to grant citizens social and economic rights by implementing progressive, occasionally redistributive laws. Welfare policies sought to provide different social security measures to the citizens of the state. However, India in the pre-reform period did not qualify to be called a welfare state. India’s main goal as a young nation was to grow the country’s wealth through five-year cycles of centralised economic development planning (Jayal, 2013). The main goal was economic development, and welfare goals were essentially secondary to it—either included in it, made dependent on it, or just used as tools. According to Frankel, there was a conflict between the two objectives of gradual agrarian reform and fast industrialisation, and the former prevailed (Frankel, 2006). The cost of social services appeared to be exorbitant. The justification of limited resources led to the restriction of social welfare to include the most vulnerable individuals and those requiring additional assistance.

Electoral populism rules state politics despite the absence of welfare philosophies in the true sense of the word (Fraser, 2008). Populist electoral policies are projected as welfare, and it further changes the nature of the rights claimants' citizenship to passive beneficiaries. Since India's independence, populist political forces have had a big impact on the country's politics. The way that populist theories of various political regimes construed political communities, the social groups they targeted, the policies they pursued, and the effects they had on democracy have all changed. During the interwar years and again from the late 1960s to the late 1970s, when Indira Gandhi led the party, the Indian National Congress displayed elements of populism. Policies implemented by Indira Gandhi from 1966 to 1977 can be viewed as a synthesis of socialism and populism. The 'poor' were given a new political identity by her; one that she claimed needed to be safeguarded against the unscrupulous rich. Her catchphrase, "garibi hatao" (remove poverty), was a powerful statement rooted in anti-elitism and radical economic policies aimed at achieving political redistribution (Ranjan, 2018). Furthermore, populist catchphrases like "India is Indira, India is Indira" portrayed Indira Gandhi as the only representative of the Indian people. Left-wing populism, which sacrificed constitutionalism on the altar of socialist rhetoric and political expediency, is a troubling legacy of Indira Gandhi. Consequently, Paul Kenny has written that "her populist programme's logical fulfilment" was the authoritarian emergency that ensued from 1975 to 1977. Following the populist Congress Party's success, a variety of new parties emerged in the 1980s, including the Socialists, Dravidianists, and numerous regional political parties that eventually attempted to sway state politics with various populist policies. Furthermore, during its rule from 2004 to 2014, the United Progressive Alliance (UPA), led by the Congress, unveiled a plethora of populist policies. On a platform that supported the poor, the Congress-led UPA first came to power in 2004. It enacted a long list of pro-people laws between 2004 and 2009, when its first term in office ended. These laws included those that guaranteed employment and the right to information. Its 2008 announcement of a farm loan waiver scheme, estimated to have cost the national exchequer 70,000 crore (Roche, 2014), can be considered one of the major populist policies of the UPA governance.

Apart from that, the current Narendra Modi regime also displays traits of the populist regime. Demonetisation was such an attempt to show Modi as the true representative of the people or the crusader against black money. Declaring that Narendra Modi is the "leader of the poor," "Gareebon ka Neta," and that he fights the elite and the corrupt rich bears a striking resemblance to Indira Gandhi's policies of nationalising banks and abolishing private purses. This is the representation of class politics followed by populist policies. However, class politics are being pursued through the multitude of fiscally unsustainable and populist welfare schemes, such as the Ayushman Bharat Yojna (India's largest health insurance policy), the Pension Yojna (providing pensions to workers in the unorganised sector), the Fasal Bima Yojna (crop insurance scheme for farmers), and the Ujjwala Yojna (providing LPG connexions to women below the poverty line). The goal of these initiatives is to portray the government as being pro-poor. As his primary electoral platform in 2014, Modi advocated for the reinstatement of neo-liberalism under his direction. The top government statistical agency, the National Sample Survey Office, challenged Modi's claim of 2 million jobs would be created annually in 2019 by revealing that India's 6.1 per cent unemployment rate in 2017-18 was the highest since 1972-73.

(Hindustan Times, 2019) 11 million jobs were lost in 2018 alone, according to the Centre for Monitoring the Indian Economy. (Business Standard, 2019) Currently, the unemployment rate is almost 9 per cent. Modi's 'Skills India' initiatives were not very successful. Furthermore, his "Mudra" programme for small business owners that had generated jobs was not included in the jobs data, even though it had limited success and put pressure on public banks (Misra, 2019). Therefore, it can be said that the political regime's adoption of populism can be used as an instrument to mobilise and sustain the support base of the respective parties. Further, it equally converts the active citizens to the mere passive clientele.

The Indian economy has moved toward neo-liberalism over the past 20 years, with the government actively promoting capitalism. Furthermore, a new dynamics appears to be at play in the legalisation and defence of social and economic rights. The most crucial point is that at the moment when state withdrawal from public services spikes, the idea of social citizenship—which is also connected to substantive citizenship—has gained traction. It also accelerated the neoliberal process by making public services more and more commodified (Jayal, 2013). Needs and rights are two different ways to claim welfare, but the Indian state has given in to needs to support state paternalism and charitable ideas. Electoral populism in the form of promises of subsidised goods like rice and clothes in the 1970s, free water, and electricity to farmers in the 1980s, and television sets, laptops, and computers in the present is projected and received as a form of welfare, even when welfare seems to stand outside the domain of political contestation. It is presented as a welfare programme and a component of a political incentive system that operates top-down during elections. It strengthens the bond between citizens and their elected officials as givers and recipients, benefactors and beneficiaries (Jayal, 2001). The main goal of dirigiste economic policies was to promote capital accumulation rather than redistribution. The assertion of citizens' rights, such as the freedom to work and eat, has created a rift in Indian democracy during the post-reform era, with citizens increasingly rejecting the vocabulary of citizenship in favour of the new language of consumers, clients, and users. However, in the contemporary times, the implementation of the National Rural Employment Guaranty Scheme, the Right to Information Act, and the Forest Rights Bill are some of the policies that forced the state's action for stable rights. Despite these stable rights made by the state, it cannot be denied that the states are favouring empowerment over entitlements, which can resonate with the 'productive welfare capitalism'. The concept of "productive welfare capitalism" bears some similarities to the instrumental conception prevalent in East Asia, where social policy and fundamental social provisioning are driven by the primary goal of increasing citizens' workforce productivity rather than any notion of capacity building or human flourishing (Jayal, 2019). In the case of the Indian state, these contemporary strategies of enhancing welfare are submerged in the electoral elite's popular policies, which guide the present state. Populism in politics may employ many rhetorical tools to inspire public sentiments and try to access the electorates through their agendas and populist slogans. Following the extreme right-wing party, the Bharatiya Janata Party, winning both the 2014 and 2019 elections, many political analysts have argued that Hindutva populism is now influencing India's liberal and secular democracy. Different populist policies are adopted by the Modi-led BJP government, which primarily acquire the form of majoritarian nationalism, unconstrained by minority rights. The consolidation of Hindu majoritarianism and the pursuit of

neoliberalism have brought a major shift in Indian politics. In this context, the next section of the article deals with the neoliberal governmentality and populist transition in Assam's politics. The journey of the BJP-led regime in Assam has been defined by diverse populist policies, challenges, and contradictions.

Populism or Welfarism? Governance in the Context of Assam

The advent of neo-liberalism in India inevitably gave rise to a significant political dilemma. The gradual transition from a socialist economy to a capitalist path has created both opportunities and setbacks for many states. This policy transition has reflected a new set of politics in the state, driven by neoliberal governmentality and followed by populist agendas of the political parties both in the central and state regimes. While analysing neoliberal governmentality in the context of Assam, it is important to mention the politics of development in the North East in general and in the state of Assam in particular. North East seen mostly as the periphery of India has suffered uneven development since independence. North East India is the home of innumerable nationalities and national minorities belonging to different ethnic, religious, and linguistic groups. Being one of the major post-colonial states in the area, Assam naturally experienced periodic lulls in its politically sensitive, violent, and unstable state (Hussain, 2008). India's quest for modernisation and development remained within the broad framework of capitalist development, and all distortions of uneven and capitalist development manifested themselves very prominently in the northeastern region as well as in Assam. Political economy and development of the region since independence till the present neoliberal era reveals certain tendencies to be comprehended in the backdrop of insurgency and political turmoil. Moreover, the region has witnessed different ethnic identity crises, which impacted the politics of the state. These different political mobilisations of different ethnic communities and groups have been pacified by granting different territorial and political arrangements either through autonomous councils or district councils. Furthermore, the issue of immigration versus indigenous rights and identities has also resulted in the culmination of different movements such as the Language movement (1960), Medium movement (1972), and most particularly, the Assam movement (1979-85). All these factors have contributed to the political significance of these issues for different regimes that have come to power both in the state and Centre. This socio-political turmoil in the state has opened political opportunities for different political regimes to adopt different populist measures, which have hardly been successful in mitigating the real causes of the trouble.

In the neoliberal political economy phase, Assam has also entered into competitive politics for earning foreign engagements as well as adjusting to the demands of a corporatist state. Neo-liberalism is a complex and multidimensional political project that involves new forms of statecraft aimed at managing its contradictions and consequences as well as market-building initiatives. Therefore, the emergence of neo-liberalism deviates from the assumption of a minimal state and assumes an interventionist mode of state. To satisfy corporatist demands and maintain power, the political regime, regardless of political affiliation, has implemented a structure that incorporates market-driven truths and calculations into the political sphere. The idea that neo-liberalisation is an exceptional policy shift that can be used to both include and exclude people, is the most important component of this type of governmentality. Stated differently, the interventionist

facet of neoliberal governmentality manifests as a unique formulation of sovereign laws and citizenship regimes, deciding which populations and spaces to include or leave out as subjects of “calculative choice.” The core ideas of the neoliberal project have permeated mainstream political discourses worldwide since the 1990s and evolved into a hegemonic ideology. The dominant form of neo-liberalism has evolved from simplistic roll-back forms to much more profound forms of state-building, even though its reach and purchase remain uneven (Das, 2021). In Assam neoliberal governmentality has deconstructed the notion of less state. The emergence of a neoliberal interventionist state and its varied populist agendas has transformed citizens into passive beneficiaries.

In the line of Indian politics, the politics of Assam had also been dominated by the single political party regime or the congress system till 1985, which was later on challenged by the other parties, including the regional party. The Asom Gana Parishad (AGP), a regional party, was founded in 1985 as a result of the Assamese people’s regional aspirations. The party came to power in the same year and thus managed to consolidate its presence in Assam politics. The emergence of the State’s regional political party impacted Congress’s position. However, both Congress and AGP have seen an erosion of their support in succeeding elections, and this has given the BJP a space to enter into state politics. A multi-party system where different ethnic groups or smaller cultural communities started to play significant roles was replaced by the one-party dominant system. Since 2014, Assam electoral politics has been witnessing the rise of BJP, and in the 2014 Lok Sabha election, BJP received 36.9 per cent of the vote and won 7 out of a total of 14 seats, whereas INC could manage only 3 seats, though it was the ruling party in the state under popular leader Tarun Gogoi. In 2016, the BJP-led National Democratic Alliance (NDA) created history in Assam by ending 15-year congress rule in the state with a tremendous victory in the Assam Legislative Assembly election. Out of 126 seats, BJP-led NDA won a combined 86 seats, of which BJP owns 60 seats alone. In the election, Congress witnessed a great defeat after being in office for three consecutive terms under chief minister Tarun Gogoi and could win only 26 seats though the Congress government initiated several election-oriented beneficiary base schemes. Plans that call for giving Rs 10,000 to one lakh self-help organisations for women, Bou (financial assistance to 200 BPL women in each constituency), Majoni (Rs 5,000 each for the girl child and mother at the time of birth), Bowari (Rs 10,000 to BPL women at the time of marriage), Baideu (Rs 10,000 to unmarried women), and another scheme to provide Rs 5,000 to one thousand entrepreneurs in each constituency. Factors such as BJP’s religious polarisation, Hindutva agenda, personality factor of Sarbananda Sonowal, who was portrayed as Chief Ministerial candidate, PM Modi’s popularity, BJP’s alliance with prominent regional players such as Assam Gana Parishad and Bodoland People’s Front, Defection in congress party and joining of prominent congress leader Himanta Biswa Sarma in BJP along with 9 congress leader and strategic weakness of Congress contributed to the victory of BJP in Assam. In the 2016 Assembly election, BJP made several lucrative promises such as providing land patta to every landless family, implementing the Assam Accord in its letter and spirit, Constitutional, legislative, and social safeguards as per clause 6 of the Assam Accord, the solution to the problem of illegal migration from Bangladesh and deportation of illegal Bangladeshi migrants, mitigation of the problem of insurgency and terrorism, employment generation, solving of flood and erosion problem, infrastructure development and rural-urban

development through their vision document and election campaign. (BJP, 2016 Election Manifesto) Addressing these perennial problems, the BJP could influence all sections of the voters and could mobilise the people for a stunning victory. However, BJP's second consecutive winning in the State Assembly election of 2021 can be seen in the backdrop of a host of different hyper-populist policies based on welfare and development taken primarily to gather the support of the electorates. The BJP has introduced a number of welfare programmes aimed at different societal segments. For example, the Orunodoi scheme uses a Direct Benefit Transfer process to provide monthly support to accounts of women who are part of marginalised families, amounting to Rs 830. Moreover, the distribution of two-wheelers to meritorious girl students who have passed the higher secondary examination and the announcement made by the government that it would provide "one tolä of gold" (1 tolä = 11.664 g) to brides belonging to all communities of the state who registered under 'Arundhati Gold Scheme' with marriage certificate are some of the major policies thru which BJP gained prominent attention in the state. Offering gold to the brides under the government scheme has come under criticism; however, the government has remained steadfast on it. (Dutta, 2019) Admission fee waivers and free textbooks up to the degree levels for students from economically backward families are some of the other welfarist policies that have attracted people towards the BJP. All these policies hardly express anything against the State's growing inequality, rising unemployment, poverty expansion most importantly, and livelihood insecurities in the region. More recently, the Assam government has distributed 10,000 cheques to waive microfinance loans taken by women under the Assam Micro Finance Incentive and Relief Schemes 2021. Assam Chief Minister Himanta Biswa Sarma issued a statement notifying this to the women beneficiaries covered under the scheme. Through this new scheme, CM is trying to fulfil the promises he made during the election campaign. However, the head of the microfinance industry body cautioned that a loan waiver can seriously impact the credit discipline in the state. Earlier in the election manifesto, it was mentioned by the BJP that if it came to power in the state, it would help poor women repay their microfinance loans. Besides, it also promised to bring stringent laws to prevent borrowers from public humiliation caused by the Microfinance Institute (MFI) during the loan recovery process. But this loan waiver not only impacts the total collapse of credit culture in the region but also increases their Non-Performing Assets (NPAs) on the banks that operate in the microcredit segment.

The recent release of the NITI Aayog Report on Sustainable Development Growth in the North East Region is a testimony to the fact that Assam, being one of the significant states in terms of its infrastructure and geographical advantage in comparison to other northern regions, performs poor in terms of its SDGs. The National Development Council (NDC) has granted Assam, the largest state in the North East, special status, which entitles the state to preferential treatment when applying for central funding assistance. Assam is one of the nation's lowest-performing states, according to the NITI Aayog Health Index. Compared to the national average of 14.5 per cent, the average annual dropout rate for girls in secondary education is a startling 27.8 per cent. The Assam government has launched numerous programmes aimed at educating girls, but the secondary dropout rate is still quite high. (SAHAJ and IDEa, 2018) Furthermore, Assam's per capita income has been steadily declining in recent years. The fact that the per capita income of two

states—Tripura and Mizoram—has been gradually increasing in comparison to the entire country over the same time period is encouraging. With a per capita income of Rs. 1, 30,970 in 2020–21, Assam was amongst the states with the lowest incomes. (Deka, 2021) Furthermore, the livelihood of 67 lakhs of people was estimated to be disrupted, according to a report released by State Innovation and Transformation Aayog (SITA) on the economy of Assam in the context of the COVID-19 Pandemic. In fact, economic situation in Assam from 2017-18 had seen a decline in the state's GSDP growth, and for 2019-20, the PLFS 2018-19 estimates show that the unemployment rate in Assam increased to 7.9 per cent, which was just 2.9 per cent in 2013-14. So, the overall economy of Assam has been slowing down with the increase in unemployment (Choudhury, 2020). Moreover, a recent report enumerated in the Economic Survey, Assam (2019–2020), drawn from the SDG (Sustainable Development Goals) Baseline Report, 2018, is a testimony to the very disappointing picture of Assam's performance regarding health, immunity, and nutrition of the children and women. (Govt. of Assam, 2019-20) Furthermore, as per the Assam State Human Development Report, 2014, the condition of Assam in case of various forms of inequality and unemployment is alarming. The five-page report enumerated in the Economic Survey, Assam (2019–2020), 52 drawn from the SDG Baseline Report, 2018, is a testimony to the very disappointing picture of Assam's performance in this regard. A total of 13 indicators of SDGs are taken into consideration while calculating the SDG value for the states. Assam has performed worst in SDG 3, that is, health and well-being, with a very poor value of 30, whereas the national value for this indicator is 52. SDG takes into account the successful interventions to reduce maternal mortality rate, under-five mortality rate, maternal and child health on nutrition and universal immunisation for children below two year (Government of Assam, 2019-20). Therefore, it has indicated a dismal picture of the poor state of Assam human development status.

The “Assam Chah Bagicha Dhan Puraskar Scheme” was introduced by the government in 2017 in an effort to bolster and encourage the financial inclusion of the tea tribe community. The idea is to streamline the enrolment process for all of these active bank accounts under the Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Yojana (PMJJY). According to a study, the “Assam Chah Bagicha Dhan Puraskar Scheme” (ACBDPS) was a comprehensive initiative designed to assist Assamese tea garden labourers. The goal of the programme was to give the underprivileged a way to get their savings into the official banking system, give them access to direct cash transfers into their accounts, and free them from the grasp of predatory money lenders. Up to the third phase of distribution, the state's 7.47 lakh tea garden workers had benefited from the ACBDPS. Nevertheless, workers have been unable to maintain their bank accounts after receiving benefits from ACBDPS, and many of their accounts have closed or stopped working. Therefore, the study reflects that without enhancing the wages of the tea garden workers, which is currently only Rs 250 in Brahmaputra valley and Rs 228 in Barak valley of Assam, and without improving their educational status, socio-economic conditions, this kind of economic populist policies will never be going to benefit tea garden workers of Assam (Das & Hazarika, 2023).

Apart from all these short-term measures taken in the name of governance, one of the most significant engagements of Assam as a part of the neoliberal economy, is

its involvement in India's strategic 'Look East Policy'. The opening up of the Indian economy made it possible to formulate the Look East Policy, which is an attempt at economic diplomacy aimed at promoting stronger economic relations between India and its neighbouring Southeast Asia. That being said, not much has changed. It is impossible to integrate Assam's economy with the global economy without a development-friendly climate in the area and consistent economic growth. Moreover, it is important to mention that in underdeveloped regions like the Northeast in general and Assam in particular the engagement of the state is very crucial for developmental activities. Ironically, the rights of the common people are not on the development agenda. In many cases, the process of development itself violates the rights of people instead of enhancing their rights and capabilities. Development initiatives suffered greatly as a result of their disregard for the environment and people. Numerous neoliberal development projects have resulted in the displacement of a significant number of people, primarily from marginalised communities. Additionally, these projects raise concerns regarding the degradation of the local environment. Here, in this context, the remark of Prabhat Patnaik is relatable; he argued that the neoliberal state is a state in retreat is a misnomer since what is happening is that the state becomes the protector of the big capitalist against the working class, the peasantry, and other poor section of the society (Patnaik, 2000).

Moreover, the politics of resource extraction in Assam in the case of extraction of oil, tea, and natural gas by the capitalist giants, can be called a form of internal colonialism that works in the periphery. 2020 saw a blow-out at the Baghjan well in the Tinsukia District of Assam, which resulted in an abrupt gas leak. Oil India Limited has been drilling this well since 2006. This Baghjan inferno incident has caused chaos and raised concerns about how the state's rights, resources, biodiversity and rural ecology have been overlooked by the politics of oil exploration. Furthermore, the debate over how Assam has been denied a fair share of the profits and oil royalties from oil production is linked to the issue of exploitation and economic inequality in the oil debates (Talukdar, 2021).

However, the disinvestment of many public sector organisations in recent years in Assam has also created a serious contestation on the development issue. The 'Policy of Profit before People' has enabled the state to privatise many oil fields, in between 1997 and 2012, under the New Exploration and Licencing Policy and the government privatised 257 oil fields. Moreover, the closing down of two paper mills, Nagaon Paper Mill and Cachar Paper Mill, which were owned by the Central government controlled by Hindustan Paper Corporation Limited (HPCL) due to the shortage of working capital, reflected a sense of state negligence over the livelihood issues of all these employees who become jobless all of a sudden. Their question of life and security has no meaning against the state's disruptive decision to close down all these public sector organisations. In connection to the contentious development paradigm in Assam, the loss of forest, degradation of the environment, loss of biodiversity and resources, as well as the displacement and loss of habitat of many tribal and forest dwellers of Assam have challenged the present neoliberal model of development in the state. The underlying causes of this pattern of development are the ruling class's lack of genuine concern for the general welfare and their adherence to market-driven policies that have supplanted the idea of "people" with "profit." The profitability of the private sector's expansion is still reliant on government assistance. Subsequently, the political elites support businesses without holding them

accountable, and business groups receive subsidised profits, which they divide with the political elite. Relationships between the state and business turn into a means of mutual aid rather than a foundation for long-term economic diversification (Jaffrelot, Kohli & Kanta, 2019). Neoliberal economies push the state out of welfare while promoting private enterprise and the market. Today's political regimes use unsolicited populism to appeal to the marginalised even though they view the state as the arbiter of their well-being and a facilitator of their mobility in all spheres of life. One of the significant traits of populism is that it claims to represent 'the people', which is assumed to be unified by common interest. Eventually, political regimes started formulating populist policies to attract the electorates, which neither provided welfare to the people nor established justice in the society. Moreover, economic populist policies further increase the fiscal costs and burden for the government and the common people.

Conclusion

The foregoing discussion leads to a deeper analysis of the rise of neoliberal governance and the rise of populist promises. Foremost, it is important to underline that the present discussion has tried to put an argument that the contemporary discourse of neoliberal governmentality has not diminished or disappeared from the state rather, the state has assumed a new role in patron-client relationship. The commonly accepted notion of the Indian state as the benefactor of development enhanced the legitimacy of the state in terms of providing short-term measures whose primary aim is to create passive beneficiaries, not the right-claiming citizens. In this process, the state became the patron, and the citizens became the clients for the state machinery. Emergence of this patron-client relationship virtually barred the process of development with dignity. This shifting from a welfarist state to a clientelist state is manifested through different short-term populist policies adopted by different political regimes in various periods. To obtain the trust of the electorates, short-term and narrowly defined populist policies may work slightly, but in the long term, well-defined planning, policies, and goals are necessary to remove inequality from society. Therefore, shifting from a welfarist state to a clientelist state can no longer be a viable option for justifying the rhetoric of short-term populist policies; rather, governance requires well-structured, long-term strategies for effectively connecting with the masses.

To conclude, the reconceptualisation of populist transition in Assam in the context of neoliberal governmentality has deconstructed the earlier notion of the 'less interference state' to a new form of market-driven state which sought to promote state paternalism with the top-down regime of political incentives and transformed the relationship between state and citizen as benefactor and beneficiary.

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