# Development in Multiple Dimensions: Social Power and Regional Policy in India

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Why do some states provide infrastructure and social services to their citizens? Alexander Lee examines the origins of success and failure in the public services of developing countries. Comparing the states India, this study examines how elites either control or are shut out of policy decisions at the state level, and how the interests of these elites influence public policy. He shows that social inequalities are not single, but multiple, creating multiple competing elites with divergent policy interests. Since the power of these elites varies, states do not necessarily focus on the same priorities: Some focus on infrastructure, others on social services, and others on both or neither. The author develops his ideas through quantitative comparisons and more focused case studies on four northern Indian states: Gujarat, West Bengal, Bihar, and Himachal Pradesh, each of which represents different types of political economy and has a different set of powerful caste groups. The evidence indicates that regional variation in India is a consequence social differences, and the impact of these differences on carefully considered distributional strategies, rather than differences in ideology, geography or institutions.

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# Chapter 1

# Introduction

## 1 The Puzzle

One of the most serious obstacles to economic growth and human development in poor countries is that their governments often refuse to provide basic public services such as education, health care, roads and electricity. While such failures are perhaps explicable in the context of unstable regimes and dictatorships, the problem extends to consolidated democracies and well-institutionalized states.

The dramatic differences between countries in public service provision are clearly apparent in cross-national statistics. The average adults in Germany had 6.8 years of secondary education in 2010, versus .3 years in Mozambique. In the same year, Germans consumed over sixteen times as much electricity per capita as Mozambicans. While these differences might be attributed to economic disparities, they are are apparent between countries within similar levels of per capita GDP. Guyana, for instance, has a secondary school attainment nearly twice that of El Salvador, while Mauritius has a secondary school attainment two thirds larger than Turkey.

These cross-national differences are paralleled by differences within countries. India exhibits this pattern in particularly notable fashion. In West Bengal, for instance, only 15.6% of rural roads were paved in 2011, while the corresponding figure in Punjab was 92% [Ministry of Road Transport and Highways, 2012]. In the same year, Kerala had a literacy rate of 94%, while Bihar had one of 64%. These differences have clear

consequences for India's much noted levels of inequality in human development [Krishna, 2017, Weiner, 1991]. Differences in social and economic outcomes between states are large, and appear to have grown larger over the past two decades [Purfield, 2006, Deaton and Dreze, 2002, Sachs et al., 2002].

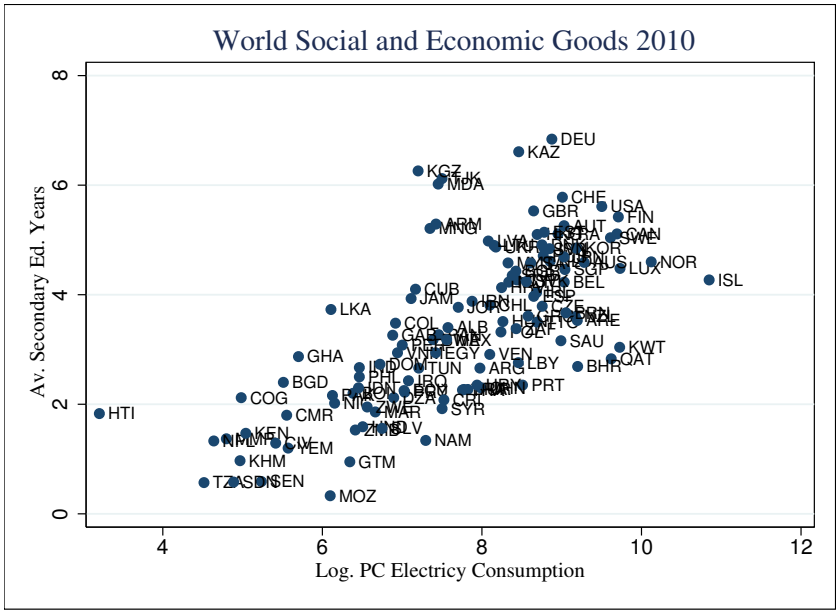
Some of these differences are a product of economic inequalities between states: As a general rule, wealthier states and states with high levels of social and economic provision in colonial times have high levels of economic and social provision today. However, there are numerous exceptions. Haryana, for instance, is the wealthiest large state in India,[1] but has the 9th highest literacy rate, while Chhattisgarh, Rajasthan and West Bengal have virtually identical levels of per capita gross state product but very different levels of social and economic outcomes. Similarly, colonial-era outcomes are only part of the story: While Kerala has had the highest literacy levels of any Indian state throughout the 20th century, Himachal Pradesh, the second highest state, had a below average literacy rate in 1931.

Similarly, many countries and regions that do well in providing some types of goods also do well in providing others, in many cases good performance in one category masks poor performance in another. Figure 1.1 shows that, despite the strong influence of wealth on both variables, secondary education is not perfectly correlated with per capita electrical generation. Many countries, particularly in the Caribbean and the post-Communist world, have high levels of secondary education relative to their electrical capacity, while for another set of countries (particularly in the Middle East and Southeast Asia) the reverse is true.

Indian states show even more extreme disjunctions between different categories of outcomes. Figure 1.2, shows the levels of road paving (a basic infrastructure outcome) and literacy (a basic educational outcome) for Indian states. While some states, such as Bihar and Himachal Pradesh, do well or badly in both categories, overall there is little or no relationship between the two variables. The ability to eliminate illiteracy in Kerala is not paralleled by a willingness to pave roads, and Punjab's good roads are not reflected in its literacy figures. This disjunctions would be far more severe if wee were to control for differences in wealth between states.

[1] See below for a discussion of "large states" and the sample.

Figure 1.1: World Public Goods, 2010



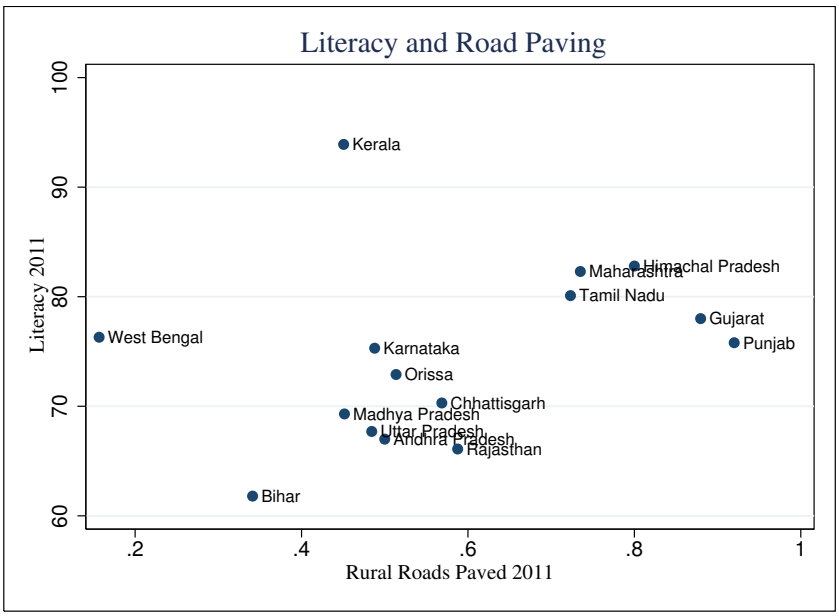

Note: The figure shows the average years of secondary education for those over 15 year olds, and the logged per capita electricity consumption in 201 Source: World Bank.

Two broad categories of especially important public services can be identified. *Social goods* are investments in the human capital. Education, health care and nutrition are the most important social goods. While citizens can provide them themselves, they would be under-provided, particularly to the poor, without state intervention. Social goods are typically services rather than physical goods, and their provision involves are large skilled labor force (doctors, teachers etc.)

*Economic goods* are goods and services that serve as inputs to economic production. Roads, electricity, and irrigation are all necessary for certain kinds of economic production, and can be provided more efficiently by the state than by entrepreneurs. Many economic goods are physical in nature, though other types of economic goods provision, such as handouts of fertilizers, are also possible.

What "mix" of goods a country or state provides can have important implications for those that live there. A region where the state provides generous social goods but not infrastructure may see its health and educational attainment run ahead of its economic development, while areas that emphasize infrastructure over social goods may see the reverse. A simplistic way of explaining this relationship is that economic goods lead to

Figure 1.2: Literacy and Infrastructure




Note: The figure shows the proportion of rural roads paved in 2011 and the adult literacy rate in 2011. Source: Indian State Database 6.2, 14.1.

economic growth and social goods lead to higher individual well being, but this is not entirely correct: Higher human capital levels may have positive economic effects, while growth by lead to improved social outcomes. A more subtle formulation is that improvements in social and economic goods represent alternate means to improve levels of human development, and are more likely to affect different subcomponents of composite human development indices.

If levels of social and economic goods provision define a two-dimensional space, the corners of the space can be thought of as ideal types. In the upper right and lower left corners of the space, there are regions that approximate the existing literature, having either consistently high levels of public services (like most countries in western Europe) or consistently low levels of public services (like many states in sub-Saharan Africa). The other two corners would be regions with very high levels of either social or economic goods, but not both.

Among Indian states, one can see examples of all four tendencies:

*Low Social, Low Economic:* Several states, concentrated in the north and east of the country, the state government does not provide either social or economic services,

leading to very low levels of both social and economic development. As Figure 1.2 shows, Bihar exhibits these tendencies in an extreme form, though neighboring states such as Madhya Pradesh and Uttar Pradesh are not far behind.

*High Social, Low Economic:* There is no Indian state with very high levels of social provision and and very low levels economic provision (i.e. in the in the upper left hand corner of Figure 1.2). However, two states are clearly have levels of social and economic goods provision that are high relative to their levels of infrastructure. Kerala and West Bengal both have relatively high levels of literacy and relatively under-developed infrastructure, though there are very noticeable differences in the levels of provision between the two states

*Low Social, High Economic:* Similarly, while is no Indian state with very high levels of economic goods and very low levels of social goods, there are several states that are noticeably "below the line," with levels of road paving that are disproportionately high relative to their literacy rate. Gujarat, Punjab, and Rajasthan are prominent among this group of cases, and all have enjoyed relatively rapid economic growth during the post-independence period.

*High Social, High Economic:* While no state combines universal literacy and universally paved roads, several states approach this ideal. Probably the closest is Himachal Pradesh (# 2 in literacy, #3 in paving), a state whose achievements are all the more remarkable because it was one of the poorest areas of India at independence, and which remains much poorer than other states with comparable levels of services.

The central problem of this book is how states, and the political actors that control them, choose these mixtures of public services. Why do states, even democratic ones, fail to provide goods and services that would benefit large portions of the population? And why would they choose to favor infrastructure over social services or vis versa, with all the consequences that that implies?

This book will answer this question primarily within India, comparing the widely differing public service mixes between Indian states. The focus on a single country provides several advantages—in data comparability, vulnerability to unobserved confounds etc.—over multi country designs. India, in addition is a case of considerable significance in and of itself: Home to over a billion people, and stark regional differences in welfare

and growth patterns. These differences are particularly notable because the Indian case poses several major challenges to existing theories of underdevelopment, since major classes of theories, such as geography, institutions and inequality have little purchase *within* India. Similarly, the cultural and ideological explanations common within the Indian literature have major limitations, particularly in explaining different types of spending. This book will propose a new explanation: That Indian states have systematic, deeply rooted, differences which social groups in political power, and that these differences have distorted the distributional process in ways that align with the interests of the most powerful social groups.

# 2 Development in Multiple Dimensions

"Development" is widely cited as a basic goal of third world states. However, the term that is not only problematically teleological but maddeningly imprecise. At its most basic, development encompasses two closely interrelated concepts. The first, and most simple, is money. A developed country has more material goods, and a higher GDP than an underdeveloped country. However, many have argued for a broader measure of "human development," (HDI) which encompasses not just wealth but the actual well being of a country's citizens. Human development encompasses not just growth but also levels of health, education, nutrition and social opportunity. While exponents of the human development concept have often condemned a single-minded focus on economic growth, they have rarely considered why some areas tend to focus on growth single mindedly, while others attempt to improve the other elements of HDI.

The policies of governments have obvious implications for the development "mix" of a society—implications acknowledged by the development economics literature, which treats them as important predictors of development outcomes. Most simply, a government can vary their distributive policies, since many of the basic inputs of both economic and social development are either public goods or provided by public monopolies. The distribution of economic goods such as roads, electricity, ports and fertilizer can enhance economic growth without large social effects: They enhance economic productivity without investing in human capital Conversely, social goods such as schools, health clinics and

free lunches can improve individual well-being without greatly improving GDP: They focus on improving human capital and quality of life without providing other economic inputs.

This book argues that these two goals of policy can be pursued independently of each other. In doing so, it differs from much of the existing literature on development and on regional variation in India, which has tended to explain political variation in a single dimension, from "bad" to "good," or programatic to clientelistic. Not only do such accounts tend to leave a great deal of variation unexplained (Kerala has historically had low growth for such a socially advanced state, and Gujarat has poor health and education for such a rich one), but the explanations that these scholars rely on tend to be influenced by the specific subcomponent of development that they choose as their dependent variable. The more nuanced approach taken here avoids labeling political economies as development "success" or "failures." In many cases, governments are not failing at the same goal, but pursuing different goals entirely.

The development policies of governments go beyond the distributing resources. Governments also vary in how they raise revenue through taxation, which can be used to favor some sectors over others. Governments may even expropriate and directly redistribute property or social opportunities. In the Indian context, two important methods for social redistribution are the expropriation of "surplus" land through land reform, and intergroup transfers of educational and employment opportunities through caste-based affirmative action.

There are many existing account of regional variation within India [Kohli, 2012, Frankel and Rao, 1989, Sinha, 2005, Kale, 2014, Brass, 1994, Singh, 2016], and the kinds of contrasts among states made here, and even much of the coding of specific states, reflect well-known stereotypes in Indian political and economic commentary. Some of this discussion has implicitly acknowledged that the variance we observe is more complex than a simple high-low axis, in particular in recognizing that the populist and developmentalist states differ from each other, at least in their political characteristics, though empirically they still focus on a single set of measures, either economic or social in nature. This book will build on these insights, creating a theoretical framework for how different types of regional political economies relate to each other, and how they

are reflected in a wide variety of policy outputs.

While the theory of this book could apply to regions of any size, it will focus primarily on India's states. In modern India, where local government institutions are quite weak, the states are the primary area for distributional political conflict and are the primary authority in most of the public policy areas discussed in this book: health, education, power, roads, and water. While states are thus of paramount importance, they conceal some internal variation. In particular, the power of particular dominant castes varies greatly across regions of the larger states. To examine this variation, Chapter Three will supplement the state-level analysis with district level data.

The key dependent variable of this book, the level of public goods provision, is multi-faceted. At a minimum, we are interested in the levels at which the state provides two types of goods, social and economic. Each of these categories is broken down into sub-categories, such as education and health. Within each of these categories, one could measure government achievements in this area through an effort variable (such as total spending), a physical variable (such as government outputs), or an outcome variable. There are legitimate arguments for all three methods, and in any developing country any of these sources of data suffer from numerous (and varying) biases, omissions, and shortcomings. This book compensates for this problem by presenting data on a variety of measures of development spending, outputs and outcomes culled from a wide variety of governmental and non-governmental sources. These measures are only the most interesting parts of a dataset of several hundred variables, discussed in Appendix One. The use of so many measures provides support for two contentions—that a wide variety of aspects of Indian politics can be explained by a set of underlying social variables, and that the results are not the result of the idiosyncrasies of any one data source.

In traditional distributional politics theory [Dixit and Londregan, 1996], the money to pay for public services is taken from the people through taxes, and voters thus face a tradeoff between levels of taxation and the quantity of services they receive, while the distribution of taxes is an area of controversy. These mechanisms are occasionally relevant in the Indian context: Some states do have lower levels of taxation then others, and emphasize different types of taxes. However, in India, large sums of money are raised by the federal government and transferred to the states with few or no strings

attached, through formulae designed to equalize revenue. Since this money is "free," distributional decisions at the state level often tend to ignore the fiscal implications that would be evident in a American state.[2] For this reason, this book will emphasize the spending decisions of governments over their taxation decisions.

# 3 Explaining Underdevelopment

This book is hardly the first explanation for interregional variation in levels of development—on the contrary, this question the subject is a vast and distinguished literature. Similarly, many scholars have suggested explanations for regional variation in India. To mention only the most prominent explanations, scholars have argued that development differences stem from differences in fiscal resources [Singh and Rao, 2006, Bagchi et al., 2003], the "quality" or structure of political institutions [Shleifer and Vishny, 2002, Acemoglu et al., 2001, Rodrik et al., 2002, Glaeser et al., 2004, Banerjee and Iyer, 2005, Iyer, 2010], economic inequality [Acemoglu and Robinson, 2006, Rajan, 2009, Baldwin and Huber, 2010], the structure of the party system or ideology of the dominant party [Chhibber and Nooruddin, 2004, Singh, 2016, Kohli, 2012, 1990, Thachil and Teitelbaum, 2015, Joshi, 2012], geography and resource endowments [Sachs, 2003, Sachs and Warner, 1997, Ross, 1999], differing levels of social trust [Tabellini, 2010, Harrison and Huntington, 2000, Putnam et al., 1994], ethnic diversity and/or lack of unifying identities [Singh, 2016, Lieberman, 2009, Selway, 2015, Alesina and Ferrara, 2005, Easterly and Levine, 1997, Alesina et al., 1999, Banerjee and Somanathan, 2007] or rent-seeking by politicians or brokers [Banerjee and Pande, 2007, Besley and Burgess, 2002, Migdal, 1988, Stokes et al., 2013].

Section **??** examines these explanations and their applications to the Indian case in detail. All of them have serious weaknesses as explanations of the variation we see in India, either empirically or theoretically. Four major families of objections stand out, though obviously not every theory is subject to every objection:

Firstly, nearly all of these theories have a unidimentional outcome (most commonly

[2]This pattern of taxation and public goods being imperfectly linked is common in developing nations that receive most of their revenue from foreign aid or natural resources [Ross, 1999].

GDP or HDI) or a set of outcomes to measure a single underlying theoretical concept (often "development" or "welfare") and thus do not try to explain the *composition* of state services. They provide predictions about why public services should be "good" or "bad" or spending high or low, but not why spending should be high for one type of goods and low for another. For this reason, while such explanations tend to explain certain regions of India very well, they have trouble with regions that do well in one sector but not another.

Secondly, in many cases theories designed to explain differences between countries are difficult to apply in India because the between-state variation on these measures is small or non-existent. Many formal institutions, for instance, do not vary between states. Similarly, between-state variation in ethnic diversity, natural resources and social trust is very small by world standards.

Thirdly, the values of the predictors in many theories do not map particularly well onto the variation we observe in public services. Coastal location, public corruption, indirect rule and ex ante wealth all correlate very badly with levels of public services, even within the small sample of Indian states.

Finally, certain factors proposed as explanations of regional variation are deeply endogenous to local social patterns. Both the structure of the local party system and the level of regional identity are not exogenously determined, but rather are a product of sustained construction by regional elites. As we will see, the form that these identities and parties took tended to reflect the interests of the most powerful local caste groups, and the policies they pursued in office promoted the interests of these groups rather than abstract ideological goals.

# 4 Social Power and Development

## 4.1 Distributional Politics: The Basic Framework

To explain where differences in public policy come from, the book unites two somewhat divergent literatures. The first is the literature on distributional and ethnic politics in democracies [Dixit and Londregan, 1996, Stokes et al., 2013, Chandra, 2007, Min, 2009].

This literature assumes that politicians are office-seeking and that voters desire resources from the state. In this situation, politicians and voters develop a mutually beneficial exchange, in which voters vote for candidates who give them programatic, club or private goods transfers, and these candidates transfer resources to the voters who support them. As Stokes et al. [2013] remarks "Political authorities make choices about distribution. When these authorities' hold on office depends on their winning elections, their choices become bound up with political strategies." Politicians have a variety of policy tools at their disposal to distribute goods to voters, and these tools vary in their specificity. These may include public or programatic goods (to all citizens), club goods (to some subset of citizens) and private goods (to individuals) [Kitschelt and Wilkinson, 2007]. In practice, these strategies often blur into each other: "Programmatic" policies are often conceived with a keen eye to their potential beneficiaries, or are manipulated at the local level clientelstically.

Obviously, politicians will have strong incentives to distribute goods only to supporters, since if distribution is not conditional on support voters will be tempted to free ride. To identify supporters, politicians may either build large networks of brokers [Stokes et al., 2013] or use ethnicity as an informational cue in identifying supporters [Chandra, 2007]. Once supporters are identified, politicians may choose to target either core or swing voters [Dixit and Londregan, 1996, Stokes, 2005, Gans-Morse et al., 2014, Nichter, 2008], seeking to gain the greatest electoral return for a set amount of distribution. Such a "patronage democracy" usually suffers from a variety of political problems, such as a tendency to distribute conditional private goods (clientelism or patronage) rather than adopt more efficient programmatic goods programs [Kitschelt and Wilkinson, 2007]. Distributional policy may also tend to favor specific groups over more broadly efficient policies [Dixit and Londregan, 1996].

One important implication of this model is that parties should favor supporters when in office, and that in areas where ethnicity is strongly associated with voting politicians should favor coethnics. There is strong empirical evidence for both propositions [Franck and Rainer, 2012, Hodler and Raschky, 2014, Burgess et al., 2015, Novosad and Asher, 2012, Solé-Ollé and Sorribas-Navarro, 2008, Kramon and Posner, 2014, Dunning and Nilekani, 2013, Balla et al., 2002]. However, this finding does not necessarily mean that

policy should diverge from the preferences of citizens over the long run. Over time this favoritism will even out as different politicians rotate through office. If politicians favor poor groups (since their allegiance is easier to buy) [Dixit and Londregan, 1996, Stokes et al., 2013], distributional politics will even favor the poor.

This book modifies this approach to take into account the fact that certain powerful social groups are more likely than others to be targets of distribution for the winning coalition at any given time, while others are rarely or never targets. In doing so, it follows an old tradition in comparative politics by examining the influence of the structure of society and the relationships between different types of elite groups on public policy [Luebbert, 1987, Moore, 1993]. Similarly, a long tradition in Indian studies has emphasized the role of powerful social groups, or "dominant castes" [Frankel and Rao, 1989, Srinivas, 1987].

## 4.2 Powerful Groups and What They Want

Why might a group be a target for distribution more than their numbers might predict? Two mechanisms stand out. Firstly members of some groups might be *overrepresented among politicians*. This overrepresentation, is significant if politicians prefer to distribute to members of their own ethnic group, either because they have a cognitive preference for members of this group, they have informational advantages in monitoring on the voting behavior or needs of coethnics, or because coethnics already prefer them for affective reasons, making their loyalty cheaper to buy than that of non-coethnics. A large set of studies from India and Africa have shown that the election of politicians from a specific ethnicity of caste leads to higher levels of service delivery for members of that ethnicity or caste [Franck and Rainer, 2012, Kramon, 2013, Burgess et al., 2015, Bates, 1983, Lindberg, 2010]. This finding parallels studies that show that changing the gender of members leads to changes in which gender's preferred policies are favored [Chattopadhyay and Duflo, 2004, Barnes, 2016, Iyer et al., 2012, Franceschet and Piscopo, 2008].

However, member some groups have political influence that transcends coethnic favoritism—they will be powerful even when their coethnics are not in office, and would

be disproportionately powerful even if politicians were perfectly representative of the population. In Northern India, upper castes have access to better public goods even under governments run by lower caste politicians [Lee, 2017], and reserving local office for lower caste politicians has little effect on policy [Dunning and Nilekani, 2013]. Groups gain this position because they offer *economies of scale in distribution*. That is, for a given quantum of goods distributed, a politicians wins more votes distributing to one of these groups than he would to a less powerful group of equivalent size. This might be because the group is large, and that assembling a coalition of equivalent size from smaller groups would involve difficult compromises among divergent preferences. Alternatively, elite members of the group could have influence over the behaviors of non-members, giving the group electoral clout out of proportion to its size.

Why are some groups disproportionately represented among politicians, or more likely to possess economies of scale in distribution? In this book, I focus on three important sources of social power that are important in the Indian context: land, education, and numbers.

1. *Land*, traditionally the most valuable asset in a poor country, is a source of wealth and prestige that has traditionally given its owners access to political office—in 2004, 33.8% of North Indian MPs gave their occupation as agriculturalists [Jaffrelot and Kumar, 2012]. Groups that own large amounts of land are also able to maintain patronage networks that influence the votes of their poorer rural neighbors, usually in return for guarantees of employment and subsistence insurance [Anderson et al., 2015, Shami, 2012].

   The relationship between land and political power at the local level is well attested in South Asia in the precolonial era [McLane, 2002, Cohn, 1962] the colonial era [Singh et al., 1988, Charlesworth, 2002], in the period after independence [Chakravarti et al., 2001, Beteille, 1965, Lewis et al., 1958], and today[Anderson et al., 2015, Shami, 2012]. Land has also been traditionally thought of as one of the attributes of "dominant" and politically powerful caste groups [Frankel and Rao, 1989, Srinivas, 1987]. Even if these groups are small, they have tended to be overrepresented politically, and politically influential even within parties led by

other groups [Witsoe, 2013].

2. *Education* is strongly predictive of office holding across a wide variety of democracies [Berinsky and Lenz, 2011, Verba et al., 1995], and we should thus expect people from educated groups to be overrepresented in politics. Groups with a disproportionate number of individuals are also overrepresented in the bureaucracy, giving them a similarly powerful influence on distributional decisions [Jaffrelot and Kumar, 2012]. Finally, the educated are also overrepresented in the media, giving them influence over voters outside their group who rely on the media for information.

   The political advantages conferred by education have long been a point of emphasis in the discussion of the political importance of particular castes [Jaffrelot, 2003], as have specific advantages enjoyed by one particular educated group, Brahmins [Johnson, 1970]. More broadly, accounts of post-colonial societies have often discussed the power of educated urban elites [Bates, 2005].

3. Finally, large social groups have advantages in mobilizing electoral support in an environment where ethnic identity is a cheap shortcut to mass political engagement. While a politician might in theory be able to match the numbers of a large group by assembling a coalition of smaller groups, such an alliance would necessarily be more heterogeneous in preferences than a single mobilized group, and thus a harder target for distribution. In addition, such an alliance would either have to have a leader from one of the constituent groups (raising concerns about his commitment to the other members) or a disputatious plural leadership.

   The relationship between group size and group political power has been noted many times in the literature on caste politics in India [Chandra, 2007], and on ethnic politics in other parts of the developing world [Posner, 2004, Horowitz, 1985]. As we shall see, the degree to which large groups are overrepresented in Indian politics is quite dramatic. Moreover, even politicians from other caste backgrounds seek to court the large "vote banks" than these groups form.

Each of these political advantages implies a distinct set of economic and policy in-

terests. Though infrastructure projects may benefit the poor, they benefit certain elite groups as well. Rural elites favor the construction of infrastructure projects that will help them produce and market their crops, but have little interest in social services to which they can buy private substitutes (and which may be centered in cities, providing them little benefit). Large Indian farmers, for instance, benefit disproportionately from the provision of rural electricity, which allows them to run irrigation pumps that produce large short-term gains in productivity on their fields, and run appliances that they are more likely than their poorer neighbors to own. Similarly, paved roads help them bring their crops to market. More subtly, rural big men are likely to be prominent among the construction contractors who are the primary beneficiaries of most small-scale India infrastructure projects. Education, by contrast, is less useful to those primarily employed in agriculture, and schools are unlikely to provide jobs for farmers.

Educated elites disproportionally benefit from public provision of higher education. However, educated elites also benefit indirectly from other types of social services, even if the primary beneficiaries of these services are poor. Educated elites have an interest in the creation of large bureaucracies in which they and their coethnics can find employment. Given that the health care and education sectors are large-scale users of educated labor, they may favor the expansion of these sectors rather than infrastructure spending. These services may also serve to undermine the power of traditional rural elites and attract voters to support candidates from the educated elite. Educated elites have every interest in expropriating rural elites through taxation and land reform, both to pay for these social services and to directly weaken their power.

When a group, or a set of groups with similar tastes in public policy is large, it is more likely to redistribute using public goods or club goods, rather than private goods. If the goal of politicians is to benefit supporters, politicians from small groups may find distribution via public and club goods to be extremely "wasteful" (since many of the beneficiaries will not be supporters), and thus not worth the effort. In fact, if a small group holds a disproportionate share of the taxable or redistributable assets, they may end up net losers from any policy of public policy or redistribution, and may see it as a long-term threat to their power. They may instead prefer to spend money on non-public goods, or keep taxes low and allow the taxpayers to spend it privately.

Note that this type of development spending is not altruistic, or based on any abstract goal. Politicians provide goods that benefit their supporters, without any thought to their larger social implications. In some cases, these implications can be positive: Hospitals built to employ doctors may provide health care to the poor, and power lines meant to feed landowners' irrigation pumps may power the electric lights of the poor. In other cases, however, elite-centered policies can encourage inefficiency. For instance, a state might invest in university education for a small number rather than primary education for a large number.

## 4.3 Reinforcing Hierarchies

Which elite groups will have the largest impact on policy? Since all areas have landed and landless groups, educated and uneducated groups, and small and large groups, all areas have constituencies for many potential policies. Direct measures of landed or educational inequality [Acemoglu and Robinson, 2006, Rajan, 2009, Boix and Stokes, 2003, Sokoloff and Engerman, 2000], intergroup economic inequality [Baldwin and Huber, 2010], or population diversity [Alesina and Ferrara, 2005, Miguel and Gugerty, 2005, Easterly and Levine, 1997, Banerjee and Somanathan, 2007] provide little help—as we shall see, they vary relatively little across Indian states, and predict little variation in public services.

Another way of understanding this problem is that, where there are multiple inequalities, a powerful group benefiting from *only* one of them will have many strong challengers. A landed elite without education or numbers will be challenged by the educated classes and the largest caste groups, and will in turn take part in challenges to those group should they become too hegemonic. There is no theoretical reason why one segment of the elite should do any better than the others in these types of conflicts.

However, if a single group controls several sources of power, there is every reason to expect that they will have a disproportionate influence on development politics. This would hold even if the effect of these political advantages was purely additive: A group with many advantages will tend to receive more goods than one with few. However, it is also possible that the impact of political favoritism is not simply additive, but multiplicative: Educated or landed leadership can exploit advantages in group size that

might otherwise remain unmobilized, while landed and educated groups can use their complimentary power bases to create a monopoly on political leadership. The most powerful groups thus benefit from *reinforcing hierarchies*, situations when a group dominates multiple sources of social power.

The three main sources of power can be arranged in three ways relative to one another, each with very different political implications.

1. *Land-Numbers*: In these areas, land is concentrated in the hands of groups with a large share of the population, but education is concentrated in other social groups. In these areas, the state will pursue a set of policies that favor rural interests and distribute fairly widely, while marginalizing or attacking the urban, educated elite.

2. *Education-Numbers*: In these areas, education is concentrated in the hands of ethnic groups with a large share of the population, but land is concentrated in other social groups. In these areas, the state will pursue a set of policies that favor urban, bureaucratic, interests and distribute fairly widely, while marginalizing or attacking the traditional landed elite.

3. *Land-Education*: In these areas, both land and education are concentrated in groups that make up a relatively small share of the population. In these areas, the state will be torn between the educated and landed groups, who would prefer that the government distribute very few of its resources, and the numerically large groups, who would prefer greater redistribution but have less influence on policy then their numbers might suggest. These numerically large groups may thus attempt to challenge or destabilize the power of the small groups.

A fourth possible alternative to these alignments of social forces occurs when all three sources of power are concentrated in the same social group—when the hierarchies are convergent. In this situation, the state will tend to distribute all fairly widely to both the urban and rural sector, since politicians from the dominant group will have many coethnics in both sectors.

The policies pursued by these groups may be associated with specific sorts of social and economic traits: economic growth in Land-Numbers areas, and high educational

and health attainment in Land-Education areas. This does not imply that the leaders of these states pursue a conscious policy, to encourage economic or "social" development [Evans, 1995, Kohli, 2004]. On the contrary, their policies are driven by a selfish desire to promote the interests of the dominant groups, at the expense of politically weaker groups. However, certain of the policies favored by large farmers—cheap, plentiful electricity, and good road network, and a smaller bureaucracy—have the byproduct of encouraging certain forms of private sector economic growth, while the creation of large education and public health bureaucracies helps both the bureaucrats themselves and, to a lesser extent, the public.

Similarly, the elites of Land-Education regions are not necessarily more corrupt or self-interested than their colleagues in other states; it is simply that their power base makes the use of broad based distribution a relatively wasteful political strategy. These groups are also less politically secure than other types of dominant castes, since they always face the possibility that a political entrepreneur will use the democratic process to mobilize their more numerous rivals against them—a very real possibility in recent decades.

This theoretical structure, while static, also gives dynamic predictions. As the distribution of land, education and group demographics changes, the politics of an area and the policy of the state will change gradually in response. Even short term electoral changes that weaken the strength of the dominant social groups might have a measurable effect on policy. In practice, however, in most countries the distribution of land and education, to say nothing of group boundaries, are slow-moving variables determined by remote historical events. In most poor countries, the most important of these events was colonialism, which played a key role in establishing modern education, redistributing land rights, and reinforcing group boundaries. Later chapters will discuss these historical effects, and show that historical events can have a substantial contemporary effect on modern policy, through their influence on the distribution of social power.

As well as creating winners, the pattern of reinforcing power structures also creates losers. The most obvious of these are the educated elites in states with large landed castes, the landed elites in states with large educated castes, and the largest groups in states with small landed-educated castes. Despite very tangible political advantages,

these groups have less political influence than the dominant groups. In all regions of India, there also exist many small, uneducated landless groups—the "extremely backward caste" or smaller dalit groups. Without any of the sources of political power, these smaller groups, though large collectively, remain on the margins of the Indian political system.

It is of course possible that governments could radically disrupt these patterns by radically redistributing land, or creating a new educated class. Wars and revolutions can have such effects. However, absent such profound exogenous shifts, it is extremely unlikely that an entrenched elite will choose to weaken its own position. In such circumstances, expropriation is more likely to reinforce existing political patterns than alter them, as landed elites seek to weaken educated opponents through mechanisms such as affirmative action and educated elites weaken landed opponents through land reform.

## 4.4 Discussion

Much of this theory should be familiar to readers of the literature on distributive politics: Politicians seek to win reelection by distributing resources to their supporters (or perceived supporters), who are frequently members of their own ethnic group. It advances on this literature by showing how these dynamics are altered by the presence of persistent social and political inequality. When certain groups are more likely to be represented among politicians, or have outsize influence, they become targets for distribution. Not only do members of these groups receive private benefits, but the set of public goods that the state distributes are chosen to fit their needs.

While existing accounts have tended to see programatic and club distribution as alternatives to the type of clientalistic or private goods distribution found in developing countries [Kitschelt and Wilkinson, 2007, Stokes et al., 2013], this line of work emphasizes that even very broad policy choices are determined by a fundamentally similar logic. While politicians do not know the political loyalties of every beneficiary, they can design "programmatic" policies that disproportionately benefit their allies and supporters.

The key explanatory variable for this theory is thus the relative distribution of social resources among groups. These distributions are obviously not exogenous: They

reflect generations of effort by political actors—precolonial kings, colonial bureaucrats and modern activists—in shaping group boundaries, distributing land rights, and constructing educational systems. In this book, we will examine in great detail how these processes operated in India, both in the country as a whole and in particular states, and how they shaped Indian politics even before 197 This dense historical description serves two purposes. Firstly, it shows that distributional inequality is truly deep-seated: That at least in the short term, it is not a product of the distributional decisions it is hypothesized to cause. Secondly, they demonstrate the importance of the particular social resources discussed in the last section. The possession of land, education and caste identities has been bitterly contested throughout Indian history, and the groups that possessed them have had disproportionate political influence under a variety of institutional arrangements.

# 5 Applying the Theory to India

## 5.1 Why Caste?

The theoretical discussion has used the term "groups" in an agnostic way. Groups could be ascriptive and defined by any one of several dimensions (race, tribe, religion, language etc.) or could be non-ascriptive social categories of various sorts ("the nobility," 'southern planters"). In this book, I focus on caste or jati in defining social groups and social power, as this type of identity is both socially relevant and narrow.[3] Caste, tribe, and sect identities are not the only socially and politically relevant identities in India: At a minimum, class, caste category,[4] language and religion are also very important, at times more so than caste itself.

I focus on caste for two reasons. Firstly, caste is highly relevant to political behavior

[3]Many Indians, particularly hill "tribes" or members of religious minorities, do not identify with a particular caste. In the data, these individuals are grouped by tribe and self-reported sect or social groups ("Jain," "Syrian Christian") instead of caste, which becomes a shorthand way of describing narrow social identities.

[4]The Indian government groups caste groups (jatis) for the purpose of receiving affirmative action. These are Scheduled Castes (former untouchables), Scheduled Tribes (Hill Tribes), Other Backward Classes, and General (upper castes). The general category can further be divided informally into "upper castes" (who claim "twice born" status within Hinduism, and other "Intermediate Castes."

in India. An large literature has shown that caste is associated with the formation of parties [Chandra, 2007], voting [Verma, 2002], distribution decisions [Besley et al., 2004], and clientelistic links [Anderson et al., 2015],. This is to say nothing of the enormous literature in history, sociology and anthropology on the social meaning and historical durability of some form of caste identity [Bayly, 2001, Dumont, 1980, Beteille, 1965, Chakravarti et al., 2001, Lewis et al., 1958]. The best recent study of the effect of identity on voting behavior in India, found that jati was in fact the best predictor of partisanship, over both religion and caste category [Huber and Suryanarayan, 2016].

Jatis are also important in distributional politics because of their small size relative to language and religious groups. Within most states, a single language or religious group makes up 80% or more of the population. The large size makes it difficult for a politician to "own" such a group, and other politicians may attempt to exploit divisions within the category to build a smaller winning coalition.

Note that the importance of caste in political behavior does not mean that politicians always mention jati: Many traditionally high status groups combine a vigorous use of caste-based social networks with vehement condemnations of "caste politics." Purely caste rhetoric is usually associated with underprivileged groups, and is often associated with demands for political dignity [Mehta, 2003, Ambedkar, 1944], though distributional considerations may also be present [Chandra, 2007]. This politics of caste self-assertion thus operates separately from, and often in opposition to, the types of caste power discussed here.

Jatis are, like all identities, a product of social construction. A considerable literature on India has emphasized the high level in both the set of identities and individuals' relations to those identities under went considerable change during both the colonial era [Cassan, 2010, Dirks, 2001, Cohn, 1996] and the mid 20th century []. In this book, I do not assume that jatis are unchanging, merely that, at specific times and places, they serve to guide distribution decisions [Chandra, 2007]. In fact, at least on long time scales, the creation of caste identities is an important political strategy in India, and some of the dominant groups discussed below are the products of processes of political construction that go back to the pre-colonial era.

## 5.2 Measuring Dominant Groups

One major weakness of the traditional dominant caste literature was that it never developed a way to measure levels of dominance or different types of dominance, and in many cases never possessed even the basic data necessary to assess the social position of caste groups. This was an inevitable consequence of the Indian government's continued reluctance to release data that includes any mention of caste, and the lack of precision in definitions of dominance. To rectify these problems, this book develops a measure of group social power, based on data from the 2005 National Family Health Survey. While this survey was not intended as a way to measure caste, with painstaking coding of individual responses it is possible to create measures of the proportion of the total population by caste, the proportion of land owned by each caste, and the proportion of the total population of college graduates from each caste. This is arguably the best data on the socio-economic status of castes made publicly available since the 1931 census.

As a rough measure of the relationship between ownership of land and education and membership in the largest castes, I use the proportion of land owned by members of largest caste groups in each state, and the proportion of college graduates to come from these groups. To define the set of "largest groups," I use the smallest set of groups who collectively make up 25% of a state's population. Very similar patterns can be obtained by using proportions of land and population owned by the three largest groups.[5]

The land-population and education-population measures define a two dimensional space, with each vertex associated with a particular pattern of reinforcing hierarchy. In areas where the largest groups own a great deal of land but have little education, land and group numbers reinforce each other, whereas where the largest groups provide many college graduates but have little of the education, education and group numbers reinforce each other. In areas where both values are high, all three factors reinforce each other, while in areas where both are low, land and education are concentrated in numerically small groups.

Each of these patterns also imply the existence of complementary outgroups. Areas

[5]Using the attributes of the largest population groups is only one possible measure of reinforcing hierarchy. In the Appendix Three I discuss an alternate, less intuitive, measure of caste dominance, based on summing the products of the proportions of the various factors.

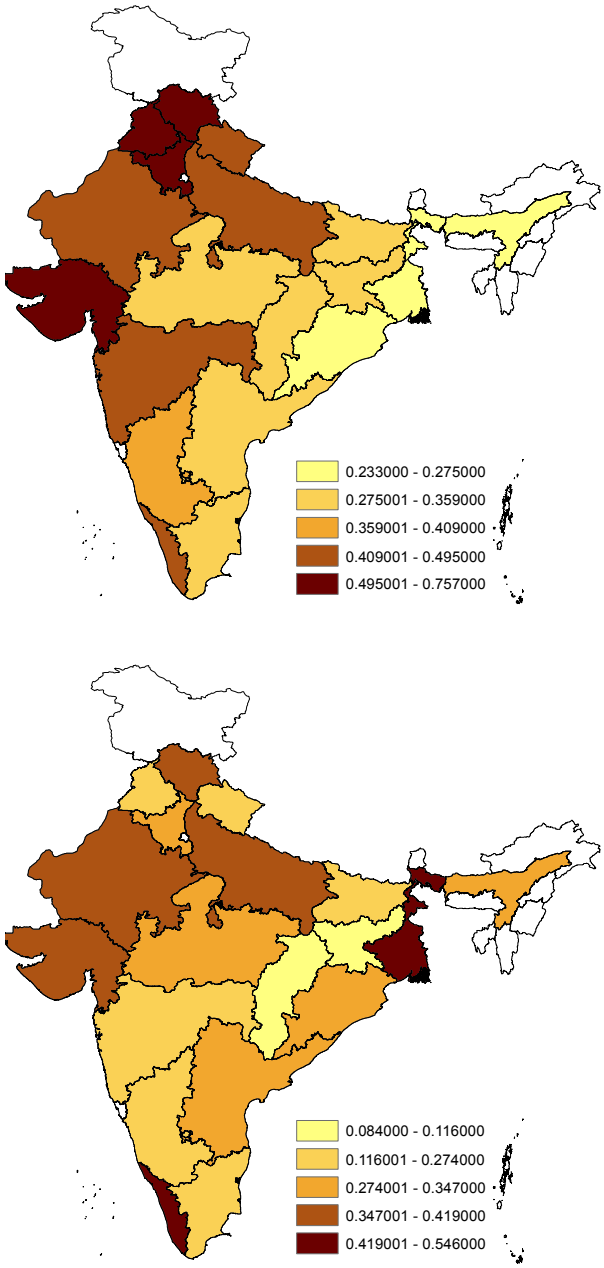
where the largest groups own a great deal of land but are not educated are likely to have at least a few (smaller) educated groups, and areas where the largest groups are educated but not landed are likely to have at least a few disproportionately landed groups. However, since these groups are collectively smaller, their strength in land and education is not reinforced by numbers, weakening them politically. Similarly areas where the largest groups have little land or education are likely to have several small groups that do possess them.

Figure 1.3 shows the proportion of the three different types of caste by state. Several patterns become immediately clear. In two states, West Bengal and Kerala, over 40% of the college graduates come from the largest groups. While in West Bengal this reflects the traditional numerical strength of two traditionally highly educated castes, the Brahmins and the Kayasths, while in Kerala this reflects the relatively high levels of education achieved by several large groups, especially the Nairs and Ezhavas (a poor group in colonial times). These groups have used their numbers and education to achieve disproportionate political power in their respective states, as reflected in the origins of politicians.

In a wide swath of Western and Southern India, including Punjab, Haryana, Gujarat, Maharashtra and Rajasthan, the largest castes own 40% or more of the land. These are usually traditional peasant castes, who were at the center of precolonial statebuilding projects—the Jats in Punjab, Patels in Gujarat, Marathas in Maharashtra. These castes, with their numerical strength and traditional predominance on the land, are heavily overrepresented in the politics of their states, and hold a pervase degree of social power—indeed, these are the groups who Indian sociologists have traditionally described as "dominant." While all these states have educated elites, often the ubiquitous Brahmins and Banias, their small size has tended to limit their political influence.

In several Northern and Eastern Indian states, notably Bihar, the largest castes own a collectively small proportion of the land, and make up a small proportion of college graduates. These states contain many large groups, such as the cow herding Yadavs and the leather working Chamars, whose traditionally subordinate social position kept them from acquiring land and education in proportion to their group size. Conversely, these states each have groups—the Rajputs, Brahmins, Karans and Bhumihars—who,

Figure 1.3: Social Elites in India, 2005




Note: Figure 1.3a shows the proportion of land owned by the castes groups making up 25% of the population in each state in 2005, taken from the National Family Health Survey. Figure 1.3b shows the proportion of college graduates from the three largest caste groups in each state in 2005, taken from the National Family Health Survey.

while collectively small, control a large proportion of the land and education in their states. Politics in these states thus takes on a schizophrenic character. As we might expect, the small groups who benefit from reinforcing land and education hierarchies are vastly overrepresented in politics. However, leaders from poor populous groups have at times mounted spirited challenges to the power of the smaller groups, though at times handicapped by their lack of support among traditional elites. In a few of these states, this pattern in somewhat complicated by regional differences in caste structure.

In Figure 1.3 Himachal Pradesh stands out for the degree to which land and education are both concentrated among a few large groups. The Brahmins and Rajputs collectively own a majority of the land and form majorities of the population and the educated, the only two Indian castes about whom this is true. Not surprisingly, these two groups are have traditionally controlled the state's politics. Kerala and Uttarakhand somewhat resemble this pattern, though less strongly.

The relative numerical strength of castes is closely associated with the policies that states adopt. As we will see in Chapter Three, the numerical strength of different types of groups is closely associated with the policies of states. Kerala and West Bengal are notable for their high proportions of spending on social services, while Punjab, Gujarat and the other states with a large proportion of landed castes are notable for their high levels of spending on economic services. Bihar and the other states where the largest castes are relatively poor, spend relatively little on both types of services, which Himachal Pradesh manages to maintain high levels of spending in both categories.

Since these values are aggregated at the state level, changes in state boundaries should lead to changes in the relative importance of different types of castes, and therefore to differences in policy. The creation of three new states in the year 2000, provides an interesting test for this theory, one that receives further examination in the case study chapters. The new states do appear to differ from their parent state in public services and caste makeup, with Uttarakhand and Jharkhand in particular both having a higher proportion of landed castes and a higher level of economic goods provision than the states they split from.

Table 1.1: Social Power and Political Outcomes: A Summary

| *Dominant Groups Have:* | *Marginalized Groups Have:* | *Public Goods* | *Redistribution* | *States* |
|---|---|---|---|---|
| Land and Population | Education | Economic Goods | Educational Redistribution (Affirmative Action) | Punjab, Haryana, Rajasthan, **Gujarat**, Maharashtra, Karnataka, Andhra Pradesh, (Jharkhand) |
| Education and Population | Land | Social Goods | Land Redistribution | **West Bengal**, Kerala |
| Land and Education | Population | Limited | Fiercely Contested Redistribution | **Bihar**, Assam, Orissa Uttar Pradesh, (Chhattisgarh) |
| Land, Population and Education | NA | Social and Economic Goods | Limited | **Himachal Pradesh**, (Uttarakhand) |

States listed in bold are the subject of case studies. States in parentheses recently seceded from other states, and those have had little time to develop distinct political economies.

# 6 Additional Theoretical Predictions

## 6.1 Redistribution

It might be expected that the outgroups in all these states have a strong incentive to try to confiscate the social assets that underpin their opponents' success. This might involve the redistribution of land through the means of land reform legislation, or the redistribution of educational opportunities through the means of quotas of various sorts. Not surprisingly both these policies are often proposed in the Indian context, and are usually, given the stakes involved, bitterly controversial.

However, these efforts have usually tended to enhance the power of existing dominant

groups rather than weakening it. Given the power that dominant groups possess, they have been able to prevent or subvert most redistributive legislation aimed at their own power. However, they have no objection to redistributing power away from other groups and towards themselves. Areas with a high proportion of educated groups, for instance, have been the most enthusiastic adopters of land reform legislation, while areas with a high proportion of landed groups have often aggressively sought to alter the composition of the educated class through caste-based affirmative action, since in both cases the biggest losers from the policy are outside the dominant social category.

## 6.2 Party Systems

Indian states vary not just in their public goods mixes but in the way that their electoral politics are structured. In some states, competition is structured around vertical cleavages like religion and language, in others around horizontal cleavages like class, and in others narrow identities like caste.[6] These cleavages in turn can affect the success of parties like the BJP, the BSP and the CPI(M), with the Indian National Congress taking on a variety of social roles in different states. The problem of why such patterns in cleavage structures emerge, and vary from state to state is an old one in comparative politics [Lipset and Rokkan, 1967], but one that has had few systematic treatments in the Indian context. (The best existing attempt, though still primarily focused on national trends, is Chhibber [2001]. See also Brass [1994] and [Yadav, 1999].)

Many accounts of regional variation have mentioned these differences in political ideology as potential predictors of regional variation Kohli [2012, 1990], Thachil and Teitelbaum [2015], Joshi [2012], Singh [2016]. There are a number of problems with these theories, notably their inability to predict differences in behavior between units of national parties, and the fact that these differences are not exogenous. This book makes a different argument: That *both* public policy and (more weakly) ideology are determined by the distribution of power among caste groups.

A thorough explanation of party system variation in India is complicated by change over time, the influence of individual leaders, and other contingent factors. However, it

[6] I have followed Rudolph [1984] in describing ties as vertical if these cross economic divisions and horizontal if they follow them. Stewart [2000] uses the opposite approach.

appears that there is a considerable, though not perfect, degree of coincidence between the interests of the dominant social groups in particular states and the structure of the party system, though many Indian parties are hardly ideological at all. This elective affinity occurs in part because the ideological appeals made by politicians often reflect the type of electoral coalition they are trying to build. The need to build a coalition of multiple social groups is a result of the very small size of caste groups in India, which limits the effectiveness of political strategies based around gaining the support of a single caste. Even the most powerful groups must seek the support of voters from less powerful groups. To make this process easier, politicians from dominant groups attempt to structure politics is such a way as to emphasize social similarities between themselves and the voters they are targeting.

- Where land and numbers reinforce each other, rural elites seek to appeal to poor rural voters using vertical social ties. These groups thus tend to emphasize vertical social cleavages like religion and language, which have the potential to mobilize an entire community against outsider groups.

- Where education and numbers reinforce each other, urban elites need to mobilize poor voters against rural elites. To do this, they emphasize horizontal social divisions, such as class, that will tend to reinforce the social divisions between landlords and tenants.

- Where education and land reinforce each other, elites will seek to keep voters apathetic, and their political appeals will tend to be personal and factional rather than ideological. Outsider politicians from the poor populous castes will find that their only chance for political success is a heavy emphasis on identity politics, since building networks based on land or education does not favor them. Parties and politicians emphasizing very narrow social appeals, such as caste, tend to be most popular in these areas.

With the exception of the education-land states, elections and changes of party thus do not tend present a major challenge to the status quo, since members of the dominant

group are present in all the major parties (though sometimes more in one than in another). The party system, and the system of cleavages with which it is associated, serves to integrate weaker groups into the orbit of more powerful ones, rather than serving as an arena for conflict.[7]

## 6.3 Variation Over Time

The discussion above has treated the public services provided by Indian states as fixed, and used the late 21st century levels of spending and development outcomes as the outcomes of interest. However, these outcomes have not remained constant throughout Indian history, and public spending has shown considerable variation since the 1950s.

The most interesting trend in state spending is the gradual divergence in both the composition and the level of spending since 198 While in the 1970s Indian states spent relatively little on development and tended to focus on social services, since that time both the developmentalist and populist states greatly increased their spending, with most of the increase in the developmentalist states going to economic services.

This divergence reflects changes in the national political economy of India that allowed the underlying social differences in Indian states to express themselves. Up until the 1980s, Indian state politicians were severely constrained in their ability to implement policies different from those preferred by the central government, both by a single party system that marginalized politicians not acceptable to the center (including in some cases, politicians from socially powerful groups), by widespread use of the constitutional mechanism of president's rule, which enabled the central government to dismiss state governments it disliked, and by a set of economic policies that reserved for the central government decision making powers in important areas, notably power generation. As all these restraints were gradually loosened during the 1980s and 1990s, a new breed of regional leaders was able to choose policies that reflected the policy interests of powerful

[7]Since elections are of no help to them, marginalized groups may seek to overthrow the dominant social group through violence. There are numerous such attempts, generally unsuccessful, in the modern history of India, notably the long and bitter Maoist insurgency. While astute readers will note possible linkages between some of the factors mentioned in this book and the causes of violence, and between the ideal types and the actual incidence of violence, I have forgone the temptation to further complicate the theory by discussing political violence.

local groups, rather than the Congress Party high command in Delhi.

# 7 Methodology

The basic unit of analysis for this project is the Indian state. This is not to suggest that there is anything special about the state level, and in fact the logic of the theory extends to multiple levels of government. However, in the Indian constitutional scheme the state is the most important arena for making distributional decisions. States also have considerable autonomy over certain other areas, such as land reform and regulatory policy. Finally, political parties in India tend to be organized at the state level, and party systems vary considerably from state to state [Weiner, 1968]. For these reasons, most analyses of regional variation in India have focused on the state level [Singh, 2016, Kohli, 2012, Sinha, 2005]. Following many existing analyses, the book does not directly examine the political economy of Kashmir, the small northeastern states, and the union territories.

*Cross Sectional Comparisons:* The empirical portion of the book begins with a quantitative comparison of states in the early 21st century. Since the number of major states is small (less than twenty), most of these comparisons are somewhat informal, though they make clear some of the basic patterns in state development. The independent variables for the state-level comparisons (the relative power of different types of castes) are drawn from the 2005 National Family Health Survey, while the dependent variables are drawn from a new dataset of state-level political economy outcomes. These sources are discussed at greater length in Appendix One.

The state-level analysis is supplemented by a statistical analysis of Indian districts. Since local governments in India have only a limited degree of autonomy from the state government [Krishna, 2010, Mitra, 2001], district level studies may capture state-level distributional policy (e.g. favoritism towards areas inhabited by particular groups) rather than local decision making. One major shortcoming of this analysis is that the 2005 National Family Health Survey is not representative at the district level, forcing this analysis to use the less reliable 1931 census to calculate caste populations within districts.

*Over-Time Comparisons:* These cross sectional comparisons are supplemented by a more rigorous analysis of changes in public spending in states over time, using panel data from 1960 to 2008. These models test one of the implications of the argument: That, as the caste identities of politicians change, policy should change as well. Within-state variation in caste composition of legislators, comes from both short term changes, often caused by the triumph of particular political parties, and long-term trends, such as the gradual increase in the number of politicians from the more powerful Other Backward Classes caste groups [Jaffrelot, 2003].

*Case Studies:* The quantitative evidence, while strong, passes over the details of each case: The historical processes by which powerful caste groups emerged in particular states, the multiple ways in which they control the social destinies of their states, and the variety of processes by which different governments have turned the preferences of these groups into public policy. A purely quantitative analysis would thus give little sense of the mechanisms which link caste power to outcomes, or the strong evidence (both qualitative and quantitative linking the two variables within particular cases.

To supplement the quantitative comparisons, the book thus includes detailed case studies of the political economy of four states: Gujarat, West Bengal, Bihar and Himachal Pradesh. These states were selected because they have represent clear examples of the power of the particular types of castes—extreme values of the independent variable. As Figure **??** shows, Gujarat has the highest proportion of land owned by the large castes outside of areas with large Sikh populations, West Bengal has the highest proportion of university graduates from the largest castes of any state, and in Bihar the sum of the two measures is lower than any state other than recently created (and heavily tribal) Jharkhand and Chhattisgarh. Himachal Pradesh is the state with the largest single state-caste of Indian state (the Rajputs, at 42%) and where levels of land and education controlled by the largest groups are also very high. Each of these states thus presents a clear cut test of the caste influence hypothesis. [8]

These four cases have another advantage. All four are also well known in the discus-

[8]These case studies differ from each other in many respects other than their distribution of social power. While it would be ideal to have a "controlled" case study (where the cases differ from each other only on the independent variable) this would be difficult for large, heterogeneous social units. The need to control for alternative hypotheses is one reason for the inclusion of control variables.

sion of regional variation in India, and are used in Indian public discourse as examples of particular types of political economy. Kohli [2012] and Singh [2016] include cases studies of Gujarat and West Bengal, Singh [2016] discusses Bihar, Panagariya and Rao [2015] discusses Bihar and Gujarat, and Mangla [2014] discusses Himachal Pradesh. The chapters thus relate the argument to the existing literature, and show how my interpretation of particular states differs from existing ones.

Do these findings generalize outside the four chosen states? In addition to the main case studies, I have also included a brief discussion of all the other states in India, sketching out their values of the independent variable (the types of reinforcing hierarchy) and dependent variables. It is with some trepidation that I take this step, given the complexity of the histories and political economies of these states, and the consequent difficulty of discussing them in a few paragraphs—the political economy of each of these states, could be, and is, the subject of many books. I hope that specialists will forgive the inherently reductive nature of these shorter discussions, which are simply intended to show that the logic of the theory potentially applies outside the four main cases, and how small differences in caste makeup are reflected in public policy.

# 8 A Roadmap

This book will set out to describe the regional variation in India today and define its causes, using a mixture of quantitative data, historical case studies, and my own fieldwork in Northern India.

Chapter Two will outline a theory of how the power of political actors is influenced by divergent or convergent distributions of social power, and how these distributions of power create incentives to shape ideological divisions and public policy. The theory drawn on the insights in the distributive politics literature on the incentives and strategies of politicians, but argues that these incentives vary considerably from politician to politician, and from society to society.

Chapter Three will describe the variation across Indian states in public goods delivery, and how these differences have changed over time. It suggests that the achievements of states can be conceptualized as varying in two dimensions, based on levels of social

and economic goods provision. These dimensions of policy variation then are used to characterize the four ideal types that give the book its title. It then calculates measures of caste power for Indian states today, showing that these measures are strongly predictive of the various political variables discussed in Chapter Two. Using a panel dataset of Indian states, it shows that the political representation of specific types of elite groups is associated with specific types of state spending. This in particular applies to the policy changes wrought by the rise in the political power of certain lower caste groups in Northern India.

Chapters Four through Seven are detailed cases studies of particular North Indian states, showing how they developed their particular distribution of power holding and how these distributions have affected their politics. Each of these case studies is chosen to represent a different extreme pattern of political economy: one with a heavy emphasis on economic goods (Gujarat), one with a heavy emphasis on social goods (West Bengal), and states that produce neither (Bihar) and both (Himachal Pradesh). Each case study also includes a brief discussion of how states with similar political economies differ from these cases, each of which is fairly close to the ideal type. The case studies will draw on a mix of primary sources, secondary historical works, and elite interviews conducted during my fieldwork in India. Each chapter also provides a brief description of the states not discussed in the main case studies, some of which exhibit traits that mix elements of the four main ideal types.

Chapter Eight shows that the distribution of social power in India is not a product of the political trends it predicts, as the same trends were apparent in the late colonial period. Using an original dataset of colonial and pre-colonial social and political conditions, it also shows that the convergent hierarchies that we see today can be traced in part to specific historical trends: Large peasant groups dominate in areas with a strong tradition of Hindu state building, and large educated groups dominate in areas where the colonial regime invested in mass primary education.

Chapter Nine will conclude with a summary of the empirical evidence. It will also discuss the relationship between the regional variation we see in South Asia, and the broader problems of developing country politics, showing that the political ailments of Indian states are reflected in a much larger scale in the rest of the developing world.

Any discussion of India's problems is thus a starting point for a discussion of the broader relationship between social power and political disfunction in poor countries.

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