



## **Talk: Public Expenditure in India: Dynamics of State Intervention in Policy Space**

Speaker:  
Dr Atul Sood

Date / Time:  
October 17, 2013 - 1:30pm

Venue:  
Room No 309, Pixel B, Azim Premji University

### Abstract:

Public expenditure is one important instrument through which the Indian State intervenes in the policy space. In a highly unequal milieu, the business-friendly State has to deal with entrenched democracy and political claims made through social collectives. The pressures of legitimacy compel the state to manoeuvre bureaucratic regulations, spearhead programs for inclusion, create a buffer of NGOs and non-party politics and perhaps even start affirmative action on the basis of caste, religion, region and more. Irrespective of the nature of its engagement, State in India continues to be a point of reference in India.

The idea that in a neoliberal context, state rolls back and that the State and market need to be dichotomously understood is not true in the Indian context. In a shift away from the model of state-led development to one of privatized neo liberal growth, far from retreating, the State in India has reinvented itself. This shift can be seen in terms of the 'specific' interventions it makes in the social and economic spheres. In the economic sphere, the state promotes metropolitan regions, encourages FDI, influences investment flows, introduces user fees, withdraws subsidies, modifies the income support programs and alters the institutional structure in all sectors of the economy. In the social sphere new programs have been designed, new methods of implementation are being initiated, there is a reallocation of tasks performed by the state to non-governmental and private agencies, a redefinition of the public-private divide, there is call for decentralization, as well as provisioning of rights (information, education, food...). When the state finds itself at cross roads between the market and an interventionist state, most often than not, it has resolved by suggesting partnership between the two (public private partnership). Such a specific interventionist strategy of the state has important implications for development which can only be understood by examining the how and where public expenditures are made in India

A Note on the Speaker:

Dr Atul Sood is a rigorous researcher, popular teacher and keen author. After a post-graduate degree in Economics from Panjab University in 1983, Dr Sood got a Ph.D. from the University of Ottawa (Canada). He worked in several ICSSR-supported research institutes before joining Centre for Studies in Regional Development, JNU, New Delhi. Dr Sood has a long time interest in Regional Development and has a keen ear to the ground. In 1984, he co-authored a book, Punjab Crisis: Context and Trends, much before the Khalistan movement seized the attention of other scholars. Dr Atul Sood edited Poverty Amidst Plenty: Essays on the Trajectory of Development in Gujarat published in 2012. He spoke on it at Azim Premji University on 15th April, 2013. Critics feel the edited work of Dr Sood on Gujarat is also a precursor to explain the 'failure of success' that the trajectory of Indian development can turn out to be unless the model is rethought.