

Disciplining India: paternalism, neo-liberalism and *Hindutva* civilizationalism

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Policy hybrids—which use developmentalist tools such as tariffs and local industry support, promote significant social welfare initiatives, and also pursue neo-liberal priorities like macroeconomic stability, foreign investment, global competitiveness and public–private partnerships—have become widespread. These policy hybrids reflect domestic and international instability, and their outcomes will determine the future of global trade and geopolitics. The United States, for example, has been described as pursuing an ‘offensive style of neo-mercantilism’ or ‘neo-liberal protectionism’ which uses protectionist measures to pressurize other countries into opening their markets and supporting US companies abroad.¹ Turkey’s ‘national neo-liberalism’ has entailed increased expenditure on social policies that promote market participation, criticism of international financial institutions and the pursuit of trade integration into global markets.² Likewise, Hungary’s ‘hyper-nationalist neo-liberalism’ combines protectionist policies in some sectors with attempts to increase foreign investment in others, and has weakened labour rights and expanded pronatalist welfare policies.³

Such hybrids are not new. Neo-liberalism has always taken hybrid and variegated forms shaped by local contexts and incorporating pre-existing economic and political interests and ideas.⁴ Neo-liberal policy prescriptions have been promoted by governments for various ideological reasons, used as pragmatic solutions to economic crises, and deployed in combination with existing policy tools since the 1970s.⁵ Neo-liberalism also generates resistance and challenge, leading to further variegation. But policy hybrids are now taking distinctive forms, shaped by economic slowdown, the rise of nationalist and populist governments, geopolitical conflict, and the COVID-19 pandemic. These combined factors have given rise to agendas that pursue greater self-reliance and supply-chain diversification,

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¹ Eric Helleiner, ‘Varieties of American neomercantilism: from the first years of the Republic to Trumpian economic nationalism’, *European Review of International Studies* 6: 3, 2019, p. 22; Tom Wraight, ‘From Reagan to Trump: the origins of US neo-liberal protectionism’, *Political Quarterly* 90: 4, 2019, pp. 735–42.

² Cemal Burak Tansel, ‘National neoliberalism in Turkey’, *Dissent* 66: 3, 2019, pp. 48–56.

³ Dorit Geva, ‘Orbán’s ordonationalism as post-neoliberal hegemony’, *Theory, Culture and Society* 38: 6, 2021, pp. 71–93; Eva Fodor, *The gender regime of anti-liberal Hungary* (Cham: Palgrave, 2022).

⁴ Jamie Peck and Adam Tickell, ‘Neoliberalizing space’, *Antipode* 34: 3, 2002, pp. 380–404.

⁵ See Part III of Damien Cahill et al., eds, *The SAGE handbook of neoliberalism* (London: SAGE, 2018).

protectionism and social spending. US neo-liberal protectionism, for instance, is driven by political and economic imperatives linked to competitive electoralism, right-wing and left-wing populism, rivalry with China, falling real wages, growing income inequality and declining job prospects.⁶ This article seeks to uncover how neo-liberal and national developmental agendas are reconciled as governing practices, and assesses their national and international outcomes and implications, through an examination of the case of India.

As in the US case, emerging policy hybrids in India are being shaped by economic slowdown, growing inequality, right-wing populism, competitive electoralism and geopolitical rivalry with China. India's enduring quest to become a great power faces the challenge of building a stronger economy in the aftermath of a devastating pandemic, rising geopolitical tensions and faltering global and domestic demand. Its political economy is increasingly characterized by policy hybrids wherein marketizing and liberalizing reforms are combined with social welfare programmes and state support to boost domestic production.⁷ Recent initiatives have included privatization through strategic sales and public-private partnerships, asset monetization, foreign direct investment (FDI), liberalization, business-friendly labour law reforms and the negotiation of free-trade agreements (FTAs) with several countries. At the same time, the Bharatiya Janata Party (BJP)-led government of Narendra Modi has increased investments in some state-owned enterprises; raised tariff and non-tariff barriers; launched manufacturing support schemes; and rejected or reviewed some FTAs. In addition, it has introduced a range of social policy schemes, providing incentives for private goods such as toilets, cooking gas connections, entrepreneurship and social insurance.

Through an analysis of the case of India, this article seeks to uncover the political rationality of governance that makes policy hybrids possible. It is argued that India's policy hybrid is underpinned by a political rationality which joins the paternalist logics found in neo-liberalism with the BJP's Hindu nationalist, or *Hindutva*, politics. As the first part of the article shows, through a discussion of neo-liberal thinkers and neo-liberal practices, the logic of paternalist governance in neo-liberalism valorizes markets and promotes conservative moralism for the creation of market societies. The second part of the article argues that in the case of contemporary India, the logic of paternalism in *Hindutva* drives conformity with *Hindutva* civilizationalism—a reactionary identity politics which promotes discipline, duties over rights, and traditional caste, gender and class-based social hierarchies, and presents Indian history as a struggle against foreign subjugation. At the same time, *Hindutva* politics appropriates popular symbols and language associated with anti-colonial nationalism, such as the anti-*Hindutva* leaders Mahatma Gandhi and B. R. Ambedkar, as well as notions of equality and self-reliance. It does so to win legitimacy for *Hindutva* civilizationalism in a deeply unequal society in which anti-colonial nationalism (in which *Hindutva* played little

⁶ Susan Watkins, 'Paradigm shifts', *New Left Review*, vol. 128, 2021, pp. 5–21; Steve Chan, 'Challenging the liberal order: the US hegemon as a revisionist power', *International Affairs* 97: 5, 2021, pp. 1335–52.

⁷ Elizabeth Chatterjee, 'New developmentalism and its discontents: state activism in Modi's Gujarat and India', *Development and Change* 53: 1, 2022, pp. 58–83.

part) remains a unifying force. The third part of the article demonstrates how a neo-liberal–*Hindutva* civilizational paternalist political rationality is shaping economic policy in India through an analysis of the flagship government scheme, the Atmanirbhar Bharat Abhiyan (Self-Reliant India Mission—ABA), and assesses its early outcomes and implications.

The ABA aims to boost domestic manufacturing by creating and incorporating India into new global supply chains that are less dependent on China. These policies have won global recognition. India has benefited from a global push to diversify supply chains and forge new geopolitical partnerships in the context of China's manufacturing dominance and geopolitical assertiveness. For instance, in 2021 the Quad coalition, which consists of the United States, Australia, India and Japan, recently announced principles on technology design, development, governance and use. These principles are to be used jointly to create new rules and supply chains for critical technologies, vaccines and other manufactured goods to stem Chinese dominance in these areas. The Quad agreement emphasizes market-driven innovation but makes concessions to the Atmanirbhar policy by allowing 'transparently awarded state incentives'.⁸ This article argues, however, that the effectiveness of this scheme remains in doubt because of the neo-liberal–*Hindutva* civilizational political rationality that underpins it. This has implications for India's global economic and geopolitical ambitions and the fate of new geopolitical and geoeconomic partnerships—like the Quad—which seek to shape the global balance of power, in part by promoting India as a manufacturing power.

Neo-liberalism, paternalism and conservative moralism

Drawing on the work of Joe Soss and colleagues, I define paternalism as a political rationality of governance comprising an authority relationship in which a subordinate actor is subjected to direction and supervision. This relationship can involve both coercive and non-coercive power and can be motivated by a range of reasons, including the public good, particularistic interests or beliefs about what is best for the subordinate.⁹ Paternalist governance is often underpinned by normative ideals against which the subordinate actor is judged, and the nature of intervention is shaped by broader political and economic contexts. Neo-liberalism is usually seen as antithetical to paternalism because it is conflated with notions of *homo economicus* and *laissez-faire*. On the contrary, however, both in theory and in practice, neo-liberal reformers have not viewed markets as natural, but as having to be constructed, with both state institutions and individuals needing to learn to become market actors with the help of state intervention. Foundational neo-liberal thought combined a normative ideal of market rationality with conservative

⁸ Government of India, Ministry of External Affairs, 'Quad principles on technology design, development, governance, and use', 24 Sept. 2021, https://www.mea.gov.in/bilateral-documents.htm?dtl/34323/Quad_Principles_on_Technology_Design_Development_Governance_and_Use. (Unless otherwise noted at point of citation, all URLs cited in this article were accessible on 21 Jan. 2023.)

⁹ Joe Soss, Richard C. Fording and Sanford F. Schram, *Disciplining the poor: neoliberal paternalism and the persistent power of race* (Chicago: University of Chicago Press, 2011), pp. 24–5.

moralism—belief in traditional social hierarchies, paternalism, authoritarianism, patriarchal family values and cultural racist tropes of western civilization.¹⁰ Friedrich Hayek claimed that ‘reason and morals, as equal partners, must govern our lives, where the truth of morals is simply one moral tradition, that of the Christian West, which has created morals in modern civilization’.¹¹ For Hayek, spontaneously evolved morals and markets epitomized the value of freedom because they emerged uncoerced. Hence inequality, which was systematically generated by the winners and losers produced by market competition and the upholding of traditional hierarchies, was considered key to political freedom.¹² Even those economists who based their theories on the concepts of natural liberty and utility maximization rather than civilization, such as Milton Friedman and Gary Becker, viewed the traditional self-sufficient family, as much as the individual, as key to the flourishing of markets, because of the family’s role in socializing individuals as market actors and providing privatized and unpaid social provisioning for dependants.¹³ Minimal state intervention (which did not impede the price mechanism and induced submission to the market) was permitted by Friedman and Hayek, because freedom and dignity were only tenable for those who could exercise individual responsibility as market actors, and paternalism was necessary for those who could not.¹⁴ Hayek and others, such as James M. Buchanan, advocated a disciplinary policy to create political foundations for markets through initiatives like ‘competitive federalism’ and a constitutional balanced budget amendment.¹⁵ Buchanan also advocated such disciplinary arrangements at an international level, arguing that emergent European regionalization required ‘strong but limited central authority’ to ‘enforce the openness of the economy’.¹⁶ Greater authoritarianism was permissible in societies viewed as not meeting necessary standards of modern civilization to impose market discipline organically.¹⁷

In the practice of neo-liberal reform, the logic of neo-liberal paternalism has blended with pre-existing paternalist ideologies and political projects. In the vanguard neo-liberal state of the United States, for example, neo-liberalism combined with conservative movements that identified the US state with western civilization, Christianity and traditional values. This produced a range of paternalist poverty governance strategies, including time limits on access to welfare, enforcing family responsibility for welfare, participation in low-wage work for welfare recipients and facilitating debt-driven home ownership as a disciplinary

¹⁰ Wendy Brown, *In the ruins of neoliberalism: the rise of antidemocratic politics in the West* (New York: Columbia University Press, 2019); Jessica Whyte, *Morals of the market: human rights and the rise of neoliberalism* (London and New York: Verso, 2019).

¹¹ ‘Professor Friedrich Hayek’s closing speech’, 1984, <https://c59574e9047e61130f13-3f71dofe2b653c4f-00f32175760e96e7.ssl.cf1.rackcdn.com/FF1AB6C707734EA895EC45EEC417D3F8.pdf>.

¹² ‘Professor Friedrich Hayek’s closing speech’; Brown, *In the ruins of neoliberalism*, p. 96.

¹³ Melinda Cooper, *Family values: between neoliberalism and the new social conservatism* (New York: Zone, 2017), pp. 59–60.

¹⁴ Whyte, *Morals of the market*, pp. 101–15.

¹⁵ Thomas Biebricher, ‘Neoliberalism and law: the case of the constitutional balanced-budget amendment’, *German Law Journal* 17: 5, 2016, pp. 835–56; Adam Harmes, ‘The rise of neoliberal nationalism’, *Review of International Political Economy* 19: 1, 2012, pp. 67–9.

¹⁶ Quoted in Harmes, ‘The rise of neoliberal nationalism’, p. 72.

¹⁷ Whyte, *Morals of the market*, pp. 161–70.

welfare measure.¹⁸ These policies were promoted by the Republican Party to draw white working-class voters away from the Democratic Party. They particularly stigmatized low-income African American men and women as neglectful fathers and ‘welfare queens’, exposing them to high levels of financial risk and predation, and depressing wages in already low-wage sectors.¹⁹ Seeking a new suburban (white) voter base, the Democrats responded by adopting the Republican paternalist poverty governance agenda, including its race-coded elements. Aspects of this agenda resonated with the post-New Deal liberalism championed by ‘New Democrats’ such as Bill Clinton who advocated paternalist technocratic, individual and market-based solutions to poverty and inequality, minimizing structural racial inequalities and perpetuating anti-black stereotypes.²⁰ Clinton’s ‘third way’ purported to make ‘responsibility an instrument of national purpose’.²¹ This applied to families who ‘have a responsibility to care for [children] and give them values, motivation and discipline’, and individuals who ‘acquire dignity’ when they assume personal responsibility.²²

Paternalist governance, shaped by neo-liberalism, new social conservatism, and post-New Deal liberalism, has also shaped American economic policy. Clinton’s third way was applied to corporate leaders, who ‘have a responsibility to invest in their country’, and required the government to ‘firmly enforce US laws against unfair trade’.²³ Most American states have forms of balanced budget amendments and practise competitive federalism, which has led to varied levels of taxation and wages.²⁴ In the early 1980s, facing rising trade deficits and alleging ‘unfair trade practices’, Democrat politicians sought government intervention to discipline international rivals into undertaking ‘market-opening measures’.²⁵ The Reagan administration’s Omnibus Trade and Competitiveness Act of 1988 centred on identifying countries engaged in unfair trade practices and undertaking measures to force changes. The Act included the Technology Competitiveness Act, which offered federal subsidies for companies manufacturing dual-use (military and civilian) technologies. Clinton expanded this programme, subsidizing the development of technology industries to take ‘back the advantage to Japan and Germany’.²⁶ In political and popular commentary, the Japanese threat was portrayed in civilizational terms, with its unfair trade practices said to be rooted in a Confucian social structure which breeds insularity, conformism, rigidity and cunning. These cultural traits were purported to leave Japan unable to act

¹⁸ Soss et al., *Disciplining the poor*; Brown, *In the ruins of neoliberalism*; Cooper, *Family values*.

¹⁹ Soss et al., *Disciplining the poor*, pp. 60–6.

²⁰ Lily Geismer, ‘Agents of change: microenterprise, welfare reform, the Clintons, and liberal forms of neo-liberalism’, *Journal of American History* 107: 1, 2020, pp. 107–31.

²¹ ‘1992 Democratic Party Platform’, The American Presidency Project, 13 July 1992, <https://www.presidency.ucsb.edu/documents/1992-democratic-party-platform>.

²² ‘1992 Democratic Party Platform’.

²³ ‘1992 Democratic Party Platform’.

²⁴ Susan B. Hansen, *Globalization and the politics of pay: policy choices in the American states* (Washington DC: Georgetown University Press, 2006).

²⁵ Wraight, ‘From Reagan to Trump’, p. 740.

²⁶ Quoted in Brent Cebul, ‘Supply-side liberalism: fiscal crisis, post-industrial policy, and the rise of the New Democrats’, *Modern American History* 2: 2, 2019, p. 163.

as an honest market player and meant that it posed a threat to civilization itself if it spread its influence.²⁷ Similar strategies and discourses characterize current US (and Indian policies, as discussed below) towards China.²⁸

***Hindutva* civilizationalism, paternalism and neo-liberalism**

Hindutva (a neo-Sanskritic term meaning ‘Hinduness’), is a strongly paternalist form of Hindu nationalism that constitutes what Rogers Brubaker calls ‘civilizationalism’—a reactionary identity politics which is preoccupied with internal disunity, external threats, and celebrating and recovering a lost civilizational glory by upholding traditional social hierarchies.²⁹ Paternalism is necessary because of *Hindutva*’s elitist origins and aims, and it has commonalities with neo-liberal paternalism with respect to the role of the state and the focus on individual and societal behaviour change.³⁰ *Hindutva* emerged in western India as an upper-caste, middle-class Hindu reaction to colonial rule, non-Hindu proselytization and secular, non-Hindu and lower-caste anti-colonial mobilization during the colonial era. These developments disrupted the existing social order and in the nineteenth century gave rise to movements that combined certain Hindu traditions with nationalism. These movements drew on European forms of organicist nationalism and interpretations of Indian history by German and English Orientalist scholars which portrayed India as a degraded civilization.³¹

As originally conceptualized by V. D. Savarkar in 1923, the doctrine of *Hindutva* linked the state, nation and territory with a Hindu identity. Savarkar argued that the ancient Hindus had laid the basis for a ‘great and enduring civilization’ long before the ancient Egyptians and Babylonians.³² This great civilization had degenerated initially because of the expansion of Buddhism and the subsequent decline of military prowess, and then because of repeated invasions, most disastrously by ‘tyrannical Muslims’ who took India into a dark age of oppression and persecution, leaving it unable to prevent British colonization.³³ Since Savarkar defined a Hindu as one who considered India their ‘Holyland’ as well as their ‘Fatherland’, Muslims and Christians were deemed to belong to other civilizations and rendered as threats to India’s unity and progress, unless they converted to Hinduism.³⁴ Since

²⁷ John M. Hobson, ‘Civilizing the global economy: racism and the continuity of Anglo-Saxon imperialism’, in Brett Bowden and Leonard Seabrooke, eds, *Global standards of market civilization* (London and New York: Routledge, 2006), pp. 72–6; David Campbell, *Writing security: United States foreign policy and the politics of identity* (Manchester: Manchester University Press, 1992), pp. 223–44; David Morley and Kevin Robins, *Spaces of identity: global media, electronic landscapes and cultural boundaries* (London and New York: Routledge, 2002), pp. 147–71.

²⁸ Yongjin Zhang, ‘“Barbarising” China in American trade war discourse: the assault on Huawei’, *Third World Quarterly* 42: 7, 2021, pp. 1436–54.

²⁹ Rogers Brubaker, ‘Between nationalism and civilizationism: the European populist moment in comparative perspective’, *Ethnic and Racial Studies* 40: 8, 2017, pp. 1191–1226.

³⁰ Shankar Gopalakrishnan, ‘Defining, constructing and policing a ‘new India’: relationship between neoliberalism and *Hindutva*’, *Economic and Political Weekly* 41: 26, 2006.

³¹ Chetan Bhatt, *Hindu nationalism: origins, ideologies and modern myths* (Oxford and New York: Berg, 2001); Priya Chacko, *Indian foreign policy: the politics of postcolonial identity from 1947 to 2004* (London and New York: Routledge, 2012).

³² V. D. Savarkar, *Hindutva* (New Delhi: Central Hindu Yuvak Sabha, 1938), pp. 144–6.

³³ Savarkar, *Hindutva*, pp. 54–6.

³⁴ Savarkar, *Hindutva*, p. 7.

caste divisions were also seen as a threat, he sought to ameliorate, though not abandon, caste hierarchies by, for instance, increasing lower-caste access to schools and redefining the system as an ordering one in which each caste was valued, though hierarchically differentiated.³⁵

Influenced by Savarkar, the Rashtriya Swayamsevak Sangh (RSS: National Volunteers' Association) was established by Brahmin, lower-middle-, middle-, and upper-middle-class men from Maharashtra in 1925. The RSS rejected the anti-colonial movement, favouring instead 'non-political', 'character-building' work to produce a unified, aggressive Hindu identity through the establishment of male volunteer associations emphasizing physical and military training. A women's affiliate, the Rashtra Sevika Samiti (Organization of Indian Women) was established in 1936 to inculcate in women—and, through them, their children—the discipline and obedience required of servants to the Hindu nation. Through physical and ideological training, women were to become celibate warriors, chaste wives or heroic mothers.³⁶ RSS-linked organizations proliferated after 1948 and included the political party the Bharatiya Jana Sangh (BJS—Party of the People); the Vishwa Hindu Parishad (VHP—World Hindu Council) to instigate political mobilization; and the trade union the Bharatiya Mazdoor Sangh (BMS—Indian Workers' Union).

These organizations were designed to inculcate *Hindutva* civilizationalism, particularly among those deemed vulnerable to Muslim and Christian conversion and 'westernized' Hindu elites espousing 'foreign' left-wing ideologies. The RSS leader Deendayal Upadhyaya's philosophy of 'integral humanism', which was the basis of the BJS's ideology (and that of its successor, the BJP), prioritized societal reform to unify the nation, after which, it was assumed, mass electoral support would naturally follow. This entailed the creation of a local network of activists through the establishment of *shakhas*, or local branches, the local promotion of *Hindutva* civilizationism and the provision of social services. The RSS leader D. P. Thengadi advocated the organization of socio-economic and political 'families', in which individuals are incorporated according to their 'natural aptitudes', a social order akin to that of the caste system.³⁷ The *Hindutva* movement's social welfare activities intensified in the 1970s, influenced by the BJS's poor election results, a more general pro-poor turn in Indian politics under Indira Gandhi's Indian National Congress (Congress Party) government and the assumption that the 'RSS's Brahmanical conception of self-improvement through training did not appeal to India's non-elite'.³⁸ The BJS was succeeded by the BJP, formed in 1980 as a more mainstream political party, which aimed to win 'hearts and minds' through grassroots welfare activities and added popular non-*Hindutva* concepts like democracy and Gandhian socialism to the party's core principles.³⁹

³⁵ Bhatt, *Hindu nationalism*, p. 95.

³⁶ Sikata Banerjee, *Make me a man! Masculinity, Hinduism, and nationalism in India* (Albany, NY: State University of New York Press, 2005).

³⁷ Walter K. Andersen and Shridhar D. Damle, *The brotherhood in saffron: The Rashtriya Swayamsevak Sangh and Hindu revivalism* (New Delhi: Vistaar, 1987), pp. 129–30.

³⁸ Walter K. Andersen and Shridhar D. Damle, *RSS: a view to the inside* (New Delhi: Penguin, 2018), p. xii.

³⁹ Christophe Jaffrelot, *The Hindu nationalist movement and Indian politics: 1925 to the 1990s* (London: Hurst, 1996), pp. 317–18.

Although *Hindutva* leaders emphasized societal change led by civil society, the state also had a paternalist role as an upholder and agent of *dharma*, an ambiguous term understood variously as discipline, order, unity, ‘Hindu national spirit’ and ‘the law’.⁴⁰ In the 1960s and 1970s, political imperatives and dominant economic paradigms encouraged the BJS to advocate significant state intervention to benefit its target voters among small traders and farmers, and lower-ranking professionals and bureaucrats in rural areas and non-metropolitan cities. In the 1990s, as India liberalized its economy leading to contractions in public-sector employment and spending, the BJP advocated ‘calibrated globalization’ with domestic deregulation, active government involvement to protect national industries and jobs, and social welfare schemes. In the 2000s, the BJP advocated a ‘facilitator’ role for the state which pared back intervention to minimal safety nets and infrastructure for business and entrepreneurship.⁴¹ These priorities were reflected in the 2004 BJP election manifesto, which was distinctive in its omission of *Hindutva* civilizationalism and its championing of a neo-liberal agenda of ‘good governance, development and peace’.⁴² The retreat from *Hindutva* paternalism was viewed by the party as the cause of its loss of that election, and the remedy was judged to be conjoining nationalism and development, building an ‘emotional attachment’ with the poor by recognizing their aspirations, and emphasizing social conformity and service to the nation.⁴³ While the 2009 manifesto reincorporated some aspects of *Hindutva* civilizationalism, promising ‘good governance, development and security’, it was the 2014 election campaign that proved effective, bringing to power a BJP-led government which has blended *Hindutva* and neo-liberal paternalisms in its governance agenda.⁴⁴

In the lead-up to the 2014 election, the BJP leader Narendra Modi asserted: ‘People are ready to listen for the sake of development. People are ready for bitter pills only that [*sic*] they want an assurance that what is happening is for their greater good. People need to have faith.’⁴⁵ The 2014 election manifesto denounced the incumbent government for trying to ‘follow whatever was being practiced in this or that western country’, thereby creating a litany of economic, security and governance problems as well as the ‘erosion of moral and societal values’.⁴⁶ The manifesto (apparently forgetting the party’s promotion of ‘calibrated globalization’ in the 1990s) criticized the ‘half-hearted’ liberalization of the 1990s and

⁴⁰ M. S. Golwalkar, *Bunch of thoughts*, 3rd edn (Bangalore: Vikrama Prakashana, 1968), p. xviii; Deendayal Upadhyaya, *Integral Humanism*, Deendayal Upadhyaya Research Institute, https://www.dri.org.in/ebook/Integral_Humanism.pdf ; Savarkar, *Hindutva*.

⁴¹ Priya Chacko, ‘Marketizing *Hindutva*: the state, society, and markets in Hindu nationalism’, *Modern Asian Studies* 53: 2, 2019, pp. 377–410.

⁴² BJP, ‘NDA agenda for development, good governance and peace: Lok Sabha 2004’, 2004, <https://www.bjp.org/nda-agenda-development-good-governance-and-peace-lok-sabha-2004>.

⁴³ BJP, ‘Meeting of the National Executive, Mumbai, June 22–24, 2004, discussion paper on tasks ahead: immediate and long-term’, 2004, <https://www.bjp.org/political-resolution/tasks-ahead-immediate-and-long-term>.

⁴⁴ For the reasons for this election victory, see Priya Chacko, ‘The right turn in India: authoritarianism, populism and neoliberalisation’, *Journal of Contemporary Asia* 48: 4, 2018, pp. 541–65.

⁴⁵ Narendra Modi, ‘There cannot be a better model of governance than democracy!’, 14 Oct. 2013, <https://www.narendramodi.in/there-cannot-be-a-better-model-of-governance-than-democracy-5623>.

⁴⁶ BJP, ‘Election manifesto 2014’, 2014, https://library.bjp.org/jspui/bitstream/123456789/252/1/bjp_lection_manifesto_english_2014.pdf, p. 2.

promised ‘economic freedom’, labour–industry harmony, manufacturing growth and ‘proactive handholding’ for the aspirational ‘neo-middle class’ (those no longer poor but not yet middle class).⁴⁷ A BJP government would ‘pick up the thread from the point where the continuum of our civilizational consciousness was lost and reorient the polity in consonance with those strong points of Indian psyche which will be the engine for our future glory’.⁴⁸ After the election, Modi condemned welfare schemes that ‘make poor people dependent on government instead of making them self-dependent and self-confident’.⁴⁹ Launching the Make in India scheme to promote entrepreneurship and manufacturing, the government promised a ‘paradigm shift in how Government interacts with industry ... The approach will be that of a facilitator and not regulator.’⁵⁰ It pledged to devolve authority for development schemes to state governments and encourage a spirit of ‘cooperative, competitive federalism’ wherein states would compete to implement a common set of policies.⁵¹ Yet the failure of manufacturing to expand, persistent unemployment/underemployment, the BJP’s desire for electoral dominance and a changing global environment have meant that centrally directed welfare schemes and increased state intervention in relation to business have become entrenched features of the BJP’s governance.

Paternalism and the Atmanirbhar Bharat Abhiyan

A case in point is the ABA. Launched in May 2020, the policy is composed of five ‘pillars’—an economy driven by ‘bold reform’; infrastructure; a technology-driven system; vibrant demography; and demand based on a supply chain ‘built up with the smell of the soil and the sweat of our labourers’.⁵² While the *atmanirbhar bharat* tag has been used in reference to a range of new policy initiatives, including reforms to labour laws and agriculture, infrastructure and connectivity, and the new education policy, it has been particularly identified with a reorientation in economic policy to move India from ‘reliance to self-reliance’ through manufacturing-led, export-driven growth to generate mass employment.⁵³ Self-reliance has a long history in Indian politics. It is associated especially with the anti-colonial nationalism of Gandhi and the Congress Party, and with import-substituting industrialization in the post-independence period. In both cases, self-reliance was linked to overcoming the social and economic injustices of colonial exploitation

⁴⁷ BJP, ‘Election manifesto 2014’, pp. 17, 29, 31.

⁴⁸ BJP, ‘Election manifesto 2014’, pp. 2–3.

⁴⁹ Press Trust of India (PTI), ‘Prime Minister Narendra Modi pitches schemes to make poor self-reliant’, *Indian Express*, 17 Sept. 2014, <https://indianexpress.com/article/india/india-others/prime-minister-narendra-modi-pitches-for-schemes-to-make-poor-self-reliant/>.

⁵⁰ ‘Make in India’, n.d., https://www.pmindia.gov.in/en/major_initiatives/make-in-india/.

⁵¹ ‘Indian media: PM Modi seeks “cooperative federalism”’, BBC News, 9 Feb. 2015, <https://www.bbc.com/news/world-asia-india-31274460>.

⁵² Narendra Modi, ‘Let us resolve to make India self-reliant’, 12 May 2020, <https://www.narendramodi.in/english-rendering-of-prime-minister-shri-narendra-modi-s-address-to-the-nation-on-12-5-2020-549627>.

⁵³ PTI, ‘Atmanirbhar Bharat is neither “isolationism” nor “protectionism”’: Nirmala Sitharaman’, *Times of India*, 12 Oct. 2022, <https://timesofindia.indiatimes.com/business/india-business/atmanirbhar-bharat-is-neither-isolationism-nor-protectionism-nirmala-sitharaman/articleshow/94796303.cms>.

and its aftermath. In its current iteration, the main policy tools have been the use of duties and non-tariff barriers on foreign companies, along with production-linked incentives (PLIs). The former includes increased import duties on a range of consumer and industrial goods imported particularly from China; lower duties on inputs; bans on Chinese apps; and data localization policies. The latter creates incentives for incremental rises in sales above a base year for an expanding list of selected industries including electronics, pharmaceuticals, electric vehicles, medical devices, white goods and textiles. It includes minimum investment requirements from firms and seeks to reduce dependence on imports, create jobs and produce national manufacturing champions. PLI schemes are available to both foreign and domestic companies, with different thresholds to encourage foreign firms to establish component production facilities in India.

The announcement of the ABA was the culmination of a slow reorientation in Indian economic policy. In public, Modi was an enthusiastic seeker of FDI for his earlier Make in India scheme, and in October 2014 his government signed the ASEAN–India Trade in Services Agreement, adding to several multilateral and bilateral trade agreements India had signed since liberalizing its economy. At the same time, however, there was a growing consensus within the government that FTAs had led to large trade deficits for India and needed to be reviewed. Major Indian industries, including pharmaceuticals and automobiles, became dependent on imported components from China, which also began to dominate the telecommunications market. In 2019, the government announced it had reached an agreement with ASEAN for the review of the FTA, and in 2020 it rejected the Regional Comprehensive Economic Partnership agreement owing to the weaknesses of India's agricultural and manufacturing sectors and its inability to secure greater service sector liberalization.⁵⁴

The need for the ABA was attributed to civilizational maladies and destinies that align with *Hindutva* historical narratives in which a Hindu golden age was broken by colonial slavery under Muslim and British rule and post-colonial mismanagement under Congress governments. Announcing the programme, Modi said:

We have a proud history of centuries. When India was prosperous, it was called the golden goose, it was prosperous, and then it always walked tall for the welfare of the world. Then the times changed, the country was caught in the chains of slavery, we longed for development.⁵⁵

The Minister of External Affairs, S. Jaishankar, claimed in 2020 that owing to a lack of 'adequate awareness of the world' and 'in the name of openness, we have allowed subsidized products and unfair production advantages from abroad to prevail'—a reference to China in particular.⁵⁶ Casting China as a civilizational other, Jaishankar characterized Chinese statecraft as grounded in the cultural attri-

⁵⁴ Priya Chacko, 'A new quest for self-reliance: east Asia and Indian economic nationalism', *Journal of Indian and Asian Studies* 2: 2, 2021, 2140005, <https://doi.org/10.1142/S2717541321400052>.

⁵⁵ Modi, 'Let us resolve to make India self-reliant'.

⁵⁶ S. Jaishankar, 'Keynote address by External Affairs Minister at the Deccan Dialogue', Government of India, Ministry of External Affairs, 16 Nov. 2020, <https://www.mea.gov.in/Speeches-Statements.htm?dtl/33196/Keynote+address+by+External+Affairs+Minister+at+the+Deccan+Dialogue>.

butes of ‘dissimulation’ and ‘trickery’, and claimed that ‘unlike in India there is neither guilt nor doubt in dissembling’.⁵⁷ Quoting the Upanishads, Modi asserted that the ABA was aligned with what was ‘said in our scriptures—Eshah Panthah—that is—self-sufficient India’ which in the contemporary context means ‘human-centric globalization’ and is epitomized by the ‘culture and tradition of India’.⁵⁸

The reorientation in trade policy in 2020 has been shaped significantly by the international context of transnational supply-chain disruption due to the pandemic, economic slowdown and geopolitical conflict with China. This context has increased legitimacy for policies promoting self-reliance, globally.⁵⁹ As the co-convenor of the Swadeshi Jagran Manch trade union and member of the board of the Reserve Bank of India, S. Gurumurthy, put it: ‘Trump has removed the reservation to be protectionist.’⁶⁰ RSS leaders, like Mohan Bhagwat, praised the ABA, while Gurumurthy claimed that it was aligned with Thengadi’s economic vision, and overcame the ‘illiterate economic thinkers and institutions in India, whose training is based on foreign ideas and theories’.⁶¹ However, RSS trade unions later criticized the government’s labour law and agriculture reforms as anti-worker and anti-farmer—an indicator of divisions in the *Hindutva* movement over economic policy.⁶² Indeed, the BJP leadership has eschewed the language of protectionism favoured by the RSS trade unions, seeking to incorporate both neo-liberal paternalist demands for market discipline and *Hindutva* paternalist demands for society-led transformation. Leaders have repeatedly asserted that the Atmanirbhar policy is neither protectionist nor isolationist but ‘designed to deregulate, and to enhance economic openness, good governance and global competitiveness’.⁶³ Consistent with both neo-liberal and *Hindutva* civilizational paternalisms, leaders and officials argue that the design of the PLI scheme is meant to make Indian companies self-reliant with minimal government support. Modi claims the scheme will ‘move the Indian Economy from Command and Control to Plug and Play’.⁶⁴ Amitabh Kant, the head of the government’s economic policy think tank NITI Aayog, presented it as a cost-effective industrial policy because by ‘incentivizing production instead of providing support for incentives, the budgetary allocation of \$26 billion trans-

⁵⁷ S. Jaishankar, *The India way: strategies for an uncertain world* (New Delhi: HarperCollins, 2020), pp. 58–9.

⁵⁸ Modi, ‘Let us resolve to make India self-reliant’.

⁵⁹ Chacko, ‘A new quest for self-reliance’; Amrita Narlikar, ‘India’s foreign economic policy under Modi: negotiations and narratives in the WTO and beyond’, *International Politics* 59: 1, 2022, pp. 148–66.

⁶⁰ Quoted in G. C. Shekhar, ‘“Self-reliant India” is a dynamic concept, it will never remain static: RSS ideologue S Gurumurthy’, *Outlook*, 15 May 2020, <https://www.outlookindia.com/website/story/india-news-self-reliant-india-is-a-dynamic-concept-it-will-never-remain-static-rss-ideologue-s-gurumurthy/352807>.

⁶¹ Quoted in Shekhar, ‘“Self-reliant India” is a dynamic concept’.

⁶² Sagar, ‘Scriptural economy’, *Caravan*, 23 July 2020, <https://caravanmagazine.in/politics/narendra-modi-atmanirbhar-bharat-rss-hindu-economics-rashtra>.

⁶³ PTI, ‘Atmanirbhar Bharat is neither “isolationism” nor “protectionism”’; S. Jaishankar, ‘Foreign Secretary’s remarks on “India’s foreign policy and its strategic imperative: the way forward” at the 6th J. P. Morgan ‘India investor summit’, 20 Sept. 2021, <https://meacms.mea.gov.in/Speeches-Statements.htm?dtl/34287/Foreign+Secretarys+Remarks+on+Indias+Foreign+Policy+and+Its+Strategic+Imperative+The+Way+Forward+at+the+6th+JP+Morgan+India+Investor+Summit+September+20+2021>.

⁶⁴ Narendra Modi, ‘We’ve to take Indian economy out of “command and control” and take it towards “plug and play”’: PM’, 11 June 2020, <https://www.narendramodi.in/prime-minister-narendra-modi-text-of-speech-annual-plenary-session-of-the-ICC-via-video-conferencing>.

lates into production potential of \$520 billion'.⁶⁵ The scheme takes a 'global champions' approach, with the aim of making 'really big players'.⁶⁶ According to another NITI official, Rajiv Kumar, the role of the government in the scheme is to be an 'enabler to promote, to infuse, to give impetus to private investment'.⁶⁷ Private investment has, however, continued to fall short, prompting the finance minister Nirmala Sitharaman to urge the private sector to appreciate the government's policy certainty and clarity and 'show its animal spirits'.⁶⁸ Sitharaman has claimed that the weakness of Indian manufacturing was due to lack of infrastructure and connectivity in the hinterlands, which is being addressed by the Modi government.⁶⁹ Comparing Indian industry to the Hindu mythological character Hanuman, Sitharaman said at a business summit:

I want to hear from India Inc what's stopping you? ... Is it like Hanuman? You don't believe in your own capacity, in your own strength and there got to be someone standing next to you and say you are Hanuman, do it? Who is that person going to tell Hanuman? It can't certainly be the government.⁷⁰ [sic]

This suggests the government has identified the lack of private-sector will to be market actors as the major barrier to the expansion of manufacturing. Faced with requests from the Electronics and Computer Software Export Promotion Council for greater support, Minister of Commerce and Industry Piyush Goyal said in 2020 that companies should not depend on incentives and should instead cultivate inherent strengths, learning from the apparently self-reliant growth of India's information technology (IT) and services sectors.⁷¹ As has been well documented, however, extensive state intervention played a significant role in the expansion of these sectors.⁷²

Early outcomes of the ABA suggest that its design and lack of attention to structural problems in the manufacturing sector, such as the shortage of skilled workers and technological capacity, will hamper achievement of the government's goals. Against the focus in the PLI scheme on low-value, high-volume manufacturing to create employment, studies of Indian manufacturing consis-

⁶⁵ Amitabh Kant, 'Atmanirbhar India: self-reliance or protectionism?', *Times of India*, 8 Jan. 2020, <https://timesofindia.indiatimes.com/india/atmanirbhar-india-self-reliance-or-protectionism/articleshow/80168539.cms>.

⁶⁶ 'India needs to become global champion in auto, textile & food processing: Amitabh Kant', *Economic Times*, 2 July 2020, <https://economictimes.indiatimes.com/markets/expert-view/india-needs-to-become-global-champion-in-auto-textile-food-processing-amitabh-kant/articleshow/76750789.cms>.

⁶⁷ "Atmanirbhar Bharat" is not a closed economy, it's being globally competitive: Rajiv Kumar, NITI Aayog VC', *Economic Times*, 15 March 2022, <https://economictimes.indiatimes.com/news/economy/policy/atmanirbhar-bharat-is-not-a-closed-economy-its-being-globally-competitive-rajiv-kumar-niti-aayog-vc/articleshow/90231166.cms>.

⁶⁸ IANS, 'Want to see private sector unleash its animal spirits: Sitharaman', *Telangana Today*, 20 Feb. 2021, <https://telanganatoday.com/want-to-see-private-sector-unleash-its-animal-spirits-sitharaman>.

⁶⁹ PTI, 'Atmanirbhar Bharat is neither "isolationism" nor "protectionism"'.⁷⁰

⁷⁰ PTI, 'FM Nirmala Sitharaman compares India Inc to Hanuman, asks why not invest in manufacturing', *Live Mint*, 13 Sept. 2022, <https://www.livemint.com/economy/fm-nirmala-sitharaman-india-inc-hanuman-asks-why-not-invest-in-manufacturing-11663059534491.html>.

⁷¹ IANS, 'Govt to identify electronic items for export thrust, says Goyal', *India.com*, 14 July 2020, <https://www.india.com/business/govt-to-identify-electronic-items-for-export-thrust-says-goyal-4084908/>.

⁷² Jyoti Saraswati, 'The Indian IT industry and neoliberalism: the irony of a mythology', *Third World Quarterly* 29: 6, 2008, pp. 1139–52.

tently emphasize the need to build domestic technological capability through public investment in education, and research and development (R&D) to move India toward high-value-added production.⁷³ Growth driven by low-value-added manufacturing reliant on FDI can be precarious and short-term, because countries compete aggressively to attract foreign capital. In addition, global and domestic consumer demand fluctuates, and new technologies can rapidly alter production processes. While PLIs and China's 'zero-COVID' policy have helped India emerge as a leading mobile phone exporter and a target for investment by companies such as Apple, it remains a site primarily for low-value-added assembly and continues to face competition from countries such as Vietnam, from which Apple is also able to source components.⁷⁴ Vietnam's experience, moreover, shows that foreign investment often fails to produce industrial deepening or upgrading for local firms, leading to the entrenchment of low-paid, precarious employment and worsening social and economic inequality, particularly for women, who make up the majority of employees in light manufacturing sectors.⁷⁵ Foxconn and Wistron, companies assembling Apple phones in India under the PLI scheme, have already experienced labour unrest from their predominantly female workforce owing to poor conditions.⁷⁶ China's recent loosening of its zero-COVID approach may result in less motivation on the part of foreign firms to seek new supply chains, particularly given that India lacks the production engineering capacity and suppliers to replace China in new product introduction tasks.⁷⁷

Furthermore, the design of the ABA may reinforce trends in India's political economy towards wealth concentration. Many scholars have argued that India's political economy is increasingly elitist and collusive, favouring big business and selected industrialists.⁷⁸ The PLI scheme appears to be consolidating this trend. Many Indian makers of electric vehicles, for instance, are small and do not meet the eligibility requirements for the PLI scheme, potentially leaving it dominated by large, established companies.⁷⁹ Likewise, although 80 per cent of

⁷³ Dieter Ernst, *Upgrading India's electronics manufacturing industry: regulatory reform and industrial policy* (Honolulu: East-West Center, 2014); Smitha Francis, 'India's electronics manufacturing sector', *Economic and Political Weekly* 53: 34, 2018, pp. 112–17; Sunitha Raju and V. Raveendra Saradhi, 'What ails India's electronic manufacturing industry: an assessment', *Indian Economic Journal* 68: 4, 2020, pp. 610–32; Chidambaran G. Iyer, *Mobile phone manufacturing in India: a study of few characteristics* (Thiruvananthapuram: Centre for Development Studies, 2021); Jyoti Saraswati, 'A national export-led growth plan: lessons from the software industry', *Economic and Political Weekly* 48: 7, 2013, pp. 21–4; Sunil Mani, *The role of industrial policy in market-friendly economies: case of COVID-19 vaccine R&D and its manufacturing in India and the USA* (Thiruvananthapuram: Centre for Development Studies, 2021).

⁷⁴ Yang Jie and Aaron Tilley, 'Apple makes plans to move production out of China', *Wall Street Journal*, 3 Dec. 2022, <https://www.wsj.com/articles/apple-china-factory-protests-foxconn-manufacturing-production-supply-chain-11670023099>.

⁷⁵ Iyer, *Mobile phone manufacturing in India*, pp. 46–8.

⁷⁶ 'Women force change at Indian iPhone plant, sick from bad food and crowded dorms', ABC News, 31 Dec. 2021, <https://www.abc.net.au/news/2022-01-01/women-force-change-at-indian-iphone-plant/100733574>.

⁷⁷ Jie and Tilley, 'Apple makes plans to move production out of China'.

⁷⁸ Christophe Jaffrelot, *Modi's India: Hindu nationalism and the rise of ethnic democracy* (Princeton, NJ: Princeton University Press, 2021); Adnan Naseemullah, 'Small business and India's elitist political economy', *Seminar*, no. 734, 2020, https://www.india-seminar.com/2020/734/734_adnan_naseemullah.htm; Rohit Chandra and Michael Walton, 'Big potential, big risks? Indian capitalism, economic reform and populism in the BJP era', *India Review* 19: 2, 2020, pp. 176–205.

⁷⁹ Nehal Chaliawala, 'All charged up & nowhere to go: electric vehicle firms rue high PLI qualification level',

medical device manufacturers in India are micro-, small- and medium-scale enterprises (MSMEs)—which have been identified by the government as key to job creation—the majority of firms shortlisted for the PLI scheme in this sector have been large- and medium-scale, with MSMEs unable to meet sales and investment requirements.⁸⁰ In this and other cases, the size of the incentives offered is not sufficient to make up for the lack of an innovative manufacturing ecosystem. Both the pharmaceutical industry and IT hardware sector have requested additional funds, with few firms able to meet first-year targets.⁸¹ Further, the structural weaknesses of India's economy and the effects of the pandemic are reflected in falling consumer demand, which has led foreign investors to retreat: for example, the car maker Ford has withdrawn its plans to manufacture electric vehicles in India under the PLI scheme, citing poor sales and high operating costs.⁸²

Conclusion

Policy hybrids that combine neo-liberal, national-developmental and welfarist features have become prevalent globally, influenced by common political and economic imperatives linked to domestic populist pressures, electoral competition, economic slowdown and geopolitical flux. The outcomes of these hybrids will determine the nature of national post-COVID recoveries, patterns of global trade and geopolitical relationships. Understanding the drivers, tensions and implications of these hybrids is, therefore, a pressing task. This article has sought to reveal the political rationality of governance that shapes such policy hybrids, with a focus on the crucial case of India. A number of states have sought to cultivate India as an economic and political partner to lessen dependence on China, cultivate new markets and balance China's geopolitical and geo-economic power. India has recently signed, or is negotiating, more expansive trade deals with the United Kingdom, the United Arab Emirates, Australia and the European Union. Along with the US, Japan and Australia, it is a member of the Quad coalition, which has developed an ambitious agenda of cooperation for the creation of resilient supply chains, including in critical technologies and vaccines. Robust Indian social and economic policies that facilitate human development and foster economic production are necessary for the achievement of such agendas.

This article has argued that a paternalist political rationality shaped by neo-liberalism and *Hindutva* civilizationalism underpins India's flagship economic policies and may undermine its global ambitions. Whereas neo-liberal paternalism

Economic Times, 30 Sept. 2021, <https://economictimes.indiatimes.com/industry/renewables/all-charged-up-nowhere-to-go-electric-vehicle-firms-rue-high-pbi-qualification-level/articleshow/86632342.cms>.

⁸⁰ Tabassum Barnagarwala, 'Why India's efforts to boost its medical devices industry are falling short', *Scroll*, 19 July 2022, <https://scroll.in/article/1028353/why-indias-efforts-to-boost-its-medical-devices-industry-are-falling-short>.

⁸¹ Bhaswar Kumar, 'What are the challenges facing the PLI scheme?', *Business Standard*, 1 April 2022, https://www.business-standard.com/podcast/economy-policy/what-are-the-challenges-facing-the-pbi-scheme-122040100080_1.html.

⁸² Arindam Majumder and Shine Jacob, 'Ford drops plan to manufacture EVs in India; opts out of PLI scheme', *Business Standard*, 13 May 2022, https://www.business-standard.com/article/companies/ford-drops-plan-to-manufacture-evs-in-india-opts-out-of-pbi-scheme-122051200721_1.html.

seeks to discipline individuals and businesses into being market actors, *Hindutva* paternalism aims for societal conformity with the reactionary identity politics of *Hindutva* civilizationalism. The production-focused ABA promotes market-based behavioural change instead of structural change facilitated by substantive state activism. Yet the economic effectiveness and impact of the ABA and, therefore, its long-term contribution to the global ambitions of India, its international economic investors and its geopolitical partners, are less positive. The policy design benefits larger firms more than small firms, thereby consolidating an elitist political economy, and does not address structural weaknesses through investments in education, R&D and a manufacturing ecosystem. Addressing these weaknesses would improve industrial deepening and lead to a more sustainable growth strategy based on high-value-added manufacturing. Moreover, the privileging of the private sector and big business in the ABA has exposed political divisions within the *Hindutva* movement, potentially posing future challenges for the BJP's political dominance. The long-term viability of India's hybrid governance strategies, therefore, has consequences for national development and politics as well as for global trade and geopolitics.