

**CHANGING NATURE OF INDIAN POLITICS AND
THE NEW MIDDLE CLASS SINCE 1990'S**

*Thesis submitted to Jawaharlal Nehru University
in partial fulfillment of the requirements
for the award of the degree of*

MASTER OF PHILOSOPHY

PRIYANKA YADAV



**SCHOOL OF SOCIAL SCIENCES
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI- 110067**

2018



Date: 23/7/2018

DECLARATION

I, Priyanka Yadav, hereby declare that the Dissertation titled “**Changing Nature of Indian Politics and the New Middle Class Since 1990s**” submitted by me in partial fulfillment for the award of the degree of **Master of Philosophy** to Jawaharlal Nehru University is my original work. The Dissertation has not been previously submitted in part or in full for the award of any degree of this or any other university.


(Priyanka Yadav)

CERTIFICATE

We recommend that this Dissertation be placed before the examiners for evaluation.

Prof. Narender Kumar

(Supervisor)

 SUPERVISOR
Centre for Political Studies
School of Social Sciences
Jawaharlal Nehru University
New Delhi - 110067

Dr. Shefali Jha

(Chairperson)

अध्यक्ष / Chairperson
राजनीतिक अध्ययन केन्द्र / Centre for Political Studies
सामाजिक विज्ञान संस्थान / School of Social Sciences
जवाहरलाल नेहरू विश्वविद्यालय
Jawaharlal Nehru University
नई दिल्ली / New Delhi - 110067

Dedicated

To the journey called- “Life”

and to my

*Late brother who will remain in our
heart- Angad Yadav*

ACKNOWLEDGEMENT

This M.Phil dissertation is not just pages compiled into a thesis, it is a journey which started two years back in order to learn and improve myself both academically and personally, it was tough but never impossible.

The list of people to be thanked is countless but I would foremost like to thank my supervisor Prof. Narender Kumar and all the teachers and staff members at Centre for Political Studies, JNU for helping me in this research activity.

My parents- Asha Yadav and Surendra Yadav are to be thanked for being who they are and showing their ever growing support to me, my relative, specially my maternal uncle for bringing me here and for helping me in times of need. My siblings- Vaibhav and Gaurav need a special mention here, especially my sister- Sneha Yadav, without whom living and writing would not have been possible.

I would like to thank the institution called JNU for providing me all the necessary support for my dissertation. My hostel staff and mess staff at Koyna Hostel, JNU for providing me food and accommodation.

A special mention to Dr.Anshu Srivastav for helping me intellectually and personally and showing me the right direction always.

Lastly but most importantly I would like to thank god and all the hardships of my life which has brought me here today.

Priyanka Yadav

CONTENT

<i>Acknowledgement</i>	<i>i</i>
<i>List of Figures</i>	<i>iii</i>
1. Introduction	1-15
2. Chapter 1: Colonial Middle Class	16-30
3. Chapter 2: The New Middle Class	31-57
4. Chapter 3: Indian Politics and the rising New Middle Class	58-79
5. Conclusion.	80-86
6. Bibliography	87-92

LIST OF FIGURES

1.	Annual percentage change in selected indicators: 1990-91.	33
2.	Residential Apartments in NOIDA	53
3.	India against corruption movement, April 2011	61
4.	Candle light vigil in solidarity with Jessica Lal	75
5.	Protest at India Gate during Nirbhaya Case, 2012	76

CHAPTER 1

INTRODUCTION

The new middle class in India doubled in size between 2004–05 and 2011–12, amounting to nearly half of India’s population. Structurally, the new middle class is quite different from the conventional understanding of it. Although dominated by upper castes, other caste groups too have entered the new middle class in large numbers. The occupational structure within the class is heterogeneous. The lower middle class is engaged in occupations similar to that of the poor, whereas the upper middle class is involved in traditional service activities as well as in new knowledge services¹.

The characteristics feature of the New Middle Class as noted by Surinder. S. Jodhka and Aseem Prakash in their book *The Indian Middle Class* is described as: urban and educated with a salaried job; qualified and independent professionals; enterprising, mobile, and young women and men consumer of luxury goods and service: a housewife of an urban family struggling to keep her domestic economy going with a limited income in times of rising prices; an agitated and angry office-goer who always envies his/ her neighbour for managing to keep ahead.

The Indian middle class has also been accused of being a self-serving and self-obsessed category, indifferent to the poor and the marginalised. The Middle class creates barriers and boundaries to keep the poor out of its sphere of privileges. On the other end, the poor aspire to join the middle class and work hard to achieve it. Even when they cannot afford to provide wholesome food to the children they send them to private English medium schools in the hope that education would help them move out of poverty to middle class location. The idea of Middle class is also invoked, positively, to describe the emerging Indian, who, through education and hard work is trying to move upwards, with his or her own sources, and, in turn is transforming the country into a modern and developed nation. It is creative individuals from middle-class India who have been spreading themselves across the most valued and critical opportunities and expanding the Indian and global economy in neo-liberal times. Globally, mobile computer software engineers and management gurus of Indian origin, who come to matter to almost everywhere in the world, all come from the middle class families.

¹ The estimate number has been taken from an article by Sandhya Krishna, “The Rise of the Indian Middle Class and its changing structure.”.Economic and Political Weekly, Vol. 52, Issue No. 22, 03 Jun, 2017.

The middle class person is an economic agent, he is a consumer par excellence, given its location, the middle class is presumed to be obsessed with consumption. Consumption for them is not simply an act of economic rationality but also a source of identity. The shopping malls, mobiles phones and theme parks obsessed middle class is extensively defined by Christiane Brosius in her book *India's Middle Class: New forms of Urban Leisure Consumption and prosperity*.

Yet, middle class is not as homogeneous as it may appear at the first instance. Diversities within the middle class are many, of income and wealth as also of status and privilege. Middle Classes are often sub classified into the 'upper', the 'lower' and 'those in between' segments, depending upon income, education, occupation and so on. Similarly, those who call themselves "middle class" or are classified as such, do not abandon their other identities, particularly those that have been source of privilege- of caste, community/religion, and region/ethnicity as pointed out by D.L Sheth.

Apart from the complexity of defining the middle class with a single parameter it can be understood that the New Middle Class is a large sociological category which has started to hegemonize the Indian political scenario by becoming a large member of the civil society and coming in the mainstream of politics. But what has changed why is there an increased visibility of the Indian Middle Class post 1990s, a mere category grappling with its own issues of livelihood and sustenance has become an important player in Indian Politics. As Pawan. K.Varma, in his book *The New Middle Class: "The Challenge of 2014 and Beyond"* mentions that the Indian middle class has emerged as an important player both in terms of its numerical size and the influence it can wield in 2014 general elections. He further mentions how the 2014 elections tested the ability of the middle class to apply its mind to issues, not only in the pursuit of its own interest, but from the point of view of what is good for the nation as a whole."

In early colonial period India was largely an agrarian society. It was not until the middle of the nineteenth century that modern industrial production came to India. In 1947, the Nehru government adopted the state-idea of socialist planning as an economic strategy in order to bring in social transformation. It was seen as a third way between two competing interests' socialism and capitalism (Frankel, 2005). The conventional periodization of postcolonial Indian economic history is divided it into two distinct eras- the years of Nehruvian Socialism (1947 to end 80s) and then the era of liberalisation (from 1991).

Economic reforms process started in India in the year 1985 when V.P.Singh the then Finance minister, unveiled one of the most ambitious liberalising packages ever seen in the subcontinent. From this point on, the Indian state actively organised and built up a segment of the business community dedicated to promoting the idea of liberalisation.

The reforms process in India was initiated with the aim to attaining macroeconomic stability in short term and modify the condition for trade and investment in longer term. The reforms have unlocked India's enormous growth potential and unleashed powerful entrepreneurial forces. Since 1991, successive governments, across political parties, have successfully carried forward the country's economic reform agenda. Neo-liberal development advocates the loosening of government regulation and control of central economic activities in favor of market forces, which, it is assumed, will self-regulate the economy and distribute wealth across population.

Neoliberal development advocates the loosening of government regulation and control of central economic activities in favor of market forces, which, it is assumed, will self-regulate the economy and distribute wealth across the population. Proponents argue that increased economic growth benefits the entire nation and eventually trickles down to the lower strata of the society. 'Furthermore, the trends toward faster growth and poverty reduction are strongest in developing economies that have integrated with the global economy most rapidly, which supports the view that integration has been a positive force for improving the lives of people in developing areas'(Dollar, 2005).

As much as the economic reforms had its implications on the financial sector of the Indian economy equally did its impact was seen on the social sector or the Indian society. As globalization has political, social, cultural and economic impacts on the host country thus the same kind of repercussions were witnessed on each of this domain so economic reforms did not only bring economic changes but there were visible sociological changes witnessed in the Indian society as well and one of the most important sociological changes was the emergence of the new middle class. This new middle class was different both in nature and character from the predecessor colonial middle class.

The constitution of the New Middle Class according to Palshikar (Palshikar, 1997:72-75) is:

- Non ownership of means of production, but effective control over means of production leading to a sense of authority.
- Generally non-productive realm of activity; predominantly service sector or intellectual labour.
- Salary or fee structure which is not objectively determined.
- Share in surplus through unearned incomes and corruption.
- Control over systems of administration, opinion formation, culture, knowledge etc.
- Social status disproportionate to income.
- Control over consumer and services market and emphasis on lifestyle

The New middle class reflective of Palshikar's definition of them is clearly witnessed in India's software industry 'professionals' who are a beneficiaries of economic reforms of 1991. **Carol Upadhy** in her article '*Software and the New Middle Class in the "New India"*', explains how the IT industry's reshaping middle class identities and culture and further creating a new middle class identity which is more global in its nature and character.

At the structural level, the IT industry has been enhancing the economic and social powers of the urban middle classes by providing significant new opportunities. The social composition of the IT workforce comprises overwhelmingly people from educated middle class, upper- caste and urban backgrounds.

Software Professional's experience of working in a global workplace exposes them to cultural identities and differences which feed in to a larger process of the production and articulation of a global Indian identity within the new Indian middle class. Since Indian software engineers are subject to travelling abroad frequently and dealing with foreign customers they tend to have developed soft skills required for communication. Communication skills and cross cultural management together invoke specific ideas about Indian culture and cultural difference in the process changing the meaning of Indian for these workers.

This new middle class is marked by the idea of global nationalism where nationalism is reconstituted within the discourse of globalisation. The success of software industries has

imparted a more positive image and the middle classes take credit for much of India's transformation and recent economic boom. IT professionals describe their work as global, as at the fundamental level, IT firms specialise in 'offshore' operations, giving the industry a remarkably global character. Indian firms tie up with companies in US and Europe, to get their work done on contractual basis, or as a subsidiary, or as branch, or as a partner of the client firm. This kind of partnership model has allowed Indian IT firms to establish partnerships with leading global multinationals, as a result of which IT professionals in India are more likely to interact with management in US and Europe through phone and e-mail, in addition to this, IT professional also go 'on-site' for short term projects for a client firm. This way thousands of IT professionals get access to the opportunity of living and working in USA and Europe (Radhakrishnan, 2011).

In the popular imagination the new middle class has a tendency to settle abroad although majority of middle class asians never migrate to the west, fantasies of migration are widespread and compelling among the youth as everywhere in the third world. Mass migration has been common especially for the Indian subcontinent and china for centuries and involvement in migration is nothing new for Indians. At present, the United States, United Kingdom and Canada are the most desired destination for educated Indian migrants, while Australia and New Zealand are gaining importance (Saavala, 2010).

The second way in which the IT industry is transforming middle class culture is through the new culture of work that has been introduced which provides employees with new social, personal and cultural skills and disposition. They are not only expected to be professionals in demeanour and dress they are also expected to transform themselves in the individualised, autonomous, 'entrepreneurial' workers (Beck, 2000) of the 'new workplace', a model that is promoted by contemporary management ideology in the West and one that has been adopted by more software companies operating in India. This management model privileges more open, 'flat' and flexible organisational structure and so requires who are self-managed and self-motivated.

Software companies employ a range of soft skill training programme- such as time management, self- actualisation, personality development, assertiveness training and emotional intelligence and other management techniques to produce 'empowered' workers. These programmes adopt a range of western psychological concepts and techniques (Sathaye, 2008).

Another way in which the IT industry is significant in the construction of the new middle class is through its representation as a product of values and enterprise. The IT industry is of course but one force behind the production of a new middle class culture that embraces entrepreneurship and market values and consumerism.

This new middle class although is completely different from its older self in terms of its character, composition and nature. As Leela Fernandes(2006) in her study has pointed out that the contrast between the 'old' and the 'new' middle class is not so much one of substance or identity- for the new is largely derived from and identical with the old terms of its social composition- but more ideology, political and economic orientation and culture.

One of the classical writings on Indian Middle Class has been of **B. B. Mishra**, who defines the middle class in his book '*The Indian Middle Classes- The Growth in Modern Times* (1961,1983) he identified eleven categories as being part of the middle class, which are:

- Merchants, agents and proprietors of modern trading firms.
- Salaried executives like managers, supervisors, technical staff and inspectors.
- People in higher salaried bracket in public and private institutions and societies.
- Middle level civil servants and other public functionaries as well as those engaged in agriculture, education, public works, transport and communications
- Lawyers, doctors, professors, engineers, media persons, litterateurs and those engaged in pursuit of fine arts and music.
- Middle grade holders and proprietary land tenures. Well off shopkeepers and hotel owners.
- Rural entrepreneurs.
- Full time students pursuing higher education.
- Clerks, assistants in government or private organisations and non- manual workers i.e. White collars workers.

But this definition was suitable for the colonial middle class who were a by-product of the colonial state. Colonial middle class was directed towards the limited opportunities available through colonial educational policies and most members belonged to the service

and literary class. The British education policy contributed to the creation of a class through spatial pattern of colonial rule. The strength of the colonial middle class rested in presidency towns such as Calcutta, Bombay and Madras.

The New Middle Class of the neoliberal phase was completely different it was not a by-product of the state rather it was beneficiary of economic liberalisation.

As the economy expanded, in the 1990s middle class expansion was carried forward by both state-led as well as private-sector led development model but it did not any way mean that the middle class had stopped relying on the public sector for employment or other growth amenities, their growth in the public sector continued to remain significant even after the private sector expansion. In the 1990s something changed, well of course the economy expanded and so did the class but there were visible changes on the political front too. The middle class or the Babu's of the colonial times, the close allies of the government working with the government and expanding through state-led development model suddenly shifted their focus from the government.

During the pre-independence era state's interest was their interest (middle class) as they believed that the state thought in terms of the welfare of all (which precisely was not the case), but things changed after the 1990's the New Middle Class portrayed different characteristics altogether way different from their predecessor self, they showed disappointment with the state. A class which was once party to the social contract showed signs of moving from the contract to which they had once voluntarily submitted for preserving their own interest. Leela Fernandes rightly points out that the visibility and assertiveness of the new middle class in India's emerging political culture of liberalisation has intensified public interest in political behaviour and leanings of the middle class but still the level of electoral participation for the middle class has been relatively low compared to subaltern social groups.

In contrast to the colonial middle class whose predominant feature was English education, this new middle class was completely different in character and outlook. The new middle class no longer secured government jobs but it was ready to accept the large variety of opportunities the market had to offer.

The middle class today has come to be equated with being a consumer and their study to some extent has been reduced to the study of consumption practices. As values, identities,

citizenship and youth culture involve consumption and consumerism, consumption of commodities has become the lens through which all contemporary transformations of middle class lives are interpreted and the media, academia and the corporate sector has joined hands in their elevation of consumption as the sole epistemological basis for interpretation of contemporary social process in India. Today, possession of vehicle, owning laptops, mobile phone and credit card signifies success and are the basic steps towards arrival to the middle class arena.

The rise of this new middle class identity has begun to shape contemporary politics in India in distinctive ways. The middle class today is a well informed and a conscious class, they are able to express their dissatisfaction with the government in much more inhibited manner as compared to government employees who have to observe their service rules. Leela Fernandes in her book *India's New Middle Class: Democratic Politics in an Era of Economic Reforms* examines how the middle class operates as a proponent of economic liberalization, by focusing upon the changes in the lifestyle and consumption pattern of the new middle class post-economic liberalization.

Here she also mentions about the political activism of the new middle class in most cases is not carried out through formal political institutions. She further argues that the politics of the middle class was marked by alienation and resurgence in the 19th century. But there is growing political activism shown by this class in the recent past. She uses the term "consumer-citizen" for the new middle class, which shows a shift from workers' rights to the rights of consumer. On the basis of this new rationale, the new middle class is said to be engaged in an attempt to reclaim Indian Democracy from demand groups such as unions, subordinated castes and Muslims.

Political assertion of the new middle class unfolds through everyday discursive, cultural, spatial and organisational practices that seek to define the term citizenship and implicitly of Indian democracy within the sphere of civil society.

The new middle class is in effect trying to redefine the boundaries of citizenship in the public sphere and gain access to state through practices and discourses that do not need to rely on electoral politics.

Surinder. S. Jodhka and Aseem Prakash in their recent book *The Indian Middle Class* have argued that this new middle class is not just an income group rather has expanded its

horizon by showing interest and presence in politics, this change, they argue, is certainly related to the changing nature of middle class to the new middle class. Middle class as it has come to be viewed in contemporary times is a category of modern society, a society that emerged with industrial development and urbanization in the modern West.

Middle class is not a community with an ascriptive identity. It emerged in the Indian subcontinent only with the introduction of a western- style secular education system, the industrial economy, and a new administrative system by British colonial rulers during the 19th century. Over the years, the new Indian middle class has continued to grow. Beginning with the 1990's, the Indian middle class began to acquire much greater visibility. Economic reforms introduced by the political regime significantly enhanced its engagements with the global economy. The onset of a new process of globalization also enabled India to participate actively in emergent areas of what was being described as the 'new economy'.

The idea and identity of the middle class is invoked in everyday life in contemporary India in a variety of ways and context: urban and educated with a salaried job; qualified and independent professionals; enterprising, mobile, and young women and men: consumers of luxury goods and services. This new middle class is not just an income group rather has expanded its horizon by showing interest and presence in politics, this change is certainly related to the changing nature of middle class to the new middle class.

In *Elite and Everyman: The Cultural Politics of the Indian Middle classes*, edited by Amita Baviskar and Raka Ray tends to focus the importance of acknowledging and studying variations in class composition not only within the middle class but also within the context of the social assemblage.

The above mentioned literature gives insight about the participation of the middle class in Indian politics through formation of strong civil society group or increasing strength of the middle class in terms of voter turnout and also how political participation of this class is growing day by day. These scholars were able to look at the change within this new middle class per se. But my concern is to look at the change in contemporary Indian politics and economy which is providing the space to this new middle class for greater participation. (Is the change mutual between both new middle class and Indian politics or is it only the new middle class whose concerns and interests are growing.

This study tries to explore the other dimension which is that of the reasons which has led to shift from being mere spectators in Indian Politics to becoming a strong civil society group. This to study tends to explore the issues and concerns of the New Middle Class which is bringing them in the political domain of the country. (This question makes this study significant as till now scholars have addressed the issue of the changing nature of the Indian middle class but there has not been any significant study on the reasons and issues raised by the New Middle Class).

Research Question

What are the issues and concerns of the New Middle Class because of which their participation has enlarged especially after economic liberalization?

HYPOTHESIS: Indian Middle Class has changed in the Neo-liberal phase which has further led to the growing visibility of the class in the political sphere.

Research Objectives

1. To understand the nature of Indian middle class before economic liberalization and their level of political involvement during the colonial period?
2. To examine the reasons behind the emergence of the New Middle Class?
3. To understand how the New Middle Class is different from the Old Middle Class?
4. To study the nature, characteristics and composition of the New Middle Class and to understand the shift in the nature of political involvement of this class from its older self?
5. To understand why the shift occurred and what are the issues and concerns which affect the New Middle Class and further is increasing their visibility in Indian Politics?

Methodology

The study is not an empirical work, it largely descriptive, exploratory and explanatory in nature. The research is based on the reading of secondary literature available in the arena

and using analytical skills to understand and answer the research question as what are the concerns of the New Middle Class which is bringing them into mainstream of politics where the civil society movements carried forward by the New Middle Class to show resentment against the state.

The findings is proved through elaborate explanation of each issue which like corruption and sexual harassment which compels the new middle class to take to the urban city space and voice out their opinion in large numbers, which also makes it quite evident that they do not have to form an electoral majority or get into vote bank politics in order to be a part of the state decision making. The secondary sources of the data include books, journal articles, newspapers, internet material and articles published in media.

The study has limitation for instance it is a descriptive work based on secondary sources where facts and events have been stated and described in order to understand the issues and concerns of the New Middle Class mostly secondary literature and sources based on newspaper article to understand the cases like- Nirbhaya, Jessica Lal, 2G scam etc.

The Nature and the limitations of this study make it a completely theoretical and descriptive work for understanding the New Middle Class in contemporary times.

Organisation of Dissertation

The research has been divided into five broad chapters where an attempt is made to understand and address the research objectives and answer the research question of this research. In this section an attempt is made to understand the brief outline of all the five chapters which are as follows:

The first chapter of the dissertation is “Introduction” which provides a general overview of the entire study and states the research objective and the research findings of this study.

The second chapter deals with the nature and the emergence of the middle class where it shows how the middle class was a class created by the colonial state to serve the interest of the state. Looking at the nature and orientation of the middle class this chapter will give an idea about the political participation of the old middle class where it constituted as a minority. The first section elaborates upon the definition of Class or the concept of class which has

been one of the most intrinsic part of any developing or developed society world over. Why is it important to study class and know what class is. And how is it defined? Two of the most early and classical definition of class based on economic endowments have been put forward by Marx and Weber.

How is class defined in the Indian context, which are the three main classes of Indian society and how are they different from one another.

Colonial times was a time of change, changes taking place in every domain by the east India company whose power was expanded from mere commercial affairs in 1833, certain new conditions emerged from this change and some of the changes were the mild and constitutional character of government and the rule of law, the security of private property and the defined rights of agricultural classes, a national system of education and a period of continued peace, an economy of laissez- faire and a liberal policy of unemployment and social reform. Conditions like this created a perfect ground for the emergence of middle class in colonial times B.B Mishra categorised four types of middle class

The emerging colonial middle class was directed towards the limited opportunities available through colonial educational policies and most members belonged to the service and literary class. The British education policy contributed to the creation of a class through spatial pattern of colonial rule. The strength of the colonial middle class rested in presidency towns such as Calcutta, Bombay and Madras.

The colonial middle class played an important role in the freedom struggle as well; it was this class which helped in organising public opinion and mobilising the masses. Although the colonial middle class did not have a majority but remained a minority not exceeding 10 per cent of the population.

The upper castes dominated the Indian middle class at that time. During the British period, the structure and complexion of the middle classes transformed due to factors like western education and liberalisation of trade. The middle class therefore comprised of the businessmen, entrepreneurs, industrialists, landed people, educated people, professionals etc. As pointed out by historians like Tanika Sarkar (2011) there was an absence of economic and political leadership of the old middle class during colonial rule.

As the era changed and the colonial rule ended the New Middle Class started showing signs of strong visibility in the political domain. This visibility was due to the rise in the socio-economic status of the New Middle Class who were largely benefitted from economic liberalisation. This nature of change both in the social and political domain of the New Middle Class is the centre of discussion in the next chapter.

In the third chapter of this study the larger question of the New Middle Class is of central focus. Since economic liberalisation holds a very significant position in uplifting the socio-economic position of the New Middle Class, it is important to discuss economic liberalisation first, so the first section elucidates the nature of economic liberalisation. When did the idea to transform the economy emerged and how the balance of payments crisis led to the unfolding of the reforms period in India.

Further ahead this study would deal with the nature of reforms like what were the key provisions related with reforms and how were they shaped. The key sector like industries, trade and EPZ policy and SEZ policy, 2005 where the structural adjustment was located has also been discussed.

In the preceding section there is an elaborate discussion on the how the economic reforms were home grown and how there were substantial foreground for liberalizing the economy even before the balance of payments crisis could occur.

As much as the economic reforms had its implications on the financial sector of the Indian economy equally was its impact was seen on the social sector or the Indian society. As globalization has political, social, cultural and economic impacts on the host country thus the same kind of repercussions were witnessed on each of this domain. The next section of this study deals with the social repercussions and the most important one to be witnessed was the social changes being witnessed amongst the Middle class in the Indian society.

Indian economy was liberalised in 1990s, liberalisation in India did not only bring structural adjustments in the economy rather it also created a space for the emergence of a large social group called the New Middle Class. Although the New Middle Class continued to be in the middle balancing the polarisation of the society but its nature of existence, composition and identity was reshaped by the advantages or the utilisation provided by globalisation.

To understand the changes in a better way it has been categorised(Changes) under three different headings- Lifestyle Changes, Social Expansion and the Employment structure but this does not asserts that expansion has been witnessed in these three domain only there have been visible changes in other domain too but here for this study these three areas hold importance and the reason behind this importance is that these changes have shaped the consciousness of this particular class especially the political consciousness which has led to the growth in visibility and assertiveness of the new middle class In India's emerging political culture of liberalisation which has intensified public interest in the political behaviour and leanings of the middle class.

This chapter will help in understanding the socio-economic changes brought by economic liberalisation in the New Middle Class which has further shaped the political language of the class. In the next chapter the concerns and issues of the New Middle Class has been discussed largely and where the inquiry is to look at the nature of issues and how those issues are different from other classes like the working class.

The fourth chapter of this study deals with reasons behind the shift of the middle class to a larger colonial period the middle class was class whose participation in the political front was visible by being an important part of the state, they continued to participate and expand by remaining in the social contract with the state. The expansion of the middle class took place through state-led development programme or the public sector undertakings.

This chapter attempts to explain the reason behind the shift which took place at the political front of the New Middle Class, what kind of developments and dissatisfactions made the people of the New Middle Class a member of the "Global Street". In order to explain the causes of the shift reference of the ANNA HAZARE MOVEMENT or the Anti-corruption movement 2011 is made, which would serve as the base to show the participation of the New Middle Class in a social movement which took place in opposition to the corrupt practices of the state and the unwillingness of the civil society members to accept an immoral attitude of the state and the government all together.

After elaborating on the Anna Hazare Movement at length the second half of the chapter would deal with causes of the shift from common-man to consumer-citizens, there are three important causes/reasons or issues which are of larger concern to this class and hence is bringing them in the main stream- Expansion of the New Middle Class, Corruption, Legal

and Administrative failure of the State In the third half of the chapter taking reference of the victory of AAP this chapter tends to explore whether formation of an electoral majority of the New Middle Class can be seen or not, whether has it changed or increased from earlier.

After that the thesis is summed up a in the fifth chapter “Conclusion” where the central question of the thesis is answered- the issues and concerns of the New Middle Class which has brought them into the mainstream of Indian Politics.

CHAPTER 1

COLONIAL MIDDLE CLASS

The New Middle Class is one of the emerging categories of recent times, it is a term or a social category which has risen post 1990s but before understanding the term New Middle Class it is important and needed to understand the historical roots of this particular class, form where did it emerge, what is the composition, nature and character and how was it shaped, what importance did it hold in the India society and politics. Keeping all this questions in mind this chapter has been designed to answer all the necessary investigation. Therefore here in this chapter the nature, character and socio-political position of this class has been dealt with largely.

Class or the concept of class has been one of the most intrinsic part of any developing or developed society world over. When we talk about societies or social stratification we cannot eliminate class and class division, it is predominant within. Hence it becomes important to know what class is. And how is it defined? Two of the most early and classical definition of class based on economic endowments have been put forward by Marx and Weber.

According to Marx, class is an amalgamation of different groups of people who broadly share a particular matrix, according to their position in the structures of production and distribution through which societies are reproduced and their relationships are substantially based on these differences in class positions. Marx divides class on the basis of means of production (Marx and Engels, 1848) those who own the means of production and those who control the labour power and based on this division class can be divided into three categories:

1. Capitalist/ Bourgeoisie: Those who own the means of production.
2. Workers/ Proletariat: Those who do not own the means of production but have the capacity to sell their labour power.
3. A transitional class: The petite bourgeoisie, who has the ownership of means of production but lack the purchasing power for labour.

Unlike Marx, whose basis of class division is based on unequal property relations, Weber defines class as the economic position of an individual in the society based on birth and his individual achievement. For Weber, class has a four-fold division: the upper class, the white-collar workers, the petite bourgeoisie, and the manual working class¹.

If we look at the Indian context there are three types of class formation² (Rudolph, 1987) which can be predominantly witnessed: The Upper/ big business class, Middle class and the Working class. Out of the three class formation, the most important and largest class group is that of the Middle Class. Although the working class is a potential actor in class politics³, middle class in India has been highly significant owing to its educated and skilled members, being a highly heterogeneous group middle class has catered to the non-polarisation of Indian society, by being a perfect blend of balance between the two polar classes. From being one of the crucial players in nation building and a pioneer of social change through social movements like Non-cooperation movement, anti-Simon agitation, Civil disobedience movement, Quit India movement, many other small movements like price rise, scarcity of essential resource and employment (Shah, 1990) to being one of the key major players in the victory of BJP in 2014 elections⁴, middle class has held a position of value in Indian society.

As pointed out by Homi Kharas between now and 2039, India has the capacity to add on 1 billion people to the global middle class also successfully becoming the largest consumer surpassing China and USA. But before stating the reasons for the emergence, composition and importance of Middle class it is required to first look at the minute details of this class, which is the definition of Middle Class.

Heterogeneity being one of the most appealing feature of this class; it has also made it difficult to get a single definition for them. There exist no universal definition for the category called middle class. Scholars have defined them on different criteria like income, ownership of means of production, cultural capital, occupation or composition. One of the classical

¹ This essay was written shortly before World War I and was published posthumously in 1922 as part of Weber's *Wirtschaft und Gesellschaft*. It was translated into English in the 1940s as "Class, Status, Party" and has been re-translated as "The distribution of power within the community: Classes, *Stände*, Parties".

² Lloyd and Susanne Rudolph argued in their work on India's Political Economy, that class politics is not a strong determinant of political action.

³ Rudolph, Susanne and Lloyd, Rudolph (1987). *In Pursuit of Lakshmi: the Political Economy of the Indian State*. University of Chicago Press.

⁴ As pointed out by Pawan.k. Varma in his book *The New Indian Middle Class: The Challenge of 2014 and Beyond*.

writings on Indian Middle Class has been of **B. B. Mishra**, who defines the middle class in his book '*The Indian Middle Classes- The Growth in Modern Times* (1961) he identified eleven categories as being part of the middle class, which are:

- Merchants, agents and proprietors of modern trading firms.
- Salaried executives like managers, supervisors, technical staff and inspectors.
- People in higher salaried bracket in public and private institutions and societies.
- Middle level civil servants and other public functionaries as well as those engaged in agriculture, education, public works, transport and communications
- Lawyers, doctors, professors, engineers, media persons, litterateurs and those engaged in pursuit of fine arts and music.
- Middle grade holders and proprietary land tenures. Well off shopkeepers and hotel owners.
- Rural entrepreneurs.
- Full time students pursuing higher education.
- Clerks, assistants in government or private organisations and non- manual workers i.e. White collars workers.

Taking note of the heterogeneity of the Middle Class, C. Wright Mills (1972) divided them (Middle class) into three categories: (i) Owners of small businesses, (ii) most professional men, and (iii) various level of salaried individual.

E. Sridharan (2016) gives a more pragmatic definition of the middle class. According to him occupational function and employment status are the two most significant criteria for defining the middle-class. Although education and income are also widely used and the most important occupational division is between manual and non-manual work— with typical middle- class occupations being non- manual ones. Based on income classification E. Sridharan differentiates between three ways of conceiving the middle class:

- Elite middle class inclusive of the High Income Group.
- Expanded middle class - High and Upper Middle Income group.
- Broadest middle class - High, Upper Middle and Middle Income Group.

By the above mentioned definitions of the middle class he points out towards the non-uniformity of the class. One the most interesting argument about the middle classes has been found in the works of A.J. Rao⁵, where he argues that the Indian middle class has become extinct, further he compares the Great Indian Middle Class with the Great Indian Rhino stating that the Great India Middle class has a tough exterior but has an inborn tendency towards extinction, just like the Great Indian Rhino.

According to Rao, the middle class is getting extinct, by its very definition as there is a slow vanishing of the earlier middle-income group. New group of people from the low-income groups are taking their place.

All the above mentioned definitions are the perspectives of different scholars about what they think about who the middle class is. As much as their perspective holds significant importance, so is the perspective of the ones belonging to this class, the constituents of the group. Sara Dickey⁶, in her research based on the middle class people in Madurai, 1990-2004, has collected narratives of the people belonging to this category. The results of her research work have pointed out towards the difference between theory and practice, as she states that post-economic liberalisation many people in Madurai considered themselves as middle class, they did not accept the conventional parameters of being a part of this category like English language and elite education rather each of them had their own reasons and explanations for being a part of the class thus it was more of self-identification which allowed them to be a middle class.

As the growth of the middle class is lauded and its economic, political and social character is trumpeted, the view from the ground is less sanguine. Although the research had quite a number of new findings, here in this chapter I would like to point out towards the one which would help us see the profound difference which the class underwent in asserting themselves as middle class.

The research conducted by dickey although started in 1990s officially, but dickey visited Madurai, once even before that and as a researcher back then too she was interested in knowing on what basis do people see themselves as middle class, based on the observations

⁵ Writing about the Great Indian Middle Class on the blog on Study in diversity- News, Views, analysis, literature, poetry, featured on 20th October 2009.

⁶ Dickey, Sara (2011). *The Pleasures and Anxieties of Being in the Middle: Emerging Middle-Class Identities in Urban South India*, Cambridge University Press. USA.

she stated that the idea of middle class has become socially more significant and culturally more elaborated after the 1990s than it was before in the early 90s.

While earlier in the 80s the proportion of people ascribing their identity as middle class was very few, those who did too were the ones who were English speaking but after 1990s, even the idea of middle class as a social stratification was seen to have gained prominence as the number of people who identified themselves as middle class increased. Here the interesting thing to note was that the people who did not own much of the cultural or social capital too considered themselves to be part this category. Which clearly indicated that the identification was solely based on the income and occupation of the individual.

In 2017, as a part of an assignment for my optional course on social mobility, a small qualitative interview of auto rickshaw drivers in Delhi was conducted, where they were asked - “Do they understand the division of classes and if yes, which class do they see themselves belonging to? Almost every respondent was well equipped with the knowledge that the society is divided into the rich, poor and the middle class, and interestingly every respondent identified themselves to be middle class. One the important thing to note here is none of them were formally employed and also did not have a fixed income nor do they own cultural and social capital, then what makes them identify themselves as middle class? To get a justified answer to the above an important narrative needs special mention:

“Madam, humare 4 gaddiya chalti hain dilli main, aur hum apne liye kama lete hain survive kar jate hai bas aur kya, survive hum middle class hain.”
(Mam, I own four cars in Delhi, I am capable of earning and taking care of myself, this is what makes me a middle class).

The sole purpose of stating the research findings of Sara Dickey’s work and my research was to point out towards the important fact that although there have been various definitions of the middle class provided by large group of sociologists and scholars worldwide, but the process of defining the middle class would remain more of self-identification, compartmentalisation of class and the definition based on income, occupation, ownership of capital has not been of much help as the heterogeneity prevails and every time there will be new perspective across societies, hence the task of arriving at a single definition can never be accomplished. Hence moving forward in this chapter the next section will help us in understanding the emergence of the middle class in India.

Emergence of the Middle Class

“We must at present do our best to form a class who may be interpreter between us and the millions govern: a class of person, Indian in blood and colour but English in taste and opinion, in morals and in intellect.”

- Minutes on Indian Education, 1835

The emergence of the Middle class in India lies in the above said words by Sir. Macaulay, in his minute on India education, 1835. This policy was designed by the British to aid the colonial administration by creating a social group which was English in character, but the policy led to the creation of a class that proved to be far more complex in character—‘middle class’. There were reasons behind the creation of this class, namely:

- British were ideologically convinced about the superiority of their own race, religion and culture.
- The Hindu Revivalist Movement of the 19th century, led by the English educated Hindus who were exposed to the new learning of the west were genuinely appreciative of British emphasis on humanism and science, they internalise the education policy to be valid, as it helped them to cleanse their religious and social institutions from many corruptions.
- Unlike the French and the Dutch, the British followed a much more liberal policy of giving English educated Indians access to posts in the administration which obviously allured the Indian masses.

The segment which was benefitted by the English education policy represented the larger middle class. The effect of the reasons or factors which led to the designing of such a policy by the British was to encourage the free circulation of capital, productive enterprise and a system of large scale production on joint demand which modified the old pattern of consumption. They introduced new relationships which tend to transform society from a basis of status to contract. The exigencies of a large-scale production in fact led to technological progress, the improvement of communications and the construction of the railways which besides creating new forms of employment set in motion a degree of social mobility that India never attained before (Mishra,1961).

The term middle class has also found to have a mentioning in the works of Aristotle, who considered them (middle class) to be very crucial for the existence of the society, he

further states that “the best political community is formed by citizens of the middle class”.

The Indian nationalist Philosopher, Aurobindo Ghosh, used the term middle class for the first time in 1893. While referring to the term ‘middle class’, he described a set of professionals like- journalists, barristers, doctors, officials, graduates and trader- who have increasing growth under the aegis of the British rule.

As Pawan Kumar Varma writes in his book “The Great Indian Middle class” The Pre-British middle class was deeply rooted in authoritarianism comprising of merchants, artisans, and landed aristocracy. The existence of many social classes played important role in social change and it appears in urban Indian society, the new urban middle class seems to emerge simultaneously in response to changes in the spheres of political and social institutions. India’s middle class was the creation of the British rule and the introduction of English education in the country which was done with a number of imperialistic, economic and administrative motives in view.

The establishment of schools and colleges to impart western education to Indians to produce a class of white-collar workers, managers and professionals who were influenced by western values of universalism, egalitarianism, freedom and democracy, took place. This class produced many important personalities, both men and women, who played a prominent role in various reform movements and in the national movement of India. Several members of this class became influential politicians, lawyers and administrators and as such, role models for others. In the states of peninsular India, several leaders of the backward class movements whose initial stirrings may be traced back to the nineteenth century, considered access to western education and adequate representation in the legislatures and the bureaucracy as critical emancipation of their classes (Pandey, 2009)

Nature of the Middle Class in Colonial India.

The middle class Indians, in the colonial times were those, who were from educated background, whose families had traditionally found employment in the government department of revenue, police or justice. As **Bankim Chandra Chatterjee** writes :

“The babus will be indefatigable in talk, experts in a foreign language and hostile to their mother tongue. Some highly intelligent babus will be born who will be unable to converse in their own mother tongue....Like Vishnu they will have ten incarnations, namely clerk, teacher, brahmo, accountant, doctor,

lawyer, magistrate, landlord, editor, and unemployed....Babus will consume water at home, alcohol at friends, abuses at the prostitutes and humiliation at the employers”(1873) (Varma, 1998).

Colonial times was a time of change, changes taking place in every domain by the east India company whose power was expanding from mere commercial affairs in 1833, certain new conditions emerged from this change and some of the changes were the mild and constitutional character of government and the rule of law, the security of private property and the defined rights of agricultural classes, a national system of education and a period of continued peace, an economy of laissez- faire and a liberal policy of unemployment and social reform. Conditions like this created a perfect ground for the emergence of middle class in colonial times B.B Mishra categorised four types of middle class which could witnessed during the colonial period:

1. The commercial middle class
2. The industrial middle class
3. The landed middle class
4. The educated middle class

The commercial middle class was category of people who were involved in trade and mercantile business with the Europeans in the 18th century. Commercial middle class comprised of the gomastahs or munibs, vaishyas or banyans but popularly understood as brokers by the British, comprised of group of people who were involved in trade and business.

Another sect of the commercial middle class was of the men known as Shroffs whom the company employed as poddars or cashiers because of their specialised knowledge of currency. Paikars yet another group of middlemen who were contracted to supply goods on the basis of advance made to them. Dallas, type of middlemen different from the gomtashs and banyans but involved in business and trade. Mishra listed out several factors for their emergence which are as follows:

Sharing of gains with the Europeans: One of the major factors for the rise of the commercial middle class, although the class did rise under aegis of the company’s rule but their survival as well as their growth wouldn’t have been possible without the help and support of the Europeans, and this support was acquired through sharing the profit made by the commercial middle classes. Such that both can coexist and continue to acquire wealth through foul and play!

Security and respect for private property: Company's respect towards the ownership of private property by individuals led to the growth of ordinary persons to attain higher status. B.B Mishra pointed towards many such cases where he points out towards this kind of growth, one of the case he mentions is that of Govind Ram, assistant to J. Z. Holwell(manager of the company's zamindari in Calcutta), who managed the Calcutta lands on a monthly pay of Rs. 50. Govind ram was charged by Holwell with embezzlement to the extent of a lakh and half rupees. He was recommended to the council to be held in custody and his property be confiscated by the council. But the council rejected the recommendation and rather gave him a week's time to explain his conduct. Govind Ram successfully defended himself on the basis of a custom which approved of the indulgence of a person in certain farms he/he acquired for to maintain equipage of an officer of some status. Although Holwell did not approve of Govind ram' s explanation for his conduct but the council disapproved of any charges on Govind ram and further allowed him to retain all the wealth he acquired. Govind ram's case was one out of the many commercial middle class which emerged from the acquisition of property.

Removal of Inland duties on trade: Before company rule zamindars collected a lot of miscellaneous taxes and levied inland duties on the transit of all goods which restricted the flow of commerce and also subjected the merchants to the control of zamindars further leading to the decline of trading middle class. But as soon as the company's rule took over the governor general took over this power of the zamindars and opened the channel of trade and trading middle class.

Early restrictions on European Colonisation: Company was denied of early colonisation and expansion in India as it was not a wise move just in the beginning of the rule as more than half of the land was owned by Indian and it was difficult yet dangerous to take away their right also it might led to sever protest from the country's side in case any such colonisation activity would have taken place. This withdrawal of British from expansion became an opportunity for the Indians specially the Bengali middle class to grow.

The restriction for colonisation on Europeans did not refrain them to encourage Indian culture, they helped in introducing new kinds of manufacturing and production techniques to increase the productivity in agriculture sector not only technique skill development was also promoted by them. In parts of Bihar and Bengal these techniques and skill were used to promote Indigo cultivation and these techniques did help in promoting the growth rate of

Indigo on large-scale. Another development due to indigo cultivation was the creation of supervisory and clerical group of people in rural areas called “amlas” and another group of contractors, additionally yet another class of people emerged known as the middle class who had landed interests, they held land on lease on behalf of an Indigo factory, their income arose from money-lending business as well. Unlike the class of zamindars they were a class of intelligent, enterprising and independent peasant proprietors who partly cultivated their own lands and partly let them to others. The commercialisation of other products like opium, sugar, tea, coffees produced similar results.

Therefore it was stated by B.B. Mishra that the protective influence of the company encouraged the Indian commercial middle class.

The English houses of Agency: The agency houses proved to be yet another site for commercial middle class growth as it helped many Bengalis and Parsis to set up business organisation with the help of Europeans through the techniques taught by them. The agency houses helped these middle classes to earn a good amount of money for themselves under the British rule specially.

Free Trade: Free trade without any additional taxes unlike the one which existed under the zamindars helped the growth of commercial middle class further. It opened up the channels of trade and also did promoted competition within the market.

Liberalisation of trade policy and the mildness of government rule norms and rule of law towards the commercial middle class helped them in their growth during 18th century.

The second category of middle class in the colonial time was the *industrial middle class*, which gained prominence after the liberalisation trade by the British, the industrial sector was growing so with this growth there did arise a need for a responsible workforce as well. The merchants were compelled to deal with either directly with the producer or to employ the agency of middlemen known as paikars and dallas, but the use of middlemen was a general practice. The middlemen were entitled to supervise the quality of the produce efficiently and economically. But practically they never produced according to the demand the reason being little profit margin which they could make. Therefore they never worked as per the standard of demand, they were popular for mixing the good and the bad together. Their duty was to improve the quality of the product but was seldom seen performing it. The broker would accept the terms of the merchants who already had agreed with the European

agents, so he was unlikely to gain good profit he would never pay heed to the quality of the product rather would mix the good and bad together and further gain profits through it.

Another emerging group of capitalist, under the expansion of the company's industrial business, were the Indian civil servants, who provided much needed capital to the Europeans when they tried to setup indigo industries in the country. The company's civil servants took lead in introducing power-driven plants also.

Precisely the industrial middle class was located in the middle means and the emerging capitalist civil servants who represented the category of the middle class as an industrial middle class emerged from the industrial developments of the company.

The third category of the colonial middle class was *the landed middle class*, which emerged due to natural as well as administrative reasons. Before the company rule started zamindari was a prevalent system of revenue collection in the rural agriculture system which proved to be unjust, unfair, hierarchical and authoritarian. Lord Cornwallis after acquiring the diwani rights wanted to do away with the hierarchical agricultural system but he was unable to do it and rather what good he did in 1772 was to recognise the rights of the taluqdars and smaller zamindars by a settlement of revenue direct with them. Although this move was highly criticised by the zamindars but the local banyans and commercial brokers took it as an opportunity to further their middle class interest.

The famine of 1770 provided yet another breeding ground for middle class interests in Bengal and Bihar. After the famine large amount of land was left waste and very few cultivators. The scarcity of land degraded the status of the zamindars, as many fell into arrears and could not satisfy the demand of the government. Some of them went to the prison and others lost their direct management. The section whose middle class interest was profited was that of the local ryot who were proved to be the beneficiary of loss. The non-resident ryots who were previously degraded and insignificant became the most prominent feature in the rural system⁷.

Another group which took advantage of the situation was the subordinate employees of the company, especially from the revenue and commercial department.

⁷ Mishra, B.B. (1961). *The Indian Middle Classes: Their Growth in Modern Times*. New Delhi: Oxford University Press.

The fourth category of the middle class was the educated middle class who were a product of western form of education, skill and development training. Professions like law, law officer, school teachers, and doctors were the ones who comprised the educated middle class. One of the prominent features of this category was how money replaced land! So land here for them no longer was a possession which provided them the status. Rather it was their skills which did the gains.

The Indian middle class of the 19th century went through the psychological penumbra between rejection and acceptance. On the one hand they did not feel humiliated in collaborating with the agencies of the British rule, as they sought access to the employment opportunities, provided, they were appreciative of the civilizational values the British stood for. On the other hand, this class hankered for social acceptance within the paternalistic framework of British policy and unashamedly emulating lifestyles of those sent to govern them. For instance, compartments in trains were reserved for English men and however anglicised an Indian may have been in deportment and demeanour; he was rarely allowed entry, even if there was no place in the rest of the train (Varma, 1998).

The emerging colonial middle class was directed towards the limited opportunities available through colonial educational policies and most members belonged to the service and literary class. The British education policy contributed to the creation of a class through spatial pattern of colonial rule. The strength of the colonial middle class rested in presidency towns such as Calcutta, Bombay and Madras.

English education was the feature which distinguished the colonial middle class, from the traditional elites as well as other less privileged section of the society. The growing institutionalisation of English education in the 19th century began to consolidate this new organised elite which invested in the reproduction of a new distinction based on education and language.

Spread of educational institutions in the Bombay Presidency led to a growing intelligentsia employed in range of services and professional occupation in law and government services (Dobbin, 1972)⁸. This rising group or intelligentsia became actively invested in the reproduction of the language of colonial rule because their socio-economic

⁸ Dobbin, C. (1972). *Urban Leadership in Western India- Politics and Communities in Bombay City 1848-1885*. New Delhi: Oxford University Press.

position rested on the social, cultural and economic capital associated with colonial educational and state employment. Although the new colonial middle class was numerically small and its opportunities for advancements were certainly limited, this small but articulate elite was able to gain prominence because of these specificities of its socio-economic positions.

Role of education in shaping the formation of this class was significant. It was the kind of socio-economic differentiation that shaped the political dynamics and claims of the elite. English education not only helped in making a shift in the cultural status rather it also helped the middle class to consolidate its socio-economic position within the colonial rule. This consolidation did not provide a homogeneous social group but produced layered economic elite at the top tyre of which, the professional middle class found entry in to Indian Civil Service cadre or professional occupations like government service, medicine, law. The next tier or to say, the more encompassing group of the colonial middle class included a much larger set of individuals including lower levels like clerks and teachers. In addition, this class drew members mostly from the upper caste (Fernandes, 2006).

Religion played an important role in the formation of the colonial middle class. The upper middle class was always marked by the exclusion of Muslims because they were slower than the Hindu elites to invest in English (Sangari, 2001)⁹. However, this does not mean that the Muslims were absent from the emerging colonial middle class as it was evident in the case of United Provinces. Here Muslims had more access to urban government jobs and the socio-economic interests of the Muslim classes were often not distinguishable from the ambitions of the upper caste Hindu middle classes (Joshi, 2001: Sangari, 2001)¹⁰.

The colonial middle class played an important role in the freedom struggle as well; it was this class which helped in organising public opinion and mobilising the masses. Although the colonial middle class did not have a majority but remained a minority not exceeding 10 per cent of the population. The upper castes dominated the Indian middle class at that time.

Prominent among its members were Punjabi, Khatri, Kashmiri Pandits and South Indian Brahmins. Then were the traditional urban-oriented professional castes such as the

⁹ Sangari, Kumkum (2001). *Politics of the Possible: Essays on Gender, History, Narratives, Colonial English*. London: Anthem Press.

¹⁰ Sangari, Kumkum (2001). *Politics of the Possible: Essays on Gender, History, Narratives, Colonial English*. London: Anthem Press and Sangari, Kumkum (2001). *Politics of the Possible: Essays on Gender, History, Narratives, Colonial English*. London: Anthem Press.

Nagars of Gujrat, the Chitpawans and Chandrasena Kayastha Prabhus of Maharashtra and Kayasthas of North India. Also were included the old elite groups, which emerged during parameters of middle class which support the definition. The vital parameters are economic position, status, caste background, lifestyle patterns, educational and occupational level aspirations and political contribution as an intelligentsia.

By opening schools and colleges to impart western education through the English medium to Indian irrespective of their caste, ethnicity and religious background. British rule opened new secular spaces of social ranking for occupation by the emerging middle class of salaried employees and professionals. The new middle class was indeed a thin secular layer estimated to have been around 2 per cent of the population (Mishra, 1961)¹¹. The new system valorised western science and technology, with its stress on rationality and empiricism along with the ideals of humanism, liberty, and equality as they evolved in Europe during the period of enlightenment.

As is well known, this British policy aimed at creating a class of ‘brown sahib’ who would acquire English tastes and sensibilities and become big supporters of British rule in India. It opened up new spaces of authority and status to all Indians irrespective of their ascribed caste/community status no doubt, but it also made them acutely conscious of the inherent systemic defects in their social systems and traditions that reduced the Indian to the status of “subjects” of the British Empire. Besides instilling in them an urge to engage in social reforms, western education inspired them to conceive of new social, political and cultural projects that subsequently converged to challenge British rule itself.

The new class of western educated Indians consisted of three distinct segments. There was the dominant segment of what we today call as Savarna caste (upper caste) that took to projects of social reforms to get rid of what they perceive as superstitious practices of Hinduism and the evils of the caste system. The middle class during the colonial times included the businessmen and entrepreneurs, industrialists, landed people educated groups, professionals etc.

The pre- British middle class comprised of the artisans and the landed aristocracy having their own roots in ‘authoritarianism’. During the British period, the structure and

¹¹ Mishra, B.B. (1961). *The Indian Middle Classes: Their Growth in Modern Times*. New Delhi: Oxford University Press.

complexion of the middle classes transformed due to factors like western education and liberalisation of trade. The middle class therefore comprised of the businessmen, entrepreneurs, industrialists, landed people, educated people, professionals etc. As pointed out by historians like Tanika Sarkar (2011)¹² there was absence of economic and political leadership of the old middle class during colonial rule.

Partha Chatterjee(2000)¹³ also had noted that the boundaries of the new colonial middle class rested on the conscious action of a subject mediating between a relationship of subordination and “ a relationship premised upon its cultural leadership of the indigenised people”. From the above arguments therefore it is clear that the colonial middle class lacked political participation in the public sphere and even if it did it remained in minority being a loyalist of the state. The inquiry and the objective with which the chapter started about understanding the socio-political character of this class has been addressed in the chapter. ss

The New Middle Class, the successor of the old or colonial middle class and a by-product of economic liberalisation had completely different characteristics and nature of political participation. It was a set of new rich who were benefitted from economic liberalisation and hence were able to enhance their socio-economic position and their political ascendancy the next chapter elaborates upon the changes which liberalisation brought within this class and how the enhancement in socio-economic status has shaped their political character.

¹² Sarkar, Tanika (2001). *Hindu Wife, Hindu Nation: Community, Religion and Cultural Nationalism*. London: Hurst.

¹³ Chatterjee, Partha (2000). “Development Planning and the Indian State” in Zoya Hasan (Ed) *Politics and the State in India*, New Delhi: Sage Publication.

CHAPTER 2

THE NEW MIDDLE CLASS

Indian economy was liberalised in 1990s, liberalisation in India did not only bring structural adjustments in the economy rather it also created a space for the emergence of a large social group called the New Middle Class¹. Although the New Middle Class continued to be in the middle balancing the polarisation of the society but its nature of existence, composition and identity was reshaped by the advantages or the utilisation provided by globalisation.

The New Middle Class was different from its predecessor self or the old middle class-child of the colonial state, new middle class rather was a by-product of liberalisation. The nature and composition of the old middle class has been elaborately discussed in the previous chapter where we also could see that the old middle class lacked political leadership².

Here in this chapter for this study the larger question of the New Middle Class will be the central focus. Since economic liberalisation holds a very significant position in uplifting the socio-economic position of the New Middle Class, it is important to discuss economic liberalisation first so the first section elucidates the nature of economic liberalisation. When did the idea to transform the economy emerged and how the balance of payments crisis led to the unfolding of the reforms period in India.

Further ahead this study would deal with the nature of reforms like what were the key provisions related with reforms and how were they shaped. The key sector like industries, trade and EPZ policy and SEZ policy, 2005 where the structural adjustment was located has also been discussed.

As much as the economic reforms had its implications on the financial sector of the Indian economy equally was its impact was seen on the social sector or the Indian society. As globalization has political, social, cultural and economic impacts on the host country therefore the same kind of repercussions were witnessed on each of this domain. The next section of this study deals with the social repercussions and the most important one to be

¹ Fernandes, Leela (2006). *India's New Middle Class: Democratic Politics in an era of Economic Reform*. Minneapolis: University of Minnesota Press.

² Sarkar, Tanika. 2001. *Hindu Wife, Hindu Nation: Community, Religion and Cultural Nationalism*. London: Hurst.

witnessed was the social changes being witnessed amongst the Middle class in the Indian society.

Moving ahead in this section the focus will remain on the after effects of liberalization on this particular class, what were the kind of changes which were witnessed and why? Also why was it that this class was affected largely.

In the preceding paragraphs after that the changes which people of this new middle class have undergone from its earlier self will be discussed. To understand it in a better way the changes have been categorised in three different headings- Lifestyle Changes, Social Expansion and the Employment structure but this does not asserts that expansion has been witnessed in these three domain only there have been visible changes in other domain too but here my concern are with these three things particularly.

The last section would help in dealing with the idea of political leadership which is derived from the socio-economic expansion of the New Middle Class and further how this class is becoming a member of the Global Street³ through their active visibility in the political sphere as a dominant civil society.

India's economic transition in 1991 better known as economic reforms or structural adjustment is considered as a remarkable event in the economic history of India. It remains a matter of historical and economic significance too. Reforms was not a one day event neither did it emerge abruptly and was put into practice rather it had a background and clear grounds for its uprisings. The background of crisis in the years immediately before reforms has been one of the most well-known and accepted reasons for the 1991 reforms to occur. Therefore briefly here in this section there is an elaboration upon the nature of crisis which paved ways for structural adjustments in 1990s.

³ Sassen, Saskia (2011). "Global Street: Making of the political". Columbia University. New York: USA.

Figure 1: Annual Percentage Change in selected indicators: 1990-91

Indicator	Percentage
1. Index of agricultural production	3.2 (0.6)
2. GDP at factor cost (1980-1 prices)	4.9 (6.9)
3. Food grains production(m. tonnes)	3.0 (1.6)
4. Index of Industrial Production	8.3 (8.6)
5. Index of Wholesale Prices (1980-1=100)	12.1 (9.1)
6. Consumer price index for industrial workers (Base 1982=100)	13.6 (8.6)
7. Consumer price Index for Agricultural Laborers (1960-61=100)	16.6 (1.0)
8. Exports (US \$)	9.2 (18.9)
9. Imports (US \$)	13.5 (8.8)

Source: Government of India, Ministry of Finance, Economic Survey.

The table above shows the summary of economic performance in the year 1990-1 and 1989-90. As clearly depicted above the economic performance in the agricultural sector was marginally low impacting the overall agricultural production. As explained by Prabhat Patnaik and C.P. Chandrashekar that there was a sharp acceleration in the inflation rates which largely affected the agricultural labourer, without any substantial increase in agricultural output and food grain output in particular.

Balance of payments or trade balance set yet another grounds for economic reforms. It emerged from oil crisis from the gulf war which led to heavy current account deficit and also reverse migration of Indian émigré workers from the gulf countries decreased. The OPEC shocks of 1973 and 1979 had little role to play here but the external shock administered by the loss of remittances and the expenditures incurred to rescue workers in the aftermath of the invasion of Kuwait in august 1990 certainly accentuated the fiscal crisis at the end. But as argued by Jagdish bhagwati the crisis was largely home-made.

In 1991 the government was forced to take IMF loans worth \$1.8 billion by drawing from the Compensatory and Contingency Financing Facility and the first tranche of the standby facility this was due to increasing rate of foreign borrowing due to public sector

debts. By October 1991 the increasing borrowing entailed commitments and firm action both to control and reduce the budget and to undertake structural reforms.

The balance of payments crisis and the foreign exchange crunch continued to grow and this time it was due speculative outflows of funds⁴ partly in the form of non-repatriation of exchange earnings in violation of the country's law and partly in the form of non-resident Indians taking money out of the country, which was not illegal but constituted speculation nevertheless. This pressure on the balance of payments due to speculative outflow of funds continued to grow in and beyond March 1991.

Comprehensive import licensing was introduced to deal with balance of payment problems, but it became a permanent feature of the system with damaging consequences. Control over imports was seen as necessary to manage the balance of payments, and also to allocate scarce imports to so-called priority uses. This gave the bureaucracy enormous discretionary power, since imports were allowed only after clearance. From the "indigenous angle", that is, the imported item was "really needed", both decisions were taken by officials, and, not by domestic producers typically hard to deny imports. Under this strategy the economy performed well in the 1950s, when the growth averaged 4.9%. Growth was below the 5% target, but certainly much better than the pre-independence period. However performance deteriorated sharply there after the growth rate from the mid-1960s through the 1970s averaged only 3% per year, at a time when the population was expanding by about 2.2% and this was the period when southeast Asian countries grew much more rapidly, driven by strong export performance tapping expanding markets in industrialised countries. (Alhuwalia, 2016)

Rising inflation yet another economic issue the Indian economy was dealing with in the 1990s. As explained with the help of figure by Patnaik and Rao inflation occurred due to the rise in prices of three essential commodities, namely, Rice, Wheat and edible oils whose percentage price increase in the year 1990-91 was 14 percent, 49 percent and 33 percent respectively. Certainly the rise in price of these three commodities was not due to the lack of availability or output rather it was the hike in the issue price⁵ by the government which in

⁴ As explained by Prabhat Patnaik and Chandrashekar Rao in Rahul Mukherji, edited *India's Economic Transition: The Politics of Reforms*.

⁵ The **issue price** is the **price** at which commodities are offered for sale when they first become available to the public.

turn increased the price of these basic commodities through public distribution system. This idea of increasing the issue price which was seen by the government as a mechanism to control inflation rather accentuated the inflationary pressure over the poor.

1991 Reforms and After

The coalition party headed by P.V. Narasimha rao, United Front came into power in 1991(check this fact) and the prime minister along with the finance minister Dr. Manmohan Singh introduced the historical reforms of the 1990s in his budget speech on the 24 July 1991, there he explained the rationale of the reforms to the world. As a result of which the rupee was devalued by 20%, almost 47 tonnes of gold had been transported to the Bank of England between July 4 and 18 enabling the country to borrow about \$400 million at a time when the country's foreign exchange reserves had dwindled to a nearly \$900 million⁶.

"I do not minimise the difficulties that lie ahead on the long and arduous journey on which we have embarked. But as Victor Hugo once said, "no power on earth can stop an idea whose time has come". I suggest to this august House that the emergence of India as a major economic power in the world happens to be one such idea. Let the whole world hear it loud and clear. India is now wide awake. We shall prevail. We shall overcome."⁷

—Budget Speech, July 24, 1991

24 July, 1991 the historic date which decided the economic fate of our country. Economic transition occurred when we as a nation shifted from an import- substituting economy (ISI) towards trade-led growth economy (TLG)⁸. Dr. Singh addressed the media and explained the nitty gritty of the decision taken by the government where he served as the Finance Minister, he elaborated upon the decision and the rationale behind the same. He also did talk about the mission and vision and also the agenda which was targeted to be achieved by the introduction of reforms. Following are some of the highlights from the speech where Dr. Singh explains the action.

- It is essential to increase...competition between firms in the domestic market so that there are adequate incentives for raising productivity, improving efficiency and reducing costs.

⁶ Ramesh, Jairam. (2016). "Twenty five years ago this day". The Hindu. July 24

⁷ "Budget 1991: What Manmohan Singh promised and what was delivered", Economic Times, September 15, 2011.

⁸ Both the terms ISI and TLG has been used by Rahul Mukherji in his paper "Economic Transition in a Plural Polity" written for the book *India's Economic Transition: The Politics of Reforms*

- The time has come to expose Indian industry to competition from abroad... As a first step in this direction, the Government has introduced changes in import-export policy, aimed at a reduction of import licensing, vigorous export promotion and optimal import compression.
- After four decades of planning for industrialisation...we should welcome, rather than fear, foreign investment. Our entrepreneurs are second to none. Our industry has come of age. Direct foreign investment would provide access to capital, technology and markets.
- Up to 20% of government equity in selected public sector undertakings would be offered to mutual funds and investment institutions in the public sector, as also to workers in these firms. Public enterprises which are chronically sick and which cannot be turned around will be referred...for the formulation of revival or rehabilitation schemes.”
- It is time we make all-out efforts to capture the overseas software market. With this objective, I propose to extend the tax concession under section 80HHC of the Income-Tax Act to export of software. With this concession, the exports of this industry should register rapid growth.
- Resources for development must be raised from those who have the capacity to pay. For this purpose, we must place greater emphasis on direct taxes. This calls for increased rates wherever necessary and a better tax compliance. At the same time, rationalisation of the system, which reduces the maximum marginal rate of tax, simplifies the procedures, reduces the plethora of concessions, and brings the average rates of income tax at various levels of income to more appropriate levels, is necessary.

On these highlighted points as is clear they are promises at the policy level, which were made by the then government, economic times in their issue of September 2011 analysed each of the points far have been these promises were kept, as analysed by them and published under the article heading ‘*Budget 1991: What Manmohan Singh promised and what was delivered*’ they argue with the following points against the above highlighted points⁹.

⁹ ‘*Budget 1991: What Manmohan Singh promised and what was delivered*’ . *Economic Times*. 15 September 2011.

- Licensing raj ended and the companies were freed from quantitative restrictions
- Import of plant and machinery as well as consumer goods became easier.
- Foreign companies were allowed to enter JVs with domestic companies and in due course set up 100% subsidiaries
- Beginning of disinvestment of profitable PSUs but revival of sick PSUs did not gain much traction
- SEBI became the sole markets regulator. All listed companies have to comply with its rules and regulations
- Economic reforms enabled Indian software companies to become more cost effective.

Peak income tax rate came down over the years to 30% and number of slabs to three. Tax-GDP ratio has improved, but still short of the ratios seen in developed nations.

The above mentioned are some of the changes as analysed by economic times in the economy after tax reforms were introduced. To understand this changes and tax reforms further it is important to have a closer look at the key sectors where the reforms took place and how.

1. Delicensing of industries took place; almost all the industries except 18 industries on grounds of security and environment were delicensed.
2. The separate approval process required for large houses under the MRTP act was also abolished.
3. List of items reserved exclusively for the public sector was reduced from 17 to 8, consisting of industries with a security aspect.
4. It was that the Sick Industrial Companies Act, 1985 would be amended to bring PSU's under its purview, so that sick PSUs could be subjected to the same discipline regarding closure as private sector.
5. The extent of export licensing was drastically cut-down by making imports earlier allowed on OGL or import license freely exportable t 30% of the value of exports(or 40% in some cases). By 1992 the EXIM scripts was replaced with a dual exchange rate , whereby exporters of goods and services would surrender 40% of their earning at the official rate and retain 60% of their

earnings to be sold freely in the open market to be used for import and service payments. Within one year, that is, on March 1 1993, the exchange rate was unified and became a floating rate. All the planning for the transition for unified floating rate was home-grown and not even pushed by the IMF, though they supported it after it was announced. The pace of transition was also much faster than the IMF imagined was possible.(Alhuwalia, 2016)

6. Rules regarding the foreign investment were liberalised in several ways. Foreign equity, which hitherto had been restricted to 40% was automatically allowed up to 51% in a range of priority industries. Equity above 51% was permitted subject to clearance by a newly established Foreign Investment Promotion Board, which was expected to adopt proactive approach in attracting investment. Equity beyond 51% was initially subjected to the condition that foreign exchange outflow on dividend payments on additional equity above 40% be balance by export earnings. (Alhuwalia, 2016)

Some relevant policies (industries and trade related) are considered here in detail:

Industrial policy

Post-reform industrial policy moved in three principal directions. The first was the removal of capacity controls by ‘delicensing’ industries, or abolishing the requirement to obtain a license to create new capacity or substantially expand capacity. As a result of the dereservation of areas earlier reserved for the public sector and the successive delicensing of industries, there were only nine industries for which entry by private investors were freed to invest in capacity and production in a wide range of industries which were previously regulated, including heavy industries, automobiles and other sectors.

The second area of industrial reform related to the dilution of provisions of MRTP Act so as to facilitate the expansion and diversification of large firms or firms belonging to big business groups. Prior to 1991, all firms with assets above a certain size (100 crores in 1985) had been classified under MRTP act which required special approvals to undertake new investments. The MRTP amendment bill removed the threshold limits with regard to assets for defining MRTP or dominant undertakings, thereby removing any special controls on special firms.

The third type of liberalization in industry involved foreign investment regulation. The first step in this direction was the grant of automatic approval or exemption from case by case approval for equity up to 51percent and foreign technology agreements in identified high-priority industries. Subsequently, the Foreign Exchange Regulation Act (FERA) was modified so that companies with foreign equity exceeding 40percent of the total were to be treated on par with India's companies. Further, NRIs and overseas corporate bodies owned by them were permitted to invest up to 100 percent equity in high priority industries, with greater repatriation of capital. Foreign investors were allowed to use their trademarks in Indian markets. The net result of all these manoeuvres was that interventionist barriers to entry of domestic and foreign investors into a number of industries were substantially diluted or done away with, resulting in what has been proclaimed as a much more competitive environment in the industrial sector.

Trade liberalization

The major policy shift contributing to heightened competition in the domestic market was the liberalization of the import trade. A distinguishing feature of the economic reforms of the 1990s was the effort to dilute import controls by rapidly reducing the number of tariff items subject to quantitative restrictions, licensing and other forms of discretionary controls on imports. Given the largely 'closed' structure of the Indian economy over the broad post-Independence period, this was bound to have very significant effects on patterns of production and viability of different types of economic enterprise. The government's aim was to restructure production towards areas of international 'comparative advantage'. These areas were also seen as inherently more labor-intensive. Such a strategy of trade liberalization would actually create more employment, it is assumed. But Ghosh (2002) finds this argument problematic in two ways. The first is the implicit assumption that international markets in most traded goods are actually free and competitive and do not reflect the very extensive implicit and explicit subsidies provided by states across the world on various forms of production. The second false premise is that capital and labor can move from one activity to another and enable structural transformation through trade.

Though free trade is not necessarily the best policy for an industrializing economy, the movement of Indian economy has been towards it, as is exemplified by the Export Processing Zone policy and now the Special Economic Zone policy, 2005. As C.T. Kurien (1994) writes, "capitalism did not have a natural evolution in India but was being built up

steadily along capitalist lines”, he traces it from time of British rule in India especially since post-independence.

EPZ policy and SEZ policy, 2005

The concept of Special Economic Zones is an extension of the concept of Free Trade Zones (FTZ) and Export Processing Zones (EPZ). Free Trade Zones and Export Processing Zones are sites where foreign or domestic merchandise may enter without a formal customs entry or payment of customs duties or government excise taxes. EPZs are dedicated to manufacturing for export, whereas FTZs also handle imports. If the final product is exported, no customs duty or excise tax is levied. This applies to both FTZs and EPZs. If the final product is imported into the host country, state or region, it may receive preferential treatment, depending on FTZs. In addition to FTZs there are also Foreign Access Zones (FAZs), which are dedicated to encouraging imports, not exports. Host countries, states and regions offer a variety of incentives, including preferential custom duties, taxation and financing. (Kundra, 2000)

The International Confederation of Free Trade Union (ICFTU) defines the EPZs as follows, “a clearly demarcated industrial zone, which constitutes a free trade enclave outside a country’s normal customs and trading system where foreign enterprises produce principally for export and benefit from certain tax and financial incentives.” There are various ways to ensure that there is no misuse of the advantages of these Zones. An enclave or fenced zone is monitored by round –the clock customs presence. (Raman and Dewan, 2002)

India’s economic development policies, though emphasized self-reliance relied heavily on import substitution policies in the fifties and sixties. But the sharp deterioration in the foreign exchange position during the late 1950s (arising partly from export stagnation and partly from a liberal import policy) and severe imbalance of payments in 1960s led to the Third Plan suggesting a strategy- consisting of a more active export promotion effort and a planned use of aid to expand domestic production of imported goods- to see that dependence on aid is progressively reduced and eventually eliminated (Vaidyanathan, 1995). The first FTZ was set up in 1965 at Kandla (Gujarat) and subsequently the first EPZ was established at Santa cruz (Mumbai) in 1974. The major thrust came in 1980s when EPZs were established at NOIDA (Uttar Pradesh) and Chennai (Tamil Nadu) in the same year (1984). Falta (West Bengal), Cochin (Kerala), Vishakhapatnam (Andhra Pradesh) EPZs followed. The poor

performance of the EPZs posed questions on the efficacy of this concept. It was felt by the Government of India that this was due to multiplicity of controls and clearances, lack of good infrastructure and an unstable fiscal regime. While correcting the shortcomings of the EPZ model, some new features were incorporated in the SEZ policy announced in April 2000. This policy intended to make SEZs an engine for economic growth supported by quality infrastructure complemented by attractive fiscal package, both at the Centre and State level, with minimum possible regulations. The salient features of the SEZ scheme are:

- A designated duty free enclave to be treated as foreign territory only for trade operation, duties and tariffs
- No license required for import
- Manufacturing and service activities allowed
- Full freedom for subcontracting
- No routine examination by customs authorities of export/import cargo.

Though the SEZs or Special Economic Zone was introduced as an extension to the concept of EPZs but the objectives of SEZs are much larger than mere promotion of export processing activities. While EPZs are industrial estates, SEZs are virtually industrial townships that provide supportive infrastructure such as housing, roads, ports and telecommunication. The scope of activities that can be undertaken in the SEZs is much wider and their linkages with the domestic economy are stronger (Dewan and Raman, 2002). The SEZ Act was passed by the parliament in May 2005 and along with SEZ rules, came into effect on February 10, 2006. This provided for drastic simplification of procedures and for single window clearance on matters relating to central as well as state governments.

It is often debated whether the Indian SEZs are on lines of the China model or of the former USSR but the whole concept itself is problematic. A number of exemptions and concessions are available to SEZs which focus on exports and infrastructure development. Such concessions include corporate tax exemptions and exemptions on building material for Software Technology Park (STP). Presently 39 SEZs are operational which includes the eight converted EPZs. These are going to be pockets of thousands acres where the Indian constitution will not be valid, where Indian rules cannot be applied, tax free and tariff free heavens for MNCs and native corporates where labor will be sold for cheapest prices without any trade unions or Indian laws obstructing it and where Real estate developers, malls, Wall Mart shall have a free play. Thus SEZs are now conceived of as townships (Sanyal, 2007).

As it is understood from above that the economic reforms were a by-product of the countries disturbed economic scenario during the 1990s and much largely the wider accepted proposition for the reforms to happen was that they (economic reforms) were pushed by the International Monetary Fund. But there are scholars and economist who argue against this popular proposition although loosely but they still argue that as much as it was the IMF's initiation it was always the grounds prepared early back home in the country that the reforms were ushered in immediately. In other words the need for reforms was realized and measures were taken quite before the balance of payment crisis to introduce reforms to boost the growth rate.

Arguing with the loose proposition in their article “ The Indian Economy under structural adjustments”, Prabhat Patnaik and C.P. Chandrashekar propose that the balance of payment crisis, such as it was, was a contribution of speculative forces and did not represent a ‘collapse of the economy under earlier regime’. They further argue that India did not go into structural adjustments not because of objective necessity being faced by the economy but because the liberalization’ lobby, consisting of both the Fund and the Bank as well as elements within the Indian Government and business class, considered this a heaven-sent opportunity to tie the country down to structural adjustment, to jettison altogether, and not to just rectify the dirigiste regime which prevailed since Independence. (Patnaik and Rao, 2007)

Montek Singh Alhwalia, former Deputy Chairman Planning Commission, argues on the similar lines according to Mr. Alhwalia the widely believed allegation that reforms were pushed by the International Monetary Fund was a constant refrain when the reforms were unveiled which completely ignores the fact that there was a home-grown process for re-thinking on economic policy that had been underway and he thus pointed towards many changes. These changes certainly formed part of the conditionality of the IMF's assistance, because the IMF is expected to lend only in situations where the government has a credible adjustment program. He further argues that the IMF did approve of the reforms in that sense, but it was not the same thing as saying that it dictated the content. (Alhwalia, 2016)

Tracing the roots of the realization to change trade and economic policies Mr. Alhwalia recalls and points out the times during emergency when Mrs. Indira Gandhi ended the emergency in 1977, and called the general elections. In that general election as has been witnessed and documented in the political history of our country a de-facto coalition party, the Janta party government, came into power, under the president ship of Morarji

Desai. Mr. Desai was a pro-business kind of a leader, and it was assumed that he might give way to the private sector. But his party members being staunch socialist rejected any such kind of development which was led by the private sector industries. This coalition government although did not roll out any such plan or policy to restructure economic policy but nonetheless they did set up a committee on controls and subsidies under Vadilal Dagli but no unfortunately no action was taken on the recommendations of this committee.¹⁰ Another initiative taken by the Janta government was the establishment of the committee on Import-Export Policies and Procedure under P.C. Alexander (Secretary, Foreign Trade and Commerce), on the recommendation of this committee in 1976 a new import under Open General Licensing (OGL) was created, whereby 79 capital goods items not produced in India could be freely imported.

This was the last change in the economic sector made by the Janta Party government as after this period which is in the 1980s this party lost power to the Indira Gandhi government. The realization about moderation in the economic and trade policies were also felt by the new government too. Industrial Licenses were granted for capacities that were closer to economic scale. The year 1982 was declared the year of productivity and some steps were taken to introduce flexibility. Automatic expansion of licensed capacity was allowed up to to 25% over a five-year period and the concept of “Broad Banding”¹¹ was introduced.

This government too appointed committees to look into the matter of economic restructuring like the Abid Hussain Committee (1984)¹² and the committee to examine the principles of a possible shift from Physical to Financial Controls under the chairmanship of M Narasimham (GOI 1985). Of the two committees only the latter got official recognition to rethink the system of controls. This committee acknowledged that the system of controls had produced a diversified industrial sector, but it was a high-cost structure with insufficient attention to quality.

¹⁰ Since the Dagli Committee submitted its reports in 1979 and by then Morarji Desai had already resigned from the post of the Prime Minister in 1979 and Chaudhary Charan Singh took over as the new PM who further resigned six months later in 1980 and thus marking the end of this government from the history of Indian Politics.

¹¹ This allowed automobile producers of four-wheeled cars to switch from producing cars to any other four-wheeled vehicle.

¹² This committee repeated the earlier recommendations provided by the Alexander Committee along with this it also cautioned that given the pressures on balance of payments, imports licensing could not be abandoned in the near future.

In 1980s too, during the Rajiv Gandhi government several steps were taken to liberalise the economy some of which are discussed underneath:

1. Number of Industries were freed from industrial licensing and by 1990, 30 industries were delicensed.
2. The MRTP limit was raised from 20 Crore to 100 Crore
3. Capital goods imported were liberalized, along with an increase in duty.
4. The OGL window which had begun with 79 capital goods items in 1976, had widened to cover 1,170 capital goods items and 949 items of raw materials and other intermediates by 1988.(Pursell, 1992; Panagariya, 2004; Alhuwalia, 2016)
5. The Securities and Exchange Board of India was established as a non-statutory body to begin with, to work on the outlines of a regulatory system for stock exchange and capital issues but with the intention of transferring these functions out of the finance ministry and in due course.(Alhuwalia, 2016)

Apart from these foregrounding for reforms among the party and the government, Mr. Alhuwalia shares his personal experience of drafting a document on “Restructuring India’s Industrial and Trade Policies”. As he recalls that by the virtue of being the special secretary to Mr. V. P Singh (the then Prime Minister), Mr. Singh once asked Mr. Alhuwalia how has the South Asian countries done well economically even better than India, to which he (Mr. Alhuwalia) had responded at that time that these countries were much bold in undertaking structural reforms. Mr. V.P Singh further asked him to prepare a draft on “we should do” and as instructed a draft was prepared by him which indicated several policy changes but was never approved by the government. Although the Prime Minister did direct to discuss the draft in the Committee of secretaries where it was discussed twice. This policy document was known as the M document¹³ since its authorship was never acknowledged. The M document elaborated and accepted the need to take further the process of liberalization in order to compete on the global platform. The document further pointed out at our narrow approach towards liberalization as per the document India’s approach towards liberalization consisted only of adhoc steps in a particular direction. Following are the key features of the M document:

¹³ It was prepared by Mr. Alhuwalia but the press soon got hold of a copy and printed in the Financial Express, although it was Mr. Alhuwalia who was the author, as is widely accepted by everyone but the press printed the document under the heading M document and hence thereafter it is commonly known by this name.

1. The M document emphasized on the need bring the fiscal deficit under control over a three-year period. It also noted that the ministry was over-staffed, especially if we intended to follow a strategy of reducing controls.
2. It noted for the enthusiasm for privatization in the world. India needed a strong public sector, but some changes were needed to achieve it.
3. As per the document, the economy had become too complex to continue with the system of licensing control as it has been operated in the past. The M document recommended steps to increase the scope of delicensing like (i). the list of industries to be delicensed should be extensive (ii) the list once announced should be expanded over time (iii) the value limit of the investment exempted from licensing should be progressively increased (iv) the import limits should be progressively relaxed.
4. The M document argued against subjecting proposals from MRTP houses to separate scrutiny in order to avoid monopoly or avoid concentration of economic power. The document did not suggest an abolition of the MRTP act but it suggested that (i) the asset limit for MRTP, which was fixed in 1985 at 100 crore should be raised by 300 or 500 crore. (ii) Various other flexibilities should be introduced for companies covered.
5. The M document recommended reducing duty protection to 30-40% by 1994-95 that is, by more than 50-60% from the existing level. It also recommended a shift from import licensing to tariff-based protection.
6. The M document realized that the present restrictive approach to FDI needed to be liberalized. It suggested a positive list of industries where foreign investment upto 40% should be welcomed, and there should be another high-priority list where investment upto 51% would be allowed.

As argued and stated by Mr. Alhuwalia in his article 'The 1991 reforms: How home-grown were they, most of economic reforms were based on the recommendations of the M document and on the basis of which he supports his proposition that it was not the IMF who pushed in for reforms rather the reforms most of it were home-grown.

Economic Reforms and the Indian Middle Class

As much as the economic reforms had its implications on the financial sector of the Indian economy equally did its impact was seen on the social sector or the Indian society. As

globalization has political, social, cultural and economic impacts on the host country thus the same kind of repercussions were witnessed on each of this domain. We already took an elaborate tour on the economic repercussions of liberalization right before this section, here in the following section this study deals with the social repercussions and the most important one to be witnessed was the social changes being witnessed amongst the Middle class in the Indian society.

Having discussed the definition, characteristics and nature of the Indian Middle Class before privatization from chapter 1 we already have an idea about this class particularly like whom does it comprise of, what is the nature and the character of the people associated with this class etc! Moving ahead in this section the focus will remain on the after effects of liberalization on this particular class, what were the kind of changes which were witnessed and why? Also why was it that this class was affected largely.

Globalization¹⁴ or neo-liberal development advocates the loosening of government regulation and control of central economic activities in favor of market forces, which, it is assumed, will self-regulate the economy and distribute wealth across population. Proponents argue that increased economic growth benefits the entire nation and eventually trickles down to the lower strata of those societies. ‘Furthermore, the trends toward faster growth and poverty reduction are strongest in developing economies that have integrated with the global economy most rapidly, which supports the view that integration has been a positive force for improving the lives of people in developing areas’(Dollar, 2005).

A related assumption of neoliberal development is that all nations are moving in the same direction and that globalization is a converging force, bringing nations and its people closer together in a positive and productive way. What liberalization brought along with itself and specifically the changes which occurred in different sphere of the Indian economy has already been discussed by the above section. Here particularly in this section the discussion is centered around the ways in which liberalization was absorbed by the masses and how actually was it translated in to their minds and also how do they perceive it to be.

¹⁴ According to the Washington consensus or the globalisation project as, ‘as a now-hegemonic, neo-liberal political ideology that celebrates the victory of capitalism over socialism and proclaims marketization and privatisation as solution solutions to the world’s problem

There exist contradictory views regarding the same there exists a section which appreciates reforms but there lies a majority which has actively voted against it. Both the opinions are substantially backed their set of reason provided by the proponents.

E. Brett states that development today is widely seen, by policy makers and governments around the world, as the process of building liberal capitalist institutions, competitive markets, liberal pluralist institutions, competitive markets, liberal pluralist democracy and open and egalitarian civil society institution¹⁵. With this notion of development in mind proponents of globalization and liberalization like the world bank and United Nations Development Programme argue that at the heart of poverty alleviation lies in effacing unequal hierarchies through the micro processes of capacity-building and empowerment as well as through the macro processes of structural adjustment and in countries like India where poverty¹⁶ is one of the major concern contributes to the development of the nation structural adjustments posed as a good alternative .

But not everyone shares the above opinion of neoliberalism being a good or a much needed choice there are differing opinion as well, one of the commonly held belief is that of liberalism being nothing but falling to the will of the imperialist forces or the bourgeoisie (Chakrabati and Cullenberg, 2003; Chandrshekhara and Ghosh, 2002; Corbridge and Harris; 2001). Loss of the agricultural market, crippling of the progress in rural areas and the income of farmers, reducing agricultural employment these are the major avenues of losses as pointed out by the detractors of liberalization. The process of privatization of important goods excludes many from access to essential services. These processes have led to growing inequalities between states and classes, fuelling greater social tensions and political instability.

Like the above there exist opposing opinions with regards to liberalization of the Indian economy. What all changes did privatization brought in the economy has already been discussed in the previous section apart from the economic changes there were huge social-political changes witnessed too. Sociologically speaking the class which was largely affected by the liberalization was- The Middle Class. It would be wrong to say that the business class

¹⁵ Brett, E. (2000) 'Development Theory in a Post-Socialist Era: Competing Capitalism and Emancipatory Alternatives', *Journal of International Development*, 12(6): 789-802

¹⁶ Poverty is no longer regarded as the lack, or a want, of material things. Instead it is now regarded as the product of social relationship between the haves and the have not's (Appadurai, 2004).

was not affected by these changes, it was, but the impact was positive rather say negligible as this class being the wealthy class with accumulated wealth there didn't emerge any striking difference in the nature or character of this class. The second class being the working class in reality was the class which was largely deprived not only was they denied of opportunities under the reforms period overexploitation became a primary feature of this particular class. Economically this class did face a backlash by the government and specially the private enterprises but sociologically speaking the nature and character of this class continues to be the same- where the fact being that struggle has become a relative term with this class particularly.

But the Middle Class became an interesting class to be studied and observed because of the kind of changes which this class had undergone during liberalization and afterwards too. Changes were striking and visible, this class was known to be the aspirational class, which thrives for change, social mobility and progress. In today's scenario to be a middle class is to express oneself through consumption, and to establish one's identity as being distinct from the lower classes through a set of cultural markers that proclaim one's 'good taste' and style (Sheth, 1999). To be a middle class today means to be no longer confined to the 'waiting room' of modernity (Chakrabarty, 2000). It calls for practices of consumption that marks one's social identity as distinct from the lower classes of the present (Bourdieu, 1984).

In the following paragraphs the changes which people of this new middle class have undergone from its earlier self will be discussed. To understand it in a better way I have categorised this change under three different headings- Lifestyle Changes, Social Expansion and the Employment structure but this does not asserts that expansion has been witnessed in these three domain only there have been visible changes in other domain too but here my concern are with these three things particularly.

Social Expansion:

In India as we are aware, that social relation are guided by the complex inter linkage of class and caste. Sociologically speaking both these categories- caste and class are quite different from one another as class is the economic differentiation of the society and caste is the social differentiation to which we Indians are tied up since ages, for instance the Varna system and the Jati system. Speaking about class, it is more of a simple and visible

differentiation of the society into the haves and the have not's or as rich and poor, to make it more easier and sensitive the division is amongst the Upper class, Middle class and Lower Class. I have dealt with category of class in my first chapter with a narrow lens hence in this section I would rather focus more on the caste category. So now defining caste the term caste has been derived from the word *Casta* in portugese. The term caste has been largely used to describe the Varna-Jati system. Duarte Barsbosa, the 16th century Portugese identified the main features of caste¹⁷:

1. Caste as a hierarchy with Brahmans at the top and the 'untouchables at the bottom.
2. Untouchability as linked to the idea of pollution.
3. Existence of a plurality of 'castes' separated from each other by endogamy, occupation and commensality.
4. Application of sanctions by castes to maintain their own customs and rules.
5. Relationship of caste with political organisation.

Not much of the fabric of this definition has been changed as of yet, it still continues to be the same although with different words and some modifications but with the same basic premise. Sociologist G.S Ghurye, identified six different features of the Hindu caste system, which are as follows:

- i) **Segmental division of society:** Castes were groups with well-developed life-styles of their own. The membership of the groups was determined by birth and not by choice. The status of a person depended not on the amount of wealth he possessed but on the rank that his caste enjoyed in the Hindu society.
- ii) **Hierarchy:** There was definite scheme of social precedence amongst castes where each group was given a specific status in the overall framework of hierarchy.
- iii) **Restrictions on feeding and social intercourse:** There were minute rules as to what sort of food or drinks would be accepted by a person and from what caste.
- iv) **Civil and religious disabilities and privileges of different sections:** Segregation of individual castes or groups of castes in the village was the most obvious mark of civil privileges and disabilities. Certain sacraments could not be performed by any caste other than the Brahmans. Similarly, shudras and other lower castes were not allowed to read or learn the sacred scriptures.

¹⁷ As mentioned by D.L Sheth in his article 'Secularisation of Caste and Making of New Middle Class, economic and political weekly, vol. 34, Aug 21-Sept 3. 1999, pp 2502-2510.

- v) **Lack of unrestricted choice of occupation:** Generally each caste considered a particular occupation as its legitimate calling. To abandon the hereditary occupation in pursuit of another, even it was more lucrative was not considered right.
- vi) **Restrictions on marriage:** Caste groups observed strict endogamy. Members of a caste group married only within their castes. However, there were a few exceptions. In some regions of India, the upper caste men could marry a lower caste woman. This kind of marriage alliance was and is known as hyper-gamy.

Much of the economic relations and occupational relations were determined by caste in traditional Indian societies but it is not true that occupation of the individual has discontinued to be based on the caste positions; it still continues to be a prevalent practice in rural and remote rural areas of India.

Moving on to the nexus between caste and class, as explained earlier class is based on economic relations whereas with regards to caste economic relations are a part of this category in a way economics is the common point between these two categories and also inequality forms the basic premise by default. Both these hierarchical categories in their vertical categorisation promote inequality in fact they are a result of socio-economic inequalities present in the society.

According to the Varna system which is described in the Manusmriti, Indian society is divided into four caste- Brahmins, Kshatriyas, Vaishayas and the Shudras. There is a fifth category of people who are the atishudras or the untouchables, they donot come under the castse hierarchy rather they are outside the caste system and hence are known as the untouchables. The profession of an individual in older times were decided by the individual themselves rather it was pre-decided as per the caste, therefore an individual was born into a caste already. Since Brahmins hold the top position on the caste ladder they were the high ranking individuals holding all key positions in the society. Kshatriyas form the second group and also are known as the warrior class. Vaishayas were group of craftsmen and the artisan class, shudras being at the bottom of the hierarchy were entitled to do odd jobs like cleaning etc. Nobody was allowed to do a job other than the occupation entitled to that person by the virtue of being a member of a particular caste, how so ever talented or eager he or she is. Their roles were fixed and duties were assigned therefore class relation in traditional societies were also more or else defined by the caste structure only. Since we know caste is a dynamic process, it is not an independent variable there are various other variables which determine

the progress of caste like time, economic structure of society, market relation, governance and leadership in the society. Although in the Indian case the basic rubric of caste hierarchy continues to be same, the structure is still intact but market relations and governance model of the society has brought in huge amount modifications in the caste category.

One of the major contributors to the change has been globalisation and modernisation of the Indian Economy. This vertically hierarchal group now competes horizontally for power and control over resources. Globalisation opened up the Indian economy to allow new ideas, resources and practices to usher. It also brought in with itself new kinds of opportunities which was accessible to all irrespective of their caste structure. Globalised societies did not rest up narrow ideologies of caste. Hence it introduced as well assured people of the Indian state that they too could have a good life rather decent life achieve their aspirations through the opportunities provided the liberalised order and this belief brought in competition where individual where now no more restricted to follow the same old path of their ancestors, no longer did they have to carry forward an caste imposed job or rest of their life, work which denied them quality of life. The new kind of consciousness amongst the masses has allowed individuals to come out of the clutches of their caste hierarchy and dare to compete for better resources, power, status and money and this consciousness has weakened the caste structure today and as a result of which the nexus between hereditary, ritual status and occupation has broken down (Sheth, 1999).

As explained by D.L. Sheth the traditional ritualistic idea of cleanliness or otherwise of occupation one follows has become unimportant: what is important is what brings in good income. Political parties too have played a major role in boosting this consciousness especially amongst the lower caste groups through policies of appeasement and development. State too played a major role here through affirmative action the state has claimed to bring social equality in the society although this is a distant dream which is yet to be fulfilled but reservation in jobs and universities have definitely brought in a certain level of parity between the traditional upper and lower class people. Unlike the traditional hierarchical caste system the new societal relations are relatively loose and open-ended entities. This unification of caste categories by merging their economic goals has created a new set middle class or rather expanded the base of the middle class in today's time. This new middle class is a result of the disintegration of traditional caste system. It is a broad category which encompasses people from all kinds of caste category with certain economic equality and

some common social and cultural capital like English education and new kind of conspicuous consumption based lifestyle. Although this class formation is different from the old system but caste does not stop to be a part of it, it still exist but it does not dominates here.

As stated by D.L. Sheth individuals of this class go through a process of 'classisation'¹⁸ by using the collective resources of their caste 1. They become distant from ritual roles and functions attached to their caste 2. Acquire another, but new, identity belonging to middle class 3. Their economic interest and lifestyle converge more with other members of the middle class than with the non-middle class caste compatriots (Sheth, 1999). Therefore it can be said that liberalisation of the Indian economy contributed to the social expansion of class in India.

Lifestyle Changes

Liberalisation of the Indian economy opened up its gates all kinds of foreign economic actors. It not only brought economic changes but several political, social and cultural changes were witnessed too. But one of the striking features of liberalisation is its impact on the Indian market and resultant lifestyle changes incorporated by the aspiring New Middle Class. This politics of lifestyle signifies a complex configuration of symbolic, material and attitudinal changes that resonate with global discourses on the "new rich" in Asia (Robinson and Goodman 1996).

Such kind of lifestyle changes can be most commonly marked in terms of the leisure preferences, housing choices, shopping complexes, educational model etc. The state too caters to these demands of the New Middle Class by their urban redevelopment projects. It offers what is been demanded by the majority population. Much of these demands and tastes are a by-product of cross-cultural imagination and exposure. For instance Mac Donald's, Burger King, Starbucks etc. Residential projects are most likely based on the demands of high-rises which are inclusive of all kinds of facilities like swimming pool, gym, eateries, spa, badminton court, high-tech security system etc. Such demands are a result of the expansion of service-sector and outsourcing of Indians for jobs and other purposes which has exposed them worldly tastes, globalised culture and different forms of living which has hence created a demand for the similar kind of taste and lifestyle choices when they come back home.

¹⁸ The term is coined and used by D.L. Sheth in his article "Secularisation of the of caste and making of the New Middle Class", economic and political weekly, vol.34/35 (Aug 21-september,3, 1999), pp 2502-2510.

One small example of such demand is the new kind of restaurant and bar culture which has skilfully captured the demand for international cuisine. The real-estate sector too seems to be giving wings to the imagination of the new middle class by providing them housing models which are similar to their imagination of living in a global city, cities like NOIDA and Gurgaon serves as real good examples. The glamorous surface of a city like Delhi is often ruptured by zones of public neglect, if not decay and poverty. And yet, this surface works as an emblem for progress, forcing its way into the language of private media and glossy real-estate brochures. Neither the malls nor the luxury condominiums are dominant in numbers, but they are hegemonic in quality. This could also be said so of the representation of new middle classes in commercial media, such as magazines, cinema and TV: the mediated and spatialised presence of middle-classness constitute the same in the process, creating the impression of a dominant discourse and thus ‘social fact’ (Brosius, 2010).



Figure 2: Residential Apartments in NOIDA.

Employment Structure

IT industry has become one of the major sites of India’s integration into the global economy. Globalisation made huge impact on this sector rather it is modelled on the outlines

of the global way of working and software production. This industry accommodates a good amount of Indian population under its umbrella having started in the 1980s it became one of the first major site to provide the glimpse of a global economy. The work culture, the outsourcing model and global outreach provided a very good avenue for the educated youth to be a part of this system. Most of the rural youth aspired to be a part of this industry and in turn this industry was equally accommodating too in terms of the job opportunities it created right after its establishment.

Carol Upadhyay in her article ‘Software and the New Middle Class in the “New India” two ways in which the IT industry is reshaping Middle Class identities and culture:

1. Software Professionals experience of working in a global workplace, exposes them to cultural identities and differences which feeds in to a larger process of the production and articulation of a global Indian identity within the new Indian middle class. Since Indian software engineers are subject to travelling abroad frequently and dealing with foreign customers they tend to have developed soft skills required for communication. Communication skills and cross cultural management together, invoke specific ideas about Indian culture and cultural difference in the process changing the meaning of Indian for these workers (Upadhyay, 2009)
2. Another way in which the IT industry is significant in the construction of the new middle class is through its representation as a product of values and enterprise. The IT industry is of course but one force behind the production of a new middle class culture that embraces entrepreneurial and market values and consumerism? The IT industry is a middle class enterprise and hence is more ethical, principled and socially responsible than traditional Indian business, which has enabled the middle class to embed itself in the growing national economy in a way especially through entrepreneurship for development. As the software industry is more open, professional and ethical and not dependent on the protectionist policies of the past, IT industry leaders publically advocate an open economy, reduced government controls, free movement of labours and capital and other measures of liberalisation. The ideological leadership of the software industry has allowed it and its representatives to identify itself with resurgent India and hence to influence the country's agenda in certain directions (Upadhyay, 2009).

Above are the three broad areas where striking changes were witnessed now why are these three domain so important? The reason behind this is the way these changes have shaped the consciousness of this particular class especially the political consciousness which has led to the growth in visibility and assertiveness of the new middle class In India's emerging political culture of liberalisation which has intensified public interest in the political behaviour and leanings of the middle class. The new middle class is no longer the 'common man' from the cartoonist description of R.K. Narayan in the 80s it has moved ahead to become what we now call them as consumer-citizens¹⁹ of liberalising India.

The Indian middle class has often been a subject of neglect and injustices. Injustices caused by state negligence and state failure to fulfil their demands for instance employment, education, health facilities and inflation. The liberalising Indian state with a gush of private enterprises seemed to be fulfilling the demands of the aspiring middle class, liberalisation translated a belief of "rising India" into the consciousness of the masses who were ready to accept the change brought in by globalisation. Private enterprises did become an healthy alternative to the overcrowded public sector units, it provided employment to those who came with certain minimum qualification, but initially the private-job market was accessible to those who had the necessary economic capital to invest in education first but once equipped with the degree the individual was entitled for a job in the private sector sooner or later, it wasn't like the public sector where even after the degree and necessary political and economic meddling the meritorious were not rewarded.

The political language of the middle class has often been shaped by frustration, anger, dissatisfaction, alienation and resurgence. As stated by Leela Fernandes it is the class which has suffered from both sides- state negligence and appeasement of social groups. The shift in the consciousness from the middle class as workers to the middle class as consumers has developed this new identity of the New Middle Class being a consumer citizen. It is the middle class anger and corresponding question of the representation of middle class interests that lies at the foundation of the emerging consumer-citizen in liberalising India (Fernandes, 2006).

The poor and the under privileged have often been considered as the vote bank political parties therefore most of the parties expect support from these groups, before

¹⁹ Termed by Leela Fernandes in her book India's New Middle Class: Democratic Politics in an Era of Economic Reform.

election lot of mobilisation and appeasement takes place for protecting the under-privileged very often leading to the neglect of the common man who deserves attention there is no way through which the common man could grab the attention of the powerful. But in liberalising Indian the common man turned consumer-citizens have reclaimed their assertiveness which is pretty evident from the behaviour of political parties or state elites who are also trying hard to fancy this upwardly mobile consumer citizens. For instance starting from the India Shinning campaign to “Abki baar Modi Sarkar” which created huge public imagination of transforming India into a global city, quite similarly the digital India campaign or ease of doing business rhetoric all these policies or campaign were designed to capture the middle class imagination of rising India. For that matter so much of the urban restructuring that has happened post liberalisation are indeed for the New Middle Class. It can be said that the political assertion of the New Middle Class has taken place away from the conventional sphere of elections and electoral voter-bank rather it has created different avenues for the same.

Saskia Sassen in her article “The Global Street: Making of the Political” coins the term Global Street to explain how the identity of an urban space have changed from providing an idea of the culture of a society to a space used for reclaiming the rights of a common citizens through methods of protests sometimes against the state, for a cause and sometimes to reclaim their identity.

Sassen explains this phenomenon by reporting the uprisings in Middle East and North Africa but in case of India explanation to the reclamation of urban space in the similar fashion is available. For instance the various kinds of protest demonstration taken place on the streets of megacities like Delhi, Mumbai, Bangalore and Hyderabad are suitable examples. Sometimes the protester show displeasure with the government, often they are seen fighting for their rights, as responsible citizens they come in front as a powerful civil society group knowing their rights and demanding justice, here state has no option other than listening to their grievances, but yes it is not sure that the justice or demands would be delivered but their remains a satisfaction of forming a powerful social group who has the capacity to let it voice heard by the state and it is also informative of the fact that the suffering common man which it was once has come out of its cocoon to claim effective citizenship.

Technology has played a very powerful role in furthering and enlarging the political consciousness of this group through the platform which it provides where an individual is

fearless to voice their dissent. Political mobilisation takes place on much larger scale on the internet any important issue gains support within seconds through circulation of memes and wall post, the idea that you are present for the cause and yet not completely (physically) ensures greater participation. So it is not necessary for them to form electoral majority or take to the streets but their participation is enlarging through other avenues like active participation on social media platforms.

Summing up this chapter helped us in understanding the nature of structural adjustments, what led happened that it became important for the decision makers to opt for structural adjustments, so it was learnt that the reasons leading to the reforms process was both home grown and spontaneous.

From this chapter it is understood how reforms important repercussion not only on the Indian economy but also on the Indian Society where it has led to the class expansion of the society. Important changes in terms of lifestyle, social expansion and employment structure are discussed in this chapter further it has been marked that these social changes have had important political reconfiguration too and thus stating that the New Middle Class has shown signs of transition as far as their political participation is concerned. Their political leadership has been enhanced by not forming an electoral majority but becoming an important actor of street politics.

The next chapter of this study would elaborate on the 'why' question, why this important shift took place and what has are the reasons for the emergence of the New Middle Class in Indian Politics.

CHAPTER 3

INDIAN POLITICS AND THE RISING NEW MIDDLE CLASS

The New Middle Class transitioned from the older middle class through a path breaking stage of liberalisation which is large not only in size but also large in terms of political participation which it has started to show since 1990s. As discussed in the first two chapters the new middle class has been a category which has played an active role in Indian politics but the mode of participation has been different in different times. During the colonial period the middle class was class whose participation in the political front was visible by being an important part of the state, they continued to participate and expand by remaining in the social contract with the state. The expansion of the middle class took place through state-led development programme or the public sector undertakings.

As the economy expanded, also discussed in chapter two, in the 1990s the new middle class expansion was carried forward by both state-led as well as private-sector led development model but it did not any way mean that the middle class had stopped relying on the public sector for employment or other growth amenities, their growth in the public sector continued to remain significant even after the private sector expansion.

The term middle class or the category existing between the two extreme classes- the rich and the poor has been a contested domain, unable to be defined and no identifiable but over the years sociologists have time and again tried to categorise and associate a liberal definition to the people of this class through their inquisitive inquiry but still they have been unable to put forth a concrete definition of this class this is largely due to the fact the middle class particularly is an ever expanding class be it economically, structurally, socially or politically, but sociologists like E. Sridharan¹ have attempted to associate at least one single indicator through which the process of identifying this class becomes easier- he has identified the class through their income so anybody earning an income equivalent to or more than the specified threshold qualifies to be a middle class.

After the liberalisation of Indian economy this class has tend to expand both horizontally as well as vertically and quantitatively as well as qualitatively, so the expansion

¹ Sridharan, E. (2011), "The Growth and Sectoral Composition of India's Middle Classes: Their Impact on the Politics of Economic Liberalisation" in Amita Baviskar and Raka Ray (Ed). *Elite and Everyman: The Cultural Politics of the Indian Middle Classes*. Routledge. London.

was seen in numbers as well as in terms of diversity of this class. During the pre-independence period various groups with diverse social position in the social structure were pushed into the category of middle class in various academic works, so the holders of middle grades of proprietary tenure of lands such as joint and peasant proprietors, proprietors of modern trading firms including active partners and directors and shopkeepers and hotel keepers, groups of rural entrepreneurs engaged in plantation industry, executive managers, clerks and assistants, professionals, teachers and even students etc. continued to remain middle class. (Singh; 1985). Thus to map out the participation of the middle class in the national movement- an activity against the state for creating a state of their own, continues to be a difficult task. Consider the following expression in this regard:

“Moreover, despite its national movement activity encompassing different social classes and strata, its basic thrust throughout its three stages came primarily from the activity and commitment of the petty bourgeoisie or the motley and diverse social strata often covered by the blanket term “the middle-classes”. The petty bourgeoisie was the chief source of the movement’s cadre and activities as also of its psychology and ethos.”²

The word ‘blanket term’ in the above expression is indicative of the fact that the usage of the term middle class had no specific indicators attached for identification it was liberally used by journalists and academician³ to represent a sect of people who were neither rich nor poor. Therefore such liberal usage of the term makes it overtly difficult to assert statement about the association of the middle class with the national movement but this nowhere means that they did not play a significant role in the freedom struggle, they did but their participation was never in the majority they remained in minority not exceeding 10 per cent of the population. One of the major reason to witness such kind of a trend was their association with the state- elites and their belief in the government model of development, being a by-product of the colonial state they continued to be state-loyalists and not much of the state resistance was witnessed during that time.

In the 1990s something changed, well of course the economy expanded and so did the class but there were visible changes on the political front too. The middle class or the Babu’s of the colonial times, the close allies of the government working with the government and expanding through state-led development model suddenly shifted their focus from the

² Expression found in Singh, Gurchain .(1985). The New Middle class in India: A sociological Analysis. Rawat Publications. Jaipur.

³ Singh, Gurchain (1985). The New Middle class in India: A sociological Analysis. Rawat Publications. Jaipur.

government. During the pre-independence era state's interest was their interest (middle class) as they believed that the state thought in terms of the welfare of all (which precisely was not the case), but things changed after the 1990's the New Middle Class portrayed different characteristics altogether way different from their predecessor self, they showed disappointed with the state. A class which was once party to the social contract showed signs of moving away from the contract to which they had once voluntarily submitted for preserving their own interest. Leela Fernandes rightly points out that the visibility and assertiveness of the new middle class in India's emerging political culture of liberalisation has intensified public interest in political behaviour and leanings of the middle class but still the level of electoral participation for the middle class has been relatively low compared to subaltern social groups. For instance, survey research has demonstrated that voter turnout is below average for upper caste, urban dwellers, and graduates and post-graduates- all segments that are traditionally identified with middle class status (Jaffrelot, 2000). The New Middle Class took a differential route to assert their political rights, they did not had to form an electoral majority like the socially marginalised groups nor did they had to form a political lobby like the state elites to voice their opinion and demand their rights. They associated themselves to the civic space in the urban centres by forming civil society groups and taking over the streets in demand of what was theirs.

In this chapter an attempt is made to explain the reason behind the shift which took place at the political front of the New Middle Class, what kind of developments and dissatisfactions made the people of the New Middle Class a member of the "Global Street"⁴. In order to explain the causes of the shift I would take reference of the ANNA HAZARE MOVEMENT or the Anti-corruption movement 2011, is made as it will serve the base to show the participation of the New Middle Class in a social movement which took place in opposition to the corrupt practices of the state and the unwillingness of the civil society members to accept an immoral attitude of the state and the government all together.

After elaborating on the Anna Hazare Movement at length the second half of the chapter would deal with causes of the shift from common-man to consumer-citizens⁵, there are three important causes- Expansion of the New Middle Class, Corruption, Legal and Administrative failure of the State and each of these causes has been discussed individually.

⁴ Sassen, Saskia (2011). "Global Street: Making of the political". Columbia University. New York: USA.

⁵ Reference made by leela fernnades to point out towards the New Middle Class who is both a consumer as well as an aware citizen of the Indian state.

In the third half of the chapter taking reference of the victory of AAP an attempt is made to reflect on the electoral participation of the New Middle Class and see whether has it changed or increased from earlier. Following which the chapter is concluded with relevant observations.

The Anna Hazare Movement

5th April, 2011, Central Delhi, Ramlila Maidan, Gandhi Topi clad 73 year old man in the scorching summer of Delhi was sitting under a tent fasting unto death for what? To demand justice from the corrupt practices of the state or to show their dissatisfaction against the then congress-led central government's unwillingness to punish those guilty of large-scale corruption.



Figure 3: India Against Corruption Movement, April 2011

One of the foremost reasons for the large-scale protest by the civil society group was the dissatisfaction of the masses by the then UPA government to deliver what all it promised. At the 83rd plenary session of the congress party in 2011, congress president Sonia Gandhi outlined 5 key issues that needs to be addressed (Chadda, 2011):

1. Speeding trial of corruption cases in the court.
2. Bringing and ensuring transparency in government contracts.
3. Curbing the discretionary power of ministers and state government to acquire land.
4. Making bureaucrats accountable for their actions.
5. Taking a stand in the state funding of elections.

To implement the directives, Prime Minister. Mr. Manmohan Singh had appointed Group of Ministers, headed by ranking Finance Minister Pranab Mukherjee but this body proved to be ineffective as it met only once before all the corruption cases and charges made on the government and the party ministers were revealed. Contrary to having the above mentioned objectives, gamut of corruption cases and scams began to unravel in 2011 these scams involved, fortunately or unfortunately, top level congress party ministers and dignitaries holding high official ranking.

One of the largest scandals of them all was the Commonwealth Games Scandal, 2011. The Commonwealth Games are the multi-level international sports competition organised once in every 4 years amongst the commonwealth nations. In 2011, New Delhi, India being a member of the commonwealth was chosen as the venue for conducting the large scale competition. On papers it was mentioned that a sum of 70,000 crore rupees were spent for the preparation of the games while in reality only half the amount was spent on Indian Athletes. Central vigilance commission and the CBI took charge of the matter in which lot of irregularities in the expenditure was noticed.

The media reported creation of “shadowy off-shore firms, inexplicable payments to bogus companies and inflated bills- for every purchase from toilet paper to treadmills” for the 2010 commonwealth Games held in New Delhi. Among the alleged defrauding of the games budget, toilet paper rolls valued at \$2 were listed at \$80, \$2 soap dispensers at \$60, \$98 mirrors \$220 and \$11, 830, altitude training simulators at over \$250,000 (Chadda, 2011).

This way the gap was filled there were other illegal transfers to fraudulent companies too, even the construction of the houses or roads which were renewed in the name of the Games were not constructed up to the mark, many poor construction and illegal construction were reported, the commonwealth games scam was one of the largest scam which revealed the actual face of the congress party.

Yet another major scam of that decade was the Adarsh Cooperative Housing Society scam unearthed in Mumbai where the land allotted to war widows was actually handed for building a society for residential development. This scam was a result of the nexus between politicians, bureaucrats and business firms, it was reported that many high ranking officials had booked their flats in the housing society. The LIC housing finance group were also involved in the scam as they had sanctioned large-scale corporate loans to real-estate developers overriding mandatory conditions for such approvals in addition to abusing power in other way too.

On November 2010, the Comptroller and Auditor General of India, Vinod Rai officially issued a report pointing to numerous irregularities and under-pricing of frequency allocation licenses by Minister for Telecommunication Anidmuthu Raja, who belonged to the Dravid Munnetra Kazhagam party within the UPA coalition. It was noted that raja had sold 122 licenses in 2007-2008 at the original entry price set in 2001. Several of these buyers were dummy firms that had in turn sold the licenses at six or seven times the original price. For instance Swan Telecom, a new company with few assets, had bought a license for Rs. 15.4 billion. Shortly thereafter, it had sold 45% of the company to Etisalat for Rs 42 billion. The CAG report estimated that the public exchequer lost up to \$39 billion in the sale.

The Times of India, 2018⁶ reported the following – “As per CBI charge sheet, several rules were subverted and bribes were taken so as to favour certain companies while approving 2G spectrum licenses. The audit report of Comptroller and Auditor General of India (CAG) mentioned that few of the licensed firms had no prior experience in telecom sector or were altogether ineligible or had suppressed relevant facts.

In November 2007, the then Prime Minister Manmohan Singh had written a letter to telecom minister A Raja, directing him to allot 2G spectrum in a fair and transparent manner, following a proper revision of license fee. A Raja wrote back to the Prime Minister rejecting many of his recommendations. The precise amount of loss to the telecom industry due to the scam remains disputed, but according to CAG's estimate, the quoted figure is Rs 1.76 lakh crore. Then telecom Minister A Raja, MK Kanimozhi (the then Rajya Sabha Member from Tamil Nadu), Siddharth Behura (the then telecom secretary), R K Chandolia (A Raja's private secretary) were the prime accused in the scam.

⁶ “2G Spectrum Scam”, *The Times of India*, TUESDAY, JUL 17, 2018.

Unfortunate though but a CBI court in 2017 acquitted all the accused in the case on the basis of inability of prosecution to prove the charges of accused.

But during 2011, 2G spectrum case was highly politicised as *Maya Chadda* notes in her article “*India in 2011: State encounters the people*” the BJP government one of the largest opposition of the UPA in the Parliament tried to make political hay out of the UPA’s discomfort. Tamil Nadu State politician and Janta Party president Subramaniam Swamy had filed a public interest litigation case against Raja. The chain of investigations led to the arrest of Raja in February 2011 along with nine others, including Tamil Nadu Chief Minister and DMK party president Muthuvel karunanidhi’s daughter Kanimozhi Karunanidhi who was accused of acting as a conduit for some money that Raja collected. This case went on for a long period of trials from 2011 to 2017 but finally CBI special court acquitted all the accused.

Apart from the scandals and scams another site of contestation was the 1894 Land Acquisition Act which conferred the right on the state government to acquire whatever land they desire at prices often below market value decreed by them. The repercussions of this act was witnessed when the Indian economy liberalised in 1990s, India adopted an industrial and infrastructural growth model for development and as the economy expanded so did the demand for land.

According to the Ministry of Statistics and Program Implementation, over 140 large scale infrastructure projects were in progress, financed by the central government of India. Each worth over \$100 billion. Of these nearly half the projects were delayed for few months to six years because of conflicts over land acquisition.⁷ This conflict had arisen because of the enlistment of the private sector as partners in construction which created an opportunity for the politicians to make huge sum of money by acquiring land cheaply and allotting it to the private investors for an “appropriate consideration”. One of the prime examples of such kind of land acquisition was alienation of forest lands in favour of mining companies in states of Jharkhand, West Bengal and Orissa for coal mines and hydropower projects in many parts of the north-east.

As Chadda points out that three specific disputes brought the confrontation between land owners and the state to a head in 2011. The first was the transfer of thousands of acres of

⁷ 20th Report on Mega Projects, January 2011, Government of India, Ministry of Statistics and Program Implementation.

land in Orissa to the Pohang Iron and Steel Corporation, a South Korean Chaebol⁸. The second was a violent confrontation over the acquisition of 240 acres of non-farm land for the expansion of Indian Iron and Steel Company Plant in Pushottampur Village in West Bengal which led to six deaths and more than 60 injured people.

Turning point was the Bhatta Parsaul incident where the residents from the village Bhatta Parsaul adjoining the suburb of Greater Noida near New Delhi, kidnapped three survey officials after the Uttar Pradesh government had proposed their plan to acquire 6,000 acres of land to permit and infrastructure company, Jaiprakash Associates, to build a luxury township and sports facilities, including a formula one race track. In order to implement the project land of 1,225 villagers was to be acquired without any proper compensation, displacement or readjustment. The Bhatta Parsaul case became a major political issue Rahul Gandhi son of congress president Sonia Gandhi decided to visit the village and take up their cause and it was his intervention into the matter which brought necessary reforms in the 1894 Land Acquisition Act (Chadda; 2011).

The number of scams and scandals which started to unfold in 2011 led to disillusionment of the public from the UPA government, it was considered to be a corrupt and immoral government which further led to a loss of respect of the Prime Minister and Congress party at large. One of the striking results of the disillusionment was witnessed when state assembly elections reflected weakening support for the congress party.

This dissatisfaction and disillusionment led to the political awakening of the civil society members at large and forced the UPA government to draft an anti-corruption bill which became a major site of contestation between the civil society members and the government.

The Jan Lokpal Bill was drafted by a committee of 11-members (comprising the Prime Minister, the Leader of the Opposition, two judges selected by all the judges of the Supreme Court, the Comptroller and Auditor General, the Chief Election Commissioner, the Central Vigilance Commissioner and the previous three chairpersons of the Lokpal), through a transparent process.

⁸ . A business conglomerate.

The Bill provided for the establishment of a body of Lokpal for the Union and Lokayuktas for states to inquire into allegations of corruption against certain public functionaries, as noted by M.laxmikanth in his book on Indian polity following were the key features of the Lokpal and Lokayuktas Bill, 2011:

Lokpal to consist of a chairperson and upto eight members and not less than 50% of the members to be from SCs, STs, OBCs, Minorities and women. Provision for selection Committee for selection of the Chairperson and the members and a search committee of at least seven members not less than 50% of whom to be from SCs, STs, OBCs, minorities and women.

Lokpal to have jurisdiction over public functionary who is or has been the Prime Minister; Minister of Union; Member of Parliament; Public Servant as defined under the Prevention of Corruption Act, 1988 belonging to Group 'A', 'B', 'C' or 'D'; functionary of anybody or board or corporation or authority or company or society or trust or autonomous body establishment by an Act of Parliament or wholly or partly financed by the Central government or controlled by it; functionary of such body or organisation aided by the government the annual income of which exceeds an amount notified by the central government; functionary of such bodies or organisation in receipt of donation from public and their annual income exceeding an amount notified by the central government or where such bodies/ organisation receive donation from any foreign source under FCRA in excess of Rs.10 lakh in a year.

Lokpal to have under it an independent Inquiry and Prosecution wing and separation of investigation from prosecution thereby, removing conflict of interest and increasing scope for professionalism and specialisation.

Lokpal to have power of superintendence and direction over any investigation agency including the CBI, for cases referred to them by the Lokpal. Also there will not be any requirement for prior sanction for launching prosecution in cases inquired by Lokpal or initiated on the direction and with the approval of the Lokpal.

There is a provision attached for confiscation of property acquired by corrupt means even while prosecution is pending. Appointment of Director, CBI to be on the recommendation of a high-powered committee chaired by the Prime Minister and the bill demanded for specific timelines for preliminary inquiry, investigation and trial.

The lokpal bill suggested for enhancement of minimum and maximum punishment under the prevention of corruption Act from 6 months to 2 years and from 7 years to 10 years, respectively. The bill was entitled with the power to recommend transfer or suspension of public servants connected with the allegations of corruption.

The bill empowered lokpal to constitute sufficient number of special courts and also suggested to provide for lokayuktas in the states on similar lines.

It sought to bring the anti-corruption wing of the Central Bureau of Investigation (CBI) under the Lokpal's administrative control. The Bill sought to provide that corruption trials would be put on the fast track and the courts would determine the loss caused to the public exchequer by an act of corruption — which would be recovered from the corrupt public servants and their abettors. It provided for citizens' charters to be framed by all public authorities, who would provide for time-bound delivery of public services; failure to do so would be actionable at the hands of officers working under the Lokpal.

In order to ensure the integrity of the Lokpal institution, several layers of accountability were sought to be built into its working. Its functioning was made totally transparent by means of a requirement to put every detail of its investigations on a public website after the completion of investigations. Any citizen could make a complaint against any member of the Lokpal to the Supreme Court, which had the power to order his or her suspension and even removal.

As reported by The Hindu in their article "*The saga of the Lokpal Bill*"⁹ it was stated that after nine meetings, the government terminated its engagement with the civil society members of the joint drafting committee and went on to draft and a table on its own Bill in the monsoon session of Parliament.

This Bill incorporated some of the provisions of the Jan Lokpal Bill but fell far short of what was required to even set up an independent and comprehensive anti-corruption investigative organisation. It left the selection of the Lokpal to a government-dominated committee. Though powers for the removal of Lokpal members were vested in the Supreme Court, complaints against the Lokpal could only be made by the government, which retained the power to suspend them.

⁹ Bhushan, Prashant, "The Saga of the Lokpal Bill". The Hindu. January 2, 2012.

The government's Bill removed most public servants from the jurisdiction of the Lokpal, including the Prime Minister, MPs (insofar as their corruption pertained to their actions in Parliament), judges, and Class 2, 3 and 4 officers. Instead, it brought lakhs of NGOs (even those which were not funded by the government) within its jurisdiction.

Though the Bill kept the CBI with the government, it allowed the Lokpal to have its own anti-corruption investigative body. It eliminated the need to get prior sanction for investigation from the government. It provided for the confiscation of the assets of corrupt public servants and the recovery of losses caused by their acts of corruption from them. But it created a terribly cumbersome procedure for investigation, by which a preliminary inquiry and hearing of the corrupt public servant were made compulsory before investigation could begin.

This disconnection of the civil society group from the Jan lok Pal bill compelled Anna Hazare to announce his “indefinite fast” in New Delhi on April 5, 2011. Anna’s demand was to form a joint committee of representatives of the government and the civil society to draft a strong anti-corruption bill with stiff penal actions giving more independence to the Lokpal and state level Lokayukats (Chadda; 2011).

On the fifth day of the fast the government agreed to form a joint drafting committee of five members of the government and five prominent members of civil society. The committee started the work of drafting a joint lokpal which was based on the consent of the civil society and government but the negotiations as mentioned by Chadda got bogged down because of the following reasons:

1. The Lokpal’s power should extend to cover the prime minister and his office.
2. It should cover the judiciary
3. It should cover only parliamentarians’ action outside the House and also for acts of omission in the performance of their duties.

This disagreement triggered the second round of fasting by Anna in protest against the Bill, from August 16. This brought lakhs of people on to the streets across the country, and eventually forced the government to convene a special session of Parliament, where Anna's three minimal demands were accepted by a unanimous Sense of the House resolution. Thus, all government servants and the citizens' charter were to be brought under the Lokpal's jurisdiction. The Bill would provide for Lokayuktas in the States on the same model as the

Lokpal. The government promised to bring forward and pass a strengthened bill in the winter session of Parliament.

Thereafter, the Bill was referred to the Standing Committee of Parliament, which after three months gave a fractured report with many dissenting notes. The Bill, which was reintroduced towards the end of the winter session did not accept the one useful suggestion of the Standing Committee (negating the compulsory step of a preliminary enquiry) and went on to eliminate even the investigative body from the Lokpal. Thus, the Lokpal would not only be selected and suspended by the government; it would also have to rely only on government-controlled investigative organisations for its investigation. Class 3 and 4 officers were still kept out of the Lokpal's ambit.

Those who worked on the mission with Anna Hazare had suggested 34 amendments to rectify the government's Bill and pointed out that four of these were critical to making the Lokpal a workable institution (Bhushan; 2012)¹⁰.

1. These were that the selection and removal procedure should be made independent of the government.
2. The CBI should be brought under the Lokpal's administrative control or alternatively, the Lokpal should have its own investigative body.
3. All government servants should be brought under the Lokpal's investigative ambit
4. The procedure for investigation should be in line with the normal criminal investigation procedure.

The government was adamant in not accepting any of these either and went on to bulldoze the passage of its Bill. It rejected all the amendments moved by the Opposition. The Opposition moved several of the amendments suggested by the civil society group, but the only amendment that the government accepted was one to allow State governments to decide when the Bill would be applied to them.

Several parties which had walked out in the Lok Sabha (the Samajwadi Party and the Bahujan Samaj Party) or had not moved any amendments there (the Trinamool Congress) moved amendments in the Rajya Sabha and their representatives delivered fiery speeches opposing the provisions of the Bill. When it became clear that at least three of the

¹⁰ Bhushan, Prashant, "The Saga of the Lokpal Bill", The Hindu. January 2, 2012.

amendments (those relating to the selection and removal of Lokpal members, the CBI being brought under the administrative control of the Lokpal, and the deletion of the chapter on Lokayuktas in the States) were likely to be passed, the government engineered disturbances in the House, resorted to filibustering and prevented the amendments from being voted upon and the House was prorogued with the Bill hanging in the air.

The government repeatedly mentioned that by proceeding with protests while Parliament was considering the Bill, the civil society group were showing contempt for parliamentary democracy. To which the civil society group responded by pointing out that by overlooking the wishes of the people as expressed in numerous polls, surveys and referendums, all of which showed that more than 80 per cent of the people favoured the Jan Lokpal Bill, the government was showing contempt for the people. The scenario in Rajya Sabha showed that the government was not even willing to go by the will of Parliament.

Coming back to Anna Hazare's indefinite fast of August 16 the government responded to it by detaining Hazare after being kept in judicial detention for 4 hours, Anna was released without any bail bond by the magistrate but Hazare refused to leave Tihar Jail and instead demanded permission to protest at Ramlila ground, he left Tihar Jail on 20th August and started his fast again. Hazare's fast ended on August 28 soon after a compromise was reached between the civil society group and the government; the activists agreed to exclude judiciary and accepted a messily worded compromise that all but excluded the prime minister while in office.

The government too accepted the need to create a strong network of state-level Lokayuktas closely linked to the Lokpal and thereby facilitate the investigation of cases against the lower bureaucracy as well.

The Anna Hazare movement of the anti-corruption movement was one of its kind in the history of social movements in India. After the emergency and perhaps for the first time the Indian Middle Classes played a determining role in counteracting abuse of power by elected officials. This movement brought tens of thousands of people onto the streets of New Delhi; as the movement gathered enough media coverage within hours the movement and its message had spread across millions of people. A significant feature of the demonstration was that majority of the protestors were urban and middle class. Many were well educated, relatively affluent, professionals.

The social base of the movement started to expand after a Facebook post which snowballed to attract the larger mass in cities. This movement helped in reviving the participation of the New Middle Class in Indian Politics, staying away from formal politics this class chose to assert its representation through associational groups. These people were the citizens, educated and well aware of their dues from their state asking for their citizenship rights. The India against Corruption movement helped in channelizing and mobilising the upwardly mobile 'New Rich'¹¹.

Another significant feature of the movement as noted by Ashutosh Varshney¹² was the role of social media for example Facebook, Twitter and TV which helped in spreading across the message of the movement within seconds and further leading to the participation and mobilisation of the masses through medium of technology, so those who were not physically present for the movement were at least active on their social media profile posting and sharing the message of the movement, sometimes mobilising people and asking them to join rallies in their locality in solidarity on the movement, by creating Facebook group and Whatsapp groups. As a result of this solidarity many candle light vigils were carried out in RWA's and housing societies during the tenure of Anna's protest. The India Against Corruption movement was successful in catching wide public attention specially from the urban middle class.

But the point in case here is why, why does a class which has benefitted from the economic liberalisation and further the private sector industries with less reliance on the state has to bother about the proper functioning of the State? This question leads us to the second half of the chapter where I will elaborate upon the reasons for this contradictory activity of the New Middle Class or the issues which led to the formation of a strong civil society group and these reasons are as follows:

Corruption

“Abuse of public power for private benefit”- World Bank enriches our dictionary by providing this definition of corruption. Corruption has been an age old practice and it has continued proliferate with each passing year. Corruption has always hampered the growth

¹¹ Fernandes. Leela (2006). India's New Middle Class: Democratic Politics in an era of Economic Reform. Minneapolis: University of Minnesota Press.

¹² Varshney, Ashutosh. “Is This India's Transformative Urban Moment?”, The Indian Express, Aug 25, 2011.

and progress of Indian State, it is everywhere in judiciary, executive, police, bureaucracy, legal system, public sector undertakings, government offices or within the government structure and at the core of corrupt practices lies extreme immorality in the behaviour of the officials serving a particular position within the state and denying to be loyal while serving the state.

Corruption is a global phenomenon and it is omnipotent. It has progressively increased and is now rampant in Indian society. Corruption in India has wings, not wheels. As the nation grows, the corrupt also grow to invent new methods of cheating the government and public. The cause of corruption is many and complex. The following are some other causes of corruption (Rajak; 2013):-

1. Emergence of political elite which believes in interest oriented rather than nation oriented programmes and policies.
2. Artificial scarcity created by people with malevolent intention wrecks the fabrics of the economy.
3. Corruption is caused as well as increased because of the change in the value system and ethical qualities of men who administer. The old ideals of morality, services and honesty are regarded as anachronistic.
4. Tolerance of people towards corruption, complete lack of intense public outcry against corruption and the absence of a strong public forum to oppose corruption allows corruption to reign over people.
5. Vast size of population coupled with widespread illiteracy and the poor economic infrastructure lead to endemic corruption in public life.
6. In a highly inflationary economy, low salaries of government officials compel them to resort to corruption. Graduates from Indian institutes of management with no experience draw a far handsome salary than what government secretaries draw.
7. Complex laws and procedures deter common people from seeking help from the government.
8. Election time is a time when corruption is at its peak. Big industrialists fund politicians to meet high cost of election and ultimately to seek personal favour. Bribery to politicians buys influences and bribery by politicians buy votes. In order to get elected, politicians bribe poor, illiterate people.

India is the 81st least corrupt nation out of 175 countries, according to the 2017 Corruption Perceptions Index reported by Transparency International. Although the

corruption average of the Indian state has been reduced from the all-time high in 1995 but it still continues to be problem persistent in the governance structure of the nation.

Indian society has been structurally divided between the rural and urban, while rural areas are the raw material of the Indian state the urban is similar to finished goods what is been suggested is that the rural areas provides the labour, material and man force for development the urban areas the avenue were all the raw energy is trapped or utilised to create a finished good for development. Keeping this analogy in mind it can be considered that the urban centres are mostly developed for capital generation which could further help in sustaining the livelihood of the people who have either migrated to the urban centres for work or trade. In the political context too most of the electoral support is derived from the rural base while the urban centres are looked for fund raising for helping the political parties.

Corruption although by and large affects every body both the rural and the urban mass but consciousness about corruption being a bad practice is more prevalent among the urban mass. In the nationally representative sample of the recent "State of the Nation"¹³ poll conducted by CSDS, 66 per cent of urban India believed that the central government was corrupt, compared to 58 per cent of rural India. More revealingly, the more educated the person, the higher was the consciousness. Only 49 per cent of the illiterate, as opposed 71 per cent of all those with college or higher education, were conscious of corruption.

Now why does the urban middle class mass bother so much about corruption which exist so much in the government sector predominantly. The urban mass mostly comprising of the New Middle Class, the by-product of economic liberalisation and the beneficiary of private-sector led economic development which has very little association with state, why does it has to worry about corruption?

Well of course the growing consciousness about it did not come as a result of an understanding the poor governance mechanism or understanding the plight of the poor (the most affected of them all) it came after their own experience. Although the beneficiary of economic liberalisation- New Middle Class has very less reliance on the state for employment or educational purpose but it still continues to be the largest tax payer of the nation, the urban middle class encounters the state when it require government document, or

¹³ The survey was conducted by Centre for the Study of Developing Societies (CSDS), Delhi for ABP News between January 7 and January 20, 2018 among 14,336 respondents spread across 19 States of India.

when it has to get important identification card, or when it demands for security when it turns towards the police system and these avenues they are highly corrupt government structures. So by default there is formal reliance of the urban middle class on the state, it cannot completely do away with it (state).

The New Middle Class despite being the New Rich and the consuming citizen as noted by sociologists like Leela Fernandes and Christian Brosius, with the capacity to earn and pay or say consume whatever services they showed their resentment against the corrupt practices of the state by participating in the India against Corruption, 2011, in large numbers. Which indicates that contrary to their identity of consumer citizen the New Middle Class has no material dependence or it has not forgotten their moralities, it is not about the capacity to pay the bribe nor it is related to showing of their wealth, Corruption for them exist as a moral issue it is offensive no matter how wealthy one is, the public consciousness against corruption indicates the New Middle Class morality, it also informs about their awareness of their rights as a citizen of the country. They are not only consumer rather consumer-citizen well informed about their rights and directives.

Administrative and Legal Failure of the Indian State

Although what is discussed in the preceding paragraphs points out towards the administrative failure of Indian state but the issue which will be discussed here under this subheading is of sexual harassment which by and large and time and again has pointed out towards the administrative and legal failure of the country. Being a woman in India is one of the most difficult thing leave apart the social stigma attached with the category, an infant, a girl or lady all are subjected to harassment both inside and outside the house.

Sexual harassment in itself is a major issue which needs to be dealt with empathetically but this chapter has an elaboration upon few sexual harassment issues which became a sight of support garnered by the urban middle class. Sexual harassment or say safety of woman has been a matter of concern for the liberalising middle class and to secure the rights of women the urban middle class through the civil society groups has shown strong resistance towards unsafe practices against women and it has also demanded justice for her from the state starting from the Jessica Lal case in 1990s to the Nirbhaya Case in 2012.

Jessica Lal a young model from New Delhi who was working as a celebrity barmaid at a crowded socialite party when she was shot dead at around 2am on 30 April 1999¹⁴ by Siddharth Vashisht, also known as Manu Sharma, son of a wealthy politician from Haryana, it was very difficult to start the trial against Manu Sharma, as he belonged to an influential family, many of the witnesses who were present at the time of the refrained from giving any statement against Manu Sharma under political pressure.



Figure 4: Candle Light Vigil in Solidarity with Jessica Lal.

In this case the Indian media and civil society group continued to play a major role and the intense media and public pressure, the prosecution appealed and the Delhi High Court conducted proceedings on a fast track with daily hearings conducted over 25 days. The trial court judgment was overturned, and Manu Sharma was found guilty of having murdered Lal and thereafter he was sentenced to life imprisonment on 20th December 2006.

Yet another jaw dropping case of crime against humanity was the Nirbhaya Case¹⁵, a 23 year physio-therapy student after returning from a movie with a male friend was waiting for the bus at Munirka bus stop in South Delhi looking for a bus or an auto-riksha, it was when an off-duty bus with six males inside offered them a ride, after stepping into the bus the

¹⁴ “Jessica Lal murder case: Chronology of events”. THE HINDU, NEW DELHI, APRIL 19, 2010

¹⁵ Tiwari, Vaibhav(Ed). 2018. “Nirbhaya Case: Parents Welcome Supreme Court Judgement”. NDTV. 10, July.

male friend was knocked by the men in the bus and Nirbhaya was dragged to the rear end of the bus and raped continuously with all the men taking turns for raping her.



Figure 5: Protest at the India Gate during the Nirbhaya Case.

As she fought back, one of the attackers - a juvenile - inserted a rusted, L-shaped rod - used with a wheel jack - into her private parts, pulling and ripping her intestines apart. Her medical reports later revealed that she had septic injuries on her abdomen and genital organs also.

Done with the savagery, the attackers then threw the two out of the moving bus and even tried to run the vehicle over the half-naked blood-soaked woman. But some passer-by saw the body of the woman and informed the police who then took her to the hospital. It was one of the horrific crime to which the country woke up to.

The incident attracted wide spread public protest where the demonstrators took to streets of Indian Gate and Raisina Hills demanding speedy justice for the crime against humanity. Although Nirbhaya died after battling for life but the demand for justice continued to grow, civil society could not stop, it was not only about delivering justice but rather it was also about setting an example by bringing strict laws to deal with rape crimes.

As a result of the large- scale protest the accused were quickly caught and identified as Ram Singh, Mukesh Singh, Vinay Gupta, Pawan Gupta, Akshay Thakur and a

juvenile. The juvenile was sent to a correction home and has been released since. The four others were sentenced to death in 2013 and their capital punishment was upheld by the Supreme Court in 2016.

Expansion of the New Middle Class

Liberalisation of the Indian economy did bring in about necessary changes in the economic and social structure of the Indian society. Economic liberalisation catered to a large fraction of people who were ready to tap into the resources provided by globalisation this mass further created the category of the New Middle Class who relatively different from its predecessor Old middle class- in size, attitude, ownership and ideologies and consumption pattern. Much of the visible changes which were witnessed in this class has already been discussed in the second chapter, here in this section the emphasis is on the specific changes which brought the New Middle Class into political arena.

The expansion of the middle class took place both horizontally and vertically it not only expanded numerically but also diversified by becoming more inclusive and including people across caste categories¹⁶.

One of the significant changes which globalisation brought within itself was in terms of education which was now accessible to all specially technical education which could help people capitalise their resources as result of the educational expansion large number of population got educated for a better future. Education brought with itself awareness about the rights of the individual and also about the rights to which an individual is entitled too by virtue of being a citizen in the state.

The consumer citizen is well informed about their rights and also about the fact that in order to voice their opinion and get their voice heard it is not necessary to gain electoral majority a parallel structure exist through which there participation can be made visible which is through active involvement in civil society organisations and discursive practices

Can the New Middle Class form electoral majority?

It has been recorded that the middle class way of participation in politics is not through electoral vote bank but the nature of middle class politics is marked by frustration,

¹⁶ Jodhka, S.Surinder and Aseem Prakash (2016). The Indian Middle Class. New Delhi: Oxford University Press.

anger and disappointment with the state. The AAP party was quite successful in tapping these emotions of the new middle class and using it to expand its electoral base. Despite AAP's origin in a middle class movement, its entry into electoral politics compelled it to expand its base and get far more inclusive. It can be argued that it has been able to ride on the "homogenization of aspiration" wave unfolding in urban India - by carefully expanding the politics of corruption to link it with cross class issues such as price rise, and *bijli*, *sadak*, *pani* (electricity, roads, water), and education in urban cities. While consolidating the support of the middle class, AAP successfully enlisted a large support base among urban working class and poor, migrant workers, others living in urban slums, resettlement and unauthorized colonies.

Significantly, for the first time in Indian politics, the AAP mobilized outside identity politics, or ideology, or common bonds - addressing the aspirations of the Aam Aadmi, the ordinary citizen - the common 'man' and every man. It has created space for a different type of politics, and a significant contribution of the AAP phenomenon has been an increased participation of the middle classes in electoral politics - as candidates for elections, as volunteers for the party, and supporters/fund contributors, as voters. Consequently, the Delhi Election in December 2013, for the first time saw a very high voter turnout in middle class residential areas of South Delhi, raising expectations and perhaps bringing in the middle classes, as a social category, as active and vocal participants in politics of urban India.

Unlike the working class who has a formal structure to get their issues addressed like the Trade Union or Worker Union these union helps the people of their class to raise their issue, put it before the concerned authorities and ask for justice. The working class people henceforth have their own structured issues like wages, working condition and working hours which has belongingness with the class particularly they derive the consciousness for their issue from themselves only (Fernandes, 2006). Working Class people have a formal structure through which they are mobilised and their issues are raised.

The New Middle Class on the contrary do not have any such formal structure which can mobilise them or help them in getting their voice heard, their issues hence are also not structured, the urban middle class although not directly dependent on the state has to face the state when they pay their taxes, when they need their documents like Aadhar card, Driving License and Voter Id card, they look at the state when they need safety in their urban environment. Here in this sphere where the convergence of the New Middle Class and state

takes place there is lot of disappointment faced by the New Middle Class, most of the times their issues are not addressed and the service delivered in comparison to the demand made has been poor.

The New Middle Class has had to face corruption and non-safety in the sphere where it is dealing with the state. It isn't that the New Middle Class or the New Rich does not have the purchasing power to purchase the facility or they lack money to give bribes or giving bribe would make them less rich, the issue here is not about money, it is about moralities and the New Middle Class simply does not accept the immoral behaviour of the state. For them Corruption is an offence¹⁷ and it is indeed offensive to further corrupt practices, it is the moral duty of the state to provide a safe living environment to the tax paying citizen of the country and if that demand is not fulfilled there is an uproar (Varshney, 2011).

Apart from Corruption, Failure of the State's legal and administrative machinery and expansion of the New Middle Class being the important reasons because of which the shift from non-political actor to a dominant group which is capable of deciding the future of Indian Politics take place a much larger reason is the idea of shared moralities of the new middle class getting offended by the immoral activities of the state which is bringing them together. Although still the participation remains largely non-electoral but representation in civil society groups and the expansion of the New Middle Class has paved way for asserting strong electoral majority too.

In this chapter an important discussion around the reasons or the issues and concerns of the new middle class has been discussed and how these issues are shaping the political consciousness of this class has been dealt with. The objective of this chapter was to understand the nature of issues and concerns affecting the new middle class and see how these issues were different from other class groups and as is clearly derived from this chapter that the issues of the middle class are different and urban in nature they are not specific to any category particular but are generic and in a way are those issues which hurt the morality and sentiments of the new formed category- The New Middle Class.

¹⁷ Varshney, Ashutosh. "Is This India's Transformative Urban Moment?", The Indian Express, Aug 25, 2011.

CONCLUSION

The New Middle Class in the neo-liberal phase has shown definite signs of change from its predecessor old middle class. In contrast to the colonial middle class whose predominant feature was English education, this new middle class was completely different in character and outlook. For example, the new middle class no longer secured government jobs but it was ready to accept the large variety of opportunities the market had to offer¹.

Policies of economic liberalisation initiated since the 1990s have been accompanied by an array of visual images and public discourses that have centred on **a shifting role of the middle class and their attitudes, lifestyles, and consumption practices**. For example, popular stories, advertising images, and news reports that detail the spread of consumer items such as cell phones, rising wage levels for the managerial staff of multinational companies, and expanding consumer choice for goods such as cars, washing machines, and colour television have produced an image of an emerging middle class culture in India. These representations have identified the rise of the new middle class with the success of economic reform.

Leela Fernandes(2006) in her study has pointed out that the contrast between the ‘old’ and the ‘new’ middle class is not so much one of substance or identity- for the new is largely derived from and identical with the old terms of its social composition- but more ideology, political and economic orientation and culture².

Liberalisation opened the gates for the middle class to connect and access the modern resources which according to this class is an indicator of modernity. The policy of liberalisation proved to be a boon for the middle class in the following manner:

- Reforms boosted private participation in the economy. Engaging in private entrepreneurship became more respectable and more jobs were available for the middle class people in the private sector with better pay scale with better pay packages.

¹ As mentioned by Surinder. S. Jodhka and Aseem Prakash in their collaborative work on the Indian Middle Class.

² Scarse, Ganguly Ruchira and Timothy. J. Scarse (2009). Globalisation and the Middle Classes in India: The Social and Cultural Impact of Neoliberal Reforms. New York: Routledge.

- Economic reforms led to the expansion of the service sector that required new type of skills and education. Therefore, it led to the establishment of plethora of institutions imparting these skills as Information Technology, computing, business, human resource management, travel and hospitality industry. The urban middle class become the largest beneficiaries of this.
- The reforms also led to the expansion of foreign Multi-National Corporations in the Indian market.
- India became one of the largest markets for consumer goods both manufactured indigenously with foreign collaboration and imported as there were millions of people waiting to purchase and use them (Mukherji, 2010)³.

Expansion of economy also led to the expansion of the New Middle Class, significant changes were seen and as discussed at length these changes were witnessed in three dominant sphere: Lifestyle, Employment Structure and Social Expansion.

Lifestyle Changes: Lifestyle changes can be most commonly marked in terms of the leisure preferences, housing choices, shopping complexes, educational model etc. The state too caters to these demands of the New Middle Class by their urban redevelopment projects. It offers what is been demanded by the majority population. Much of these demands and tastes are a by- product of cross-cultural imagination and exposure. Expansion of service-sector and outsourcing of Indians for jobs and other purposed has exposed the new middle class population to worldly tastes, globalised culture and different forms of living which has hence created a demand for the similar kind of taste and lifestyle choices when they come back home.

Employment Structure: The IT industry has become one of the major sites of India's integration into the global economy. Globalisation has made huge impact on this sector nay it is modelled on the outlines of the global way of working and software production. This industry accommodates a good amount of Indian population under its umbrella having started in the 1980s it became one of the first major site to provide the glimpse of a global economy. The work culture, the outsourcing model and global outreach provided a very good avenue for the educated youth to be a part of its system. Most of the rural youth aspire to be a part of

³ Mukherji, Rahul (2010). India's Economic Transition: The Politics of Reforms. New Delhi: Oxford University Press.

this industry and in turn it is equally accommodating too in terms of the job opportunities it created right after its establishment.

Social Expansion: The New Middle Class is a result of the disintegration of traditional caste system. It is a broad category which encompasses people from all kinds of caste category with certain economic equality and some common social and cultural capital like English education and new kind of conspicuous consumption based lifestyle. Although this class formation is different from the old system but caste does not stop to be a part of it, it still exists but it does not dominates here.

As stated by D.L Sheth individuals of this class go through a process of ‘classisation’⁴ by using the collective resources of their caste 1. They become distant from ritual roles and functions attached to their caste. 2. Acquire another, but new, identity belonging to middle class. 3. Their economic interest and lifestyle converge more with other members of the middle class than with the non-middle class caste compatriots (Sheth, 1999). Therefore it can be said that liberalisation of the Indian economy contributed to the social expansion of class in India.

The reason behind this is the way these changes have shaped the consciousness of this particular class especially the political consciousness which has led to the growth in visibility and assertiveness of the new middle class In India’s emerging political culture of liberalisation which has intensified public interest in the political behaviour and leanings of the middle class.

The shift in the consciousness from the middle class as workers to the middle class as consumers has developed this new identity of the New Middle Class being a consumer citizen. The political assertion of the New Middle Class has taken place away from the conventional sphere of elections and electoral voter-bank rather it has created different avenues for the same.

The New Middle Class took a differential route to assert their political rights, they did not had to form an electoral majority like the socially marginalised groups nor did they had to form a political lobby like the state elites to voice their opinion and demand their rights. They associated themselves to the civic space in the urban centres by forming civil society groups

⁴ The term is coined and used by D.L. Sheth in his article “Secularisation of the of caste and making of the New Middle Class”, economic and political weekly, vol.34/35 (Aug 21-september,3, 1999), pp 2502-2510.

and taking over the streets in demand of what was theirs and this activity makes them an eligible member of the global street where the urban space is utilised for public demonstration to resist the arbitrary actions of the state.

Leela Fernandes rightly points out that the visibility and assertiveness of the new middle class in India's emerging political culture of liberalisation has intensified public interest in political behaviour and leanings of the middle class but still the level of electoral participation for the middle class has been relatively low compared to subaltern social groups. For instance, survey research has demonstrated that voter turnout is below average for upper caste, urban dwellers, and graduates and post-graduates- all segments that are traditionally identified with middle class status (Jaffrelot 2000, 378). In recent times as Pawan kumar Varma writes that the participation of the middle class has increased in the 2014 general election rather he states that the new middle class played a significant role in that election.

What are the issues and concerns which is bringing the New Middle Class on the street, how has a strong civil society emerged? The issue which concerns the New Middle Class today are not specific rather generic like corruption, sexual harassment, taxes etc.

Corruption although by large affects every body both the rural and the urban mass but consciousness about corruption being a bad practice is more prevalent among the urban mass but the urban mass mostly comprising of the New Middle Class, the by-product of economic liberalisation and the beneficiary of private-sector led economic development which has very little association with state, why does it has to worry about corruption?

Well of course the growing consciousness about corruption did not come as a result of an understanding of the poor governance mechanism or understanding of the plight of the poor (the most affected of them all) it came after their own experience. Although the beneficiary of economic liberalisation- New Middle Class has very less reliance on the state for employment or educational purpose but it still continues to be the largest tax payer of the nation, the urban middle class encounters the state when it require government document, or when it has to get important identification card, or when it demands for security when it turns towards the police system and these avenues the highly corrupt government structures. So by default there is formal reliance of the urban middle class on the state, it cannot completely do away with it (state).

The New Middle Class despite being the New Rich and the consuming citizen as noted by sociologists like Leela Fernandes and Christian Brosius, with the capacity to earn and pay or say consumes whatever services they like showed their resentment against the corrupt practices of the state by participating in the India against Corruption, 2011, in large numbers. Which indicates that contrary to their identity of consumer citizen the New Middle Class has no material dependence or it has not forgotten their moralities, it is not about the capacity to pay the bribe nor it is related to showing of their wealth, Corruption for them exist as a moral issue it is offensive no matter how wealthy one is, the public consciousness against corruption indicates the New Middle Class morality, it also informs about their awareness of their rights as a citizen of the country. They are reduced to being only a consumer rather they the 'consumer-citizen'(Fernandes, 2006) well informed about their rights and directives.

Sexual harassment or say safety of woman has been another important matter of concern for the liberalising middle class and to secure the rights of women the urban middle class through the civil society groups has shown strong resistance towards unsafe practices against women and it has also demanded justice for her from the state starting from the Jessica Lal case in 1990s to the Nirbhaya Case in 2012.

One of the significant changes which globalisation brought within the class was in terms of education which was now accessible to all especially technical education which could help people capitalise their resources as result of the educational expansion large number of population got educated for a better future. Education brought with itself awareness about the rights of the individual and also about the rights to which an individual is entitled too by virtue of being a citizen of a state and this consciousness has further shaped the political consciousness of the New Middle Class.

The consumer citizen is well informed about their rights and also about the fact that in order to voice their opinion and get their voice heard it is not necessary to gain electoral majority a parallel structure exist through which there participation can be made visible which is through active involvement in civil society organisations and discursive practices.

Corruption and safety of woman and the rights of individual these are basic issues concerning the New Middle Class today, although these issues are not related to any particular class and no class mobilisation happens based on such issues unlike what happens

with other social groups, but these are general issue affecting the larger mass indirectly. It is moralities of the new middle class which is shaping their political consciousness.

The working class who has a formal structure to get their issues addressed like the Trade Union or Worker Union these union helps the people of their class to raise their issue, put it before the concerned authorities and ask for justice.

The New Middle Class on the contrary does not has any such formal structure which can mobilise them or help them in getting their voice heard, their issues hence are also not structured, the urban middle class although not directly dependent on the state has to face the state when they pay their taxes, when they need their documents like Aadhar card, Driving License and Voter Id card, they look at the state when they need safety in their urban environment. Here in this sphere where the convergence of the New Middle Class and state takes place there is lot of disappointment faced by the New Middle Class, most of the times their issues are not addressed and the service delivered in comparison to the demand made has been poor.

So then what is bringing them together on a common platform, what is and who is mobilising them for coming together and fighting against arbitrary activities of the state? It is nothing but the shared moralities of the new middle class which gets offended by the immoral activities of the state. This idea of their collective moralities getting affected is what brings them together on a common platform. Now there can arise a question as to how can be the middle class different aren't the people serving in the government services too middle class. The answer is, yes they are middle class but the category which is important for this study is that of the New Metropolitan Middle Class not existing in the government offices rather representing themselves on the global level with very little dependence on the state and largely getting affected by the immoral practices of the state.

Therefor issues which hurt the sentiments and the basic principles of the middle class like corruption, safety of woman, crime etc triggers their emotions leading to the emergence of a strong civil society group mobilised to fight for the collective good of the individual living in the Indian State.

One can argue that people belonging to the new middle class are self- interested individuals and are largely driven by their own interest without thinking about the society at large, which can be true to a certain extent as one might not see a software professional

coming forward and protesting for the rights of a labourer or an agricultural worker but it is nowhere near to saying that they are not affected, the medium of expression can be different they might not participate in a rally or protest demonstration but they do make good use of social media platform to voice their solidarity with the concerned group. By addressing larger issues like corruption, safety of women, security, crimes etc although these issues might count as urban but these are issues which affect every individual of the state and hence indirectly hurts every individual sentimental. It can therefore said that, it isn't that the new middle class is completely selfish, they are, not, directly and indirectly they are contributing and thinking about the larger benefits of the society.

BIBLIOGRAPHY

1. Ahluwalia. S, Montek (2010). “ Economic Reforms in India since 1991: Has Gradualism Worked?” in Rahul Mukherji (Ed). India's Economic Transition: The Politics of Reforms. New Delhi: Oxford University Press.
2. Ahluwalia. S, Montek (2016). The 1991 Reforms. Economic and Political Weekly. Vol. 51, Issue No. 29.
3. Appadurai, A (1996). Modernity at Large: Cultural Dimensions of Globalization. Minneapolis: University of Minnesota Press.
4. Baviskar, Amita and Raka Ray(Ed) (2011). Elite and Everyman: The Cultural Politics of the Indian Middle Classes. New York: Routledge.
5. Bhushan, Prashant, “The Saga of the Lokpal Bill”.The Hindu. January 2, 2012.
6. Bourdieu, Pierre (1984). Distinction: A Social Critique of the Judgement of Taste. Trans. Richard Nice. Cambridge, Mass: Harvard University Press.
7. Brosius, Christiane (2010). India’s Middle Class: New Forms of Urban Leisure, Consumption and Prosperity. New York: Routledge.
8. Chakrabarti, A and S. Cullenberg (2003). Transition and Development in India. New York: Routledge.
9. Chandrasekhar, C.P. and J. Ghosh (2002). The Market that Failed: A Decade of Economic Reforms in India. New Delhi: Left World.
10. Chadda, Maya (2012). India in 2011: The State Encounters the People. Chicago: University of California Press.
11. Corbridge S. and J. Harriss (2001), Reinventing India: Liberalization, Hindu Nationalism and Popular Democracy. New Delhi: Oxford University Press.
12. Chatterjee, Partha (2000). “Development Planning and the Indian State” in Zoya Hasan (Ed) Politics and the State in India, New Delhi: Sage Publication.

13. Chatterjee, Partha (2004). *The Politics of the Governed: Reflections on Political Society in Most of the World*. New York: Columbia University Press.
14. Chatterjee, Partha (2008). 'Democracy and Economic Transformation in India' in *Economic and Political Weekly*, April, 19.
15. Corbridge, Stuart and John Harris (2000). *Reinventing India: Liberalisation, Hindu Nationalism and Popular Democracy*. Cambridge: Polity Press.
16. Dollar, David (2005). *Globalization, Poverty, and Inequality since 1980*. *World Bank Research Observer* 20(2):145-175
17. Dickey, Sara (2011). *The Pleasures and Anxieties of Being in the Middle: Emerging Middle-Class Identities in Urban South India*. USA: Cambridge University Press.
18. Dobbin, C (1972). *Urban Leadership in Western India- Politics and Communities in Bombay City 1848-1885*. New Delhi: Oxford University Press.
19. Fernandes, Leela (2006). *India's New Middle Class: Democratic Politics in an era of Economic Reform*. Minneapolis: University of Minnesota Press.
20. Fernandes, Leela (2011). "Hegemony and Inequality: Theoretical Reflections on India's New Middle Class" in Amita Baviskar and Raka Ray (Ed) 'Elite and Everyman: The Cultural Politics of the Indian Middle Classes'. New York: Routledge.
21. Frankel, Francine (2005). *India's Political Economy*. New Delhi: Oxford University Press.
22. Ghosh, S (2002), "Electricity consumption and economic growth in Taiwan", *Energy Policy*, Vol. 30.
23. Ghurye , Sadashiv Govind (1957). *Caste and class in India*. Jaipur: Popular Book Depot.
24. Harris, John (2006). *Middle Class Activism and Politics of Informal Working Class*. *Critical Asian Studies*.38(4).445-465.

25. Jafferlot, Christopher (2000). *Hindu Nationalism Movement in India*. New York: Columbia University Press.
26. Jodhka, Surinder. S and Aseem Prakash (2016). *The Indian Middle Class*. New Delhi: Oxford University Press.
27. Joshi, Sanjay (2001). *Fractured Modernity: Making of a Middle Class in Colonial North India*. New Delhi: Oxford University Press.
28. Kharas, Homi (2010). Working Paper on “The emerging new middle class in developing countries”. OECD Development Centre.
29. Krishnan, Sandhya (2017). “ The Rise of the Indian Middle Class and its changing structure.”, *Economic and Political Weekly*. June 03. Vol. 52, Issue No. 22.
30. Kundra, A (2000). *The Performance of India’s Export Zones*. New Delhi: Sage Publications.
31. Mills, C. Wright (2002). *White Collar: The American Middle Classes*. New York: Oxford University Press.
32. Mishra, B.B (1961). *The Indian Middle Classes: Their Growth in Modern Times*. New Delhi: Oxford University Press.
33. Mukherji ,Rahul (2010). *India's Economic Transition: The Politics of Reforms*. New Delhi: Oxford University Press.
34. Palshikar, Suhas and Rajinder Vora (2004). (Ed) *Indian Democracy Meanings and Practices*. New Delhi: Sage Publications.
35. Palshikar, Suhas (2001). ‘Politics of India’s Middle Classes’ in Imtiaz Ahmad and Helmut Reilfeld, *Middle Class Values in India and Western Europe*(Ed). New Delhi: School of Social Science Press.
36. Panagariya. Arvind (2004). *India’s trade reform*. *India Policy Forum* 1; 1-5.
37. Patnaik Prabhat and C.P. Chandrasekhar (2010). “The Indian Economy under 'Structural Adjustment' in Rahul Mukherji (Ed). *India's Economic Transition: The Politics of Reforms*. New Delhi: Oxford University Press.

38. Pursell, Gary (1992). Trade Policy in India in Dominick Salvatore (Ed). National Trade Policies. New York: Greenwood Press.
39. Radhakrishnan, Smitha (2011). "Gender, the IT Revolution and the making of a Middle-Class India", in Amita Baviskar and Raka Ray (Ed), Elite and Everyman: The Cultural Politics of the Indian Middle Class. New York: Routledge.
40. Rajak, Singh Jeevan (2013). Corruption in India: Nature, Causes, Consequences and Cure. IOSR Journal of Humanities And Social Science. Volume 18, Issue 5 (Nov. - Dec. 2013)
41. Ramesh, Jairam (2016). "*Twenty five years ago this day*". The Hindu. July 24.
42. Rao. A.J. " The Great Indian Middle Class" in the blog "Boloji.com- A study in diversity- News, Views, Analysis, Literature, Poetry, feature- express yourself . web 20 October. 2009.
43. Robinson, Richard and David S.G. Goodman (Ed) (1996). The New Rich in Asia: Mobile Phones, Mac Donald's and Middle –Class Revolution. New York: Routledge.
44. Rudolph, Lloyd and Susanne Rudolph (1987). In Pursuit of Lakshmi: The Political Economy of Indian State. Chicago: University of Chicago Press.
45. Saavala, Minna (2010). Middle Class Moralities: Everyday Struggle over belonging and prestige in India. New Delhi: Orient BlackSwan.
46. Sassen, Saskia (Ed) (2001). The Global City: New York, London, Tokyo. Princeton, New Jersey: Princeton University Press.
47. Sarkar, Tanika (2001). Hindu Wife, Hindu Nation: Community, Religion and Cultural Nationalism. London: Hurst.
48. Sangari, Kumkum (2001). Politics of the Possible: Essays on Gender, History, Narratives, Colonial English. London: Anthem Press.
49. Scrase, Ruchira Ganguly and Timothy. J. Scrase (2009). Globalisation and the Middle Classes in India: The Social and Cultural Impact of Neoliberal Reforms. New York: Routledge.

50. 'Budget 1991: What Manmohan Singh promised and what was delivered. 15 September 2011. Economic Times.
51. Shah, Ghanshyam (1990). *Middle Class Movements, Social Movements in India: A Review of the Literature*. New Delhi: Sage Publication.
52. Sheth, D.L (1994) *Secularisation of Caste and Making of the New Middle Class*, Economic and Political Weekly. August 21-28. Vol.2502-10
53. Singh, Gurchain (1985). *The New Middle class in India: A sociological Analysis*. Jaipur.: Rawat Publications.
54. Sridharan, E (2011). "The Growth and Sectoral Composition of India's Middle Classes: Their Impact on the Politics of Economic Liberalisation" in Amita Baviskar and Raka Ray(Ed). *Elite and Everyman: The Cultural Politics of the Indian Middle Classes*. New York: Routledge.
55. Tiwari, Vaibhav(Ed) 2018. "Nirbhaya Case: Parents Welcome Supreme Court Judgement". NDTV. 10, July.
56. Upadhyaya, Carol (2009). "India's New Middle Class and the Globalizing city: Software Professionals in Bangalore,India" in Hellmuth Lange and Lars Meier(Ed) *The New Middle Class: Globalizing lifestyles, Consumerism and Environmental Concerns*. New Delhi: Springer.
57. Upadhyaya, Carol (2013). "Shrink-Wrapped Souls: Managing the Self in India's New Economy" in Nandani Gooptu. *Enterprise Culture in Neoliberal India: Studies in Youth, Class, Work and Media*. New York: Routledge.
58. Upadhyaya, Carol (2011). "Software and the New Middle Class in the New India" in Amita Baviskar and Raka Ray (Ed). *Elite and Everyman: The Cultural Politics of the Indian Middle Classes*". New York: Routledge.
59. Varma, Pavan. K (1998). *The Great Indian Middle Class*. New Delhi: Penguin.
60. Varma, Pavan. K (2014). *The New Indian Middle Class: The Challenge of 2014 and beyond*. New Delhi: Harper Collin Publishers.

61. Varshney, Ashutosh. "Is This India's Transformative Urban Moment?", The Indian Express, Aug 25, 2011.
62. "2G Spectrum Scam", The Times of India, Tuesday, Jul 17, 2018.
63. "Jessica Lal murder case: Chronology of events". The Hindu, New Delhi, April 19,2010