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From Congress-system to Non-hegemonic Multi-party Competition: Politics in Maharashtra

The paper reviews the changing nature of politics in the state of Maharashtra – an important subnational state in India. Politics in the state underwent a shift in 1978 and later again in 1990s. The present moment (2014) may be seen as the third shift firmly pushing the state out of the grips of Congress dominance. State politics has witnessed not only the decline of the Congress and a somewhat stable coalitional competition during the 2000s, it has also witnessed a decoupling of structures of economic power and structures of political domination. This development has led to the main ruling community in the state, the Marathas, being restless. Thus, social, political and economic factors have coincided in producing a juncture of political competitiveness that fails to produce well-being in the larger sense.

While discussing the political shifts, the paper would also connect with the nature of state's economy. It will be argued that Maharashtra's political economy has witnessed certain distortions during the past decade (or more) and that they are closely connected with the political changes in the state. The assessment of competitive politics and political economy would not only be relevant for understanding the politics of Maharashtra, but it should be instructive in making sense of the overall situation of 'more and more competition for less and less' that characterises India's democratic politics of the 1990s and the early 21st Century.

Introduction

Though India's federation has created uniform structure of government across the subnational units created by the Constitution and called the 'states', the politics of states always throws up diverse and unique patterns. This development was somewhat overshadowed in the initial period after independence because of the continued dominance of Congress party in most states. But even within the larger framework of that single party dominance, states developed very different political characteristics flowing from the local leadership patterns, social configurations peculiar to each state and political history of the states or regions (Yadav-Palshikar; 2008). Therefore, looking into the patterns of power sharing and political economy of the states is an important way to understand India's political dynamics. Long ago, Myron Weiner realized this when he embarked on a survey of state level political processes (Weiner: 1968). Since the late eighties, the salience of state as the unit at which politics shapes became more pronounced as a result of the decline of Congress and emergence of the post-congress polity. On the one hand, this development was accompanied by a 'democratic upsurge' (Yadav: 1996) which expressed itself strongly at the state level. This upsurge made state level politics even more relevant in the analysis of India's politics. On the other hand, new patterns of electoral competition emerged during the nineties. These were the outcomes of the fall of Congress as a pole around which most of the competitive politics would traditionally get woven. Even if one were to imagine a post-congress polity as 'non-congressism' reborn, the actual patterns of competition varied from state to state. The politics of coalitions could configure only at the state level and thus, at one point of time, 'multiple bipolarities' (Sridharan: 2002) evolved. Subsequently, different patterns of multi-polar competition too emerged (as in Bihar, Uttar Pradesh, and more recently Andhra Pradesh and Telangana). In most of these

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developments of the post-Indira-Rajiv era, states predominated as peculiar articulations of the new power grid and also became the basic unit of analysis through which one could make sense of the larger all-India patterns of democratic competition. Elsewhere, Yogendra Yadav and I have argued about the renewed importance and rise of state as the theatre of politics that helps us make sense of politics in the post-congress era (Yadav and Palshikar: 2003 and 2008).

This paper proceeds from that understanding about the importance of state level political processes and attempts to look at the politics in Maharashtra as an instance of this development. While academic analyses of state level political processes have already emerged both as single-state studies and as overarching framework, there have also been various political practices that attempt to superimpose an all-India framework on the actual practice of politics. In this sense, we find India's politics continuously vacillating between these two tendencies: state level differentiation and 'all-India' patterns effecting homogenization of competitive politics.² The famous attempts to remove the Congress party from power in the late sixties had state-specific expressions but the ambition happened to be of an all-India character. When Indira Gandhi developed her populist authoritarian model of politics, she sought to create an all-India framework of politics. These two developments had very different effects, one consolidating the state as theatre of politics and the other consolidating the all-India platform as the critical location where competitive politics unfolded. Similarly, the decade of nineties saw the 'OBC³ politics' throwing up many state specific patterns and at the same time, politics of Hindutva seeking to develop an all-India pattern. This duality of the nineties produced the rise of the all-India framework in and after the sixteenth parliamentary elections when Narendra Modi successfully shaped a decisively all-India framework of politics. One witnesses therefore the duality of state-specificity and recurrence of the 'all-India'

² This dynamics of the 'all-India' — i.e. polity-wide — patterns and the subnational (state level) patterns) is a fascinating one in the Indian context and presumably in other large-size polities too. How the two shape each other and how the understanding of each level contributes to the enrichment of our understanding of the other is a separate subject. In the case of Maharashtra-India relationship, I have attempted to discuss this in my essay, Palshikar; 2014a)

³ The acronym OBC stands for 'Other Backward Classes' — sections of India's society identified by the Backward Classes Commission as backward and needing affirmative action under the Constitutional provision pertaining to 'socially and educationally backward classes'. This measure, known in Indian context as reservation policy, is adopted mainly to offset the effects of the iniquitous caste system and lower castes are included in the category of OBCs while the tribal sections are included in a separate category called Scheduled Tribes (STs) and the most downtrodden castes traditionally treated as untouchable are classified as Scheduled Castes (SCs). The term 'OBC politics refers to the mobilization of the backward castes demanding fair treatment and fair share in power. This politics became critical to Indian democratic competition since the nineties.

in the present moment of India's politics. Looking at the political dynamics of Maharashtra within this larger context is helpful for appreciating how Maharashtra represents the interface of state-specificity and the all-India patterns.

First section of the paper gives an overview of the politics of Maharashtra before the nineties along with the main characteristics of the congress dominated politics in the state. In the second section, we discuss the change from Congress dominance to a bipolar coalition competition since the nineties. The third section discusses the long term trends in the political economy of the state and points to the recent political changes while addressing the question regarding the implications for political economy.

History of Congress Dominance

It may be worthwhile to begin with a brief sketch the social profile of the state since that would be relevant to the understanding of political mobilization and competitive politics of the state. Maharashtra is known for the political domination of the Maratha community. Among other things, this characteristic is rooted in the fact that around 30 percent of the state's population can be identified as belonging to the 'Maratha-Kunbi' caste cluster. (Figures for caste or caste group population shares are only estimates partly derived from the data of 1931 Census and that except in case of Scheduled Castes (SC) and Scheduled Tribes (ST), for no other caste or caste group there is official data available so far.) The Maratha preponderance is a somewhat extra-ordinary feature in the sense that in no state of India does any single caste community enjoy such numeric preponderance. The Maratha community is spread all over the state almost equally, having existence in all regions of the state. Mainly an agrarian community, the Marathas have now diversified themselves in many other occupations also. The other main social sections in the state are the Scheduled Castes and the Scheduled Tribes. The latter are concentrated in specific areas of the state such as the Thane-Nashik-Nandurbar belt in North Maharashtra and Yeotmal-Gadchiroli area of Vidarbh. Belonging to various tribal communities, the Scheduled Tribes (ST) do not have a combined political impact as social bloc, whereas, the historical struggle under the leadership of

Ambedkar has produced a significant political role by the Scheduled Castes of Maharashtra. SC population accounted for 10.2 % and ST population accounted for 8.9% in the 2001 census.

The category of Other Backward Classes (OBC) is even less organized politically because of the internal differentiation and also because of caste-specific sense of identity. While the Kunbis from among Marathas are listed as OBCs, there is some uncertainty about how to identify the Kunbis. (In 2014 the state government has already classified Marathas as socially and economically backward and accorded them a separate quota of 16 percent reservations in admissions in educational institutions and government jobs. As of today, this measure is challenged in the court. The effect of this measure on the social and political unity of the Maratha-Kunbi community is yet to be seen.⁴) Thus, the dominant position of the Marathas, their attempt to retain unity as the Maratha-Kunbi caste cluster and their more recent efforts to get admission into the category of OBC make the politics of OBCs complex in the state of Maharashtra. Even otherwise, in Maharashtra, the OBC category has been less politically salient till the nineties. Since the nineties, both Shiv Sena and BJP consistently attempted to mobilize the (non-Maratha-Kunbi) OBCs on their side. The new leadership emerging from these parties also belonged to the OBC sections. But till the nineties, the politics in the state was dominated by the Maratha community only.

Framework of Politics

At the moment of its formation (1960), Maharashtra was already in the midst of two very important transformations. These were cooperativization and democratic decentralization. Bombay state and later Maharashtra were seen as the trend setters in these two areas. The idea of cooperatives had already struck roots ever since the first sugar cooperative factory came up (1949) through the vision and efforts of Vitthalrao Vikhe Patil right after independence (Sadhu; 2011). Subsequently, the state government encouraged the ‘cooperative movement’ to spread to all parts of the state and

⁴In many states, middle level peasant proprietary castes emerged as politically dominant as a fallout of the combined effect of democratization, anti-caste struggles and green revolution. Reddis of Andhra Pradesh, Patidars of Gujarat, Lingayats of Karnataka are some instances (for their political trajectories, see Kothari, 1970). Marathas of Maharashtra also fall in the same category. However, as we shall see later below, some of these ‘dominant’ castes have lately resorted to claiming that they be included in the backward category and thus be eligible for benefits under affirmative action policy (see Deshpande, 2014).

to different sectors, including small credits. The cooperative movement served multiple purposes. It mobilized the ordinary peasants and gave them a sense of participation and power; it generated resources for the rural and agrarian sectors; boosted agro-industry; helped develop a network of political-social actors who gained experience and confidence to operate in a democratic competitive set up. The cooperative movement was also seen as being consistent with the spirit of fair distribution of wealth (for more details on cooperative movement and its effects on society, see Baviskar; 1980, Baviskar-Attwood; 1996). Thus, the movement –i.e. large scale opening up of cooperative institutions through active support of the state government, intellectual support by scholars such as D R Gadgil and through the opening up of crucial avenues for participation of the new entrants into the political arena --became the centre-piece of the development model of the state. In the rural sector, besides sugar, cooperatives opened in the field of milk production too, but cooperativization went much beyond agro-industry to cover rural credit and market sectors. Cooperatives dealt with markets through the sales and purchase cooperatives and the state government facilitated the opening up of a network of cooperative banks with an apex cooperative bank. The total number of cooperatives in the state grew from 31,565 in 1960-61 to 60,747 in 1980-81. In the field of agro-processing cooperatives, for the same period, the rise has been from 4,306 to 14,327 (GoM; 2011).

Alongside this, the state also went ahead with democratic decentralization. Even before the formation of the state, the elected village councils (Gram Panchayats) were put in place (1958). Subsequently, district and block level councils (*Zilla Parishads* and *Panchayat Samitis*) were created in 1962, thus bringing about the famous ‘three tier’ system of elected local government. Though devoid of much power, these elected local bodies functioned as training and recruiting ground for new political aspirants. The symbolic importance of the *Zilla Parishad* President also meant that local bodies contributed to a sense of power sharing and dispersal. At least in the decade of the sixties, being a ZP president was more than being an MLA and perhaps closer to being a minister. Besides, elected local bodies also ensured that systematic networks of political support could be developed through them.

Given the pressures of responding to the industrial interests of ‘Bombay’ (subsequently named as Mumbai) and to keep pace with the country’s overall industrial development thrust, it was difficult

for the state government to ignore industrial development—in fact, the state government recognized the importance of industry and supported it not only in Mumbai but also in Pune and adjoining regions. At the same time, the state inaugurated a regime of ‘agro-industries’ – particularly sugar and some other processing industry in order to generate resources in the rural area and also to protect the interests of the large farming community. Later, the state made adroit use of the ‘green revolution’ initiative of the central government. Both these, cooperatives and green revolution, helped in introducing some transformation in the rural economy and win political support of the agricultural class. In a sense, the three themes of cooperatives, strengthening rural power structures and steering economic benefits for the agrarian sector gelled well with each other. The policy favouring agro-industry and green revolution strengthened actors in the cooperative sector. Agrarian development and cooperativization helped the new entrants into politics to stabilize themselves materially. The net result of this interconnection was that a famous characteristic of politics of the state emerged, not necessarily by design, but as a concomitant effect—Maratha domination.

Through these processes, the western region of the state gained economically — while Pune and later Nasik evolved as main industrial centres, western Maharashtra also became the main theatre of benefits of agricultural growth. The other dimension was that through these processes, rural based leadership having agrarian interests continued to emerge though the overall policy of the state gradually turned towards urban industrial concerns. Thus, the mismatch among regions and between political and economic interests materialised through the very processes that also brought about rural development, democratization and popular participation.

Through these structural and policy features the two interrelated dimensions, dominance of the Maratha community and the dominance of the Congress party, emerged during the early sixties. In the initial phase from 1960 to 1978 Congress party never faced any electoral upset in the state. This was in spite of the all-India level setback in 1967 and the split in the national party in 1969. It means that no political party or formation came close to challenging the Congress in Maharashtra. The Congress party remained fairly well organized in the state and was able to manage internal groups very skilfully. The overall ideological initiative also stayed with the

Congress party, making its domination almost a textbook example of what political scientists then were calling as ‘one party dominance’ and the ‘congress system’ (Kothari;1964).

The cracks in this congress system started appearing in the seventies—mainly in the aftermath of the national emergency of 1975-77. The period of 1978-1990 has been described as a decade of uncertainties and anxieties (Vora-Palshikar; 1996)—not the attack from outside, but the weight of its internal contradictions began to challenge the congress system. The party went into multiple splits—both replicating the national level developments and then developing its state level momentum. After the rise of Indira Gandhi in the late sixties, Congress in Maharashtra did not seriously split; under Yashwantrao Chavan’s leadership, almost the entire state Congress sided with her. As a result, unlike elsewhere, Indira Gandhi could not sidestep the regionally dominant caste (Maratha) and its elite. So, after 1972, she began to undermine the power of Maratha elite and that aggravated the internal tensions among the Maratha elite. In 1978, when the party split at the all-India level on the issue of Indira Gandhi’s leadership, most of the Maratha elite left her and went with Chavan. In quick succession, another split within the Maratha elite took place and Sharad Pawar formed a separate party—the Congress (Socialist). Pawar returned to the Congress in 1986 and soon became the chief minister of the state at a juncture when the new policies of Rajeev Gandhi’s initial efforts to liberalize the economy had just begun. The Congress (then called Congress-I) did come back to power on its own strength in 1980, but the overall hegemony of the party was cracked. Hence, we would prefer to call this (1978-1989) as a period of transformation. The hegemony of the Congress in the state was such that politics in the state did not easily transform into any other configuration easily, it required a long period of crisis and transformation.

Shift to Bipolar Competition

A new phase in state politics was inaugurated in 1990 when Assembly elections brought about a strong legislative opposition in the form of the alliance between Shiv Sena and BJP and reduced the strength of the Congress party to bare majority. This is also the moment in all-India politics when the final decline of the Congress party set, in both at centre and in most states. Maharashtra did feel the effect of those momentous changes; but escaped without a full-fledged reconfiguration

of the politics of the state. The delay in the effects of all-India trend indicate how the Congress system was entrenched and also how the Maratha elite had its power rooted in the state. As mentioned above, the mobilization of OBCs too, did not have much direct effect on power calculations in the state in early nineties. Thus, when the Congress party was getting ousted from power in most of the north and western parts of the country, it was re-elected to power in Maharashtra in 1990 (though short of clear majority in the legislature).

But the Ayodhya-Babri mosque agitation culminated in worst ever riots in Mumbai in December 1992 and January 1993. These riots had a long term effect in that the communal and pro-Hindutva sentiment spread to the hinterland of Maharashtra. Already, since eighties, the politics of Hindutva was gaining ground in the state (Vora-Palshikar; 1990). In the nineties, besides the BJP, Shiv Sena took up Hindutva as its main political plank. This had an effect on the electoral choices of the electorate in the 1995 Assembly election. The riots of 1993 polarized the state considerably and the political atmosphere turned against the Congress—in tune with the national level pattern.

But the erosion of Congress party's base in 1995 was not only because of the politics of Hindutva. Within the Congress party, there was considerable unrest that led to a large number of candidates contesting against the official candidate of the party. Congress has always been known to have factions, but this election indicated the failure of the party to mediate among the factions and in that sense, 1995 marks the demise of party organization. Thus, many Congress candidates faced sabotage by their party-men resulting in their defeat. As many as 45 candidates fighting as 'rebel' Congress candidates managed to win the election and many of them subsequently volunteered to support the BJP-Shiv Sena coalition in forming the government. Not only did the state Congress face defeat and dissidence in 1995, it also went through a split in 1999. The split was notionally an all-India one, though its effect was felt only in Maharashtra (and Meghalaya). Like in 1978, this split too, was led by Sharad Pawar and consequently, represented the disquiet among the Maratha leadership. All through the eighties, it was quite evident that Maratha leaders were not able to stay together as a political group anymore and no leader had the capacity to bring all factions together. The two Congress parties however, chose to form a coalition government following the 1999 Assembly election.

Thus, the nineties mark the emergence of the era of coalition politics in Maharashtra. First, the BJP and Shiv Sena came together in 1989 and managed to form a government in 1995 and then the two Congress parties formed a coalition and remained in power in subsequent elections of 2004 and 2009 (for details of coalition politics, see Palshikar et al; 2014). Though the two coalitions gave a somewhat artificial shape of bipolarity to political competition in the state, in reality, political competition was more complex. The two Congress parties were deeply suspicious of each other and by 2004, the Shiv Sena and BJP had also grown tired of each other because they felt that the alliance was an impediment to their individual growth. In fact, in 2003-04, BJP set the goal of achieving power on its own. But the coalitions remained operational in spite of these tensions.

This development initially challenged the domination of the Maratha leadership over state politics and later resulted into Maratha leadership becoming multiparty. All governments between 1995 and 2014 have been coalition governments, making Congress dominance a thing of the past. During these two decades, parties found it tough to expand their base and at the same time share power and seats with their partners. In terms of social bases of parties, this period witnessed a near-fragmentation of each social bloc. The most notable was of course the case of the Maratha community. Since 1999, the breakaway Congress party—Nationalist Congress party—first emerged as the main choice of the Maratha elite and even ordinary voters.

But by 2014, this had given way to a three-fold division among NCP, Congress and Shiv Sena. The parliamentary elections of 2014 became a landmark election because all the previous social and regional equations with parties collapsed and the BJP, with its then ally Shiv Sena shot into prominence. The parliamentary elections decimated the Congress and NCP to only two and four seats (of the 48 seats from the state). Their vote shares too declined (Congress lost 1.5 percent votes while the NCP lost more than 3 percent) and in that sense, the 2014 parliamentary election would be seen in the long run as a turning point in state politics. This transformation has been occasioned by the popularity of Narendra Modi and for the first time politics in the state has almost completely followed the trends at the all-India level. But at the same time, we must remember that the dominance of the Maratha community and the congress party had already declined substantially and that is why the parliamentary election outcome aligned with the rest of India. In fact, the continued electoral success of the two Congress parties in 2009 has been described as

‘survival amid decline’ (Palshikar et al; 2014) and therefore, the further decline of the Congress parties was inevitable.

The parliamentary election and subsequent Assembly election at the state level (both in 2014) thus reopened the weak spots in the congress base in the state. Most notably, the elections manifested the deep fragmentation of the Maratha voters who voted more for the Sena-BJP alliance in 2014. Secondly, the OBC communities too sided with the BJP and Shiv Sena. This indicated a full-fledged realignment of social forces in the state on the lines of 1995 (Palshikar; 1996; Deshpande-Birmal, 2014 and Palshikar-Birmal, 2014). The dramatic victory of the Shiv Sena-BJP alliance and the dismal performance of the Congress-NCP coalition led to a breakup of both the alliances when the new legislative elections were announced for the state in October 2014. Thus, competitive party politics in the state has now gone through both social realignment and political reconfiguration—both these processes are overlapping and interconnected. Following that breakup, in a four cornered contest, the BJP emerged as the largest party in state legislature. The success of the BJP is crucial because in the first place, it did not have a strong organization in the state and was seen as a relatively weaker player in state politics till 2014. Secondly, it is crucial also because no party in past twenty five years had won seats enough to think in terms of a single-party government. Though BJP, too, did not win a clear majority, it came very close to that and changed political equations in the state (for more details of this aspect, see Palshikar; 2014b and Deshpande-Birmal; 2015). With the state legislative elections in 2014, politics in the state is now set to shift direction and nature of competition (Palshikar-Deshpande; 2015).

Post-1990 Political Economy

The foregoing sections chronicle the shaping and subsequent weakening of the political dominance of the Congress party on the one hand and the shaping and weakening of Maratha hegemony on the other. As regards the political fortunes of parties, we must appreciate that democratic competition has the potential of routinely unsettling established political dominance. In this sense, electoral and party politics do have autonomy of their own in the sense that they shape on the basis of their internal dynamics as much as on the basis of the context in which they operate. However,

a better understanding of the political process has to be situated in political economy. But both in most academic studies and in popular writings, party politics is seen in isolation as if it had nothing to do with the political economy framework. In this section, we shall situate the politics of Maharashtra in the broader social and economic features that are critical for an understanding of state's politics. This section attempts to draw attention to the long term effects of the political economy of the state—thus projecting the effects of developments of seventies and eighties on contemporary political phenomenon of more competitive multi-party politics.

If Maharashtra today sits on various distortions and inadequacies, the origin of these distortions can be located in the political economy of the state. These distortions are manifest in the (im)balance between agriculture and non-agrarian sector of the economy; in the nature of urban growth and in regional imbalance of development. Such imbalances and distortions are directly linked to the political process in the state. We discuss this issue because increasingly, the political process seems to be unable to intervene and rupture the chain of distortions and this inability is becoming a central character of the politics and governance in the state.

Through the political victory during the agitation for the formation of the Marathi speaking state, Maharashtra gained control over Mumbai, but that did not mean that the state actually got control over the development trajectory desired and dictated by material interests based in Mumbai. The strategy to pump resources in the cooperatives sector paid off in the decades of fifties and sixties. 'Green Revolution' also helped the state in keeping the gap between urban and rural at a tolerable level. In the seventies, when droughts hit the agrarian economy, a political master stroke in the form of Employment Guarantee Scheme distinguished the governance of the state from others. These factors managed to keep the distortions under control during the period of 1960-1975. While allowing industrial development in the Mumbai-Thane-Raigad-Pune-Nasik (and later to a smaller extent, Aurangabad) areas, the state adopted a strategy of placating agrarian discomfort through cooperatives, irrigation and green revolution.⁵

⁵ In other words, cooptivization of rural economy and introduction of green revolution both were strategies that changed the rural economy during the sixties and seventies; however, they had limitations and potential for distortion and these emerge only over the lapse of time and mainly through political mismanagement of both strategies. Thus, the crises emerge from the eighties and become more full-blown during the nineties.

Over and above all the economy-related distortions, Maharashtra witnesses two political economy imbalances: one is the imbalance between urban, non-agrarian interests and rural agrarian interests. The other imbalance is between dominant material interests and interests of the ordinary subaltern population. Y B Chavan (State's first chief minister) and his 'model' of agro-industry sought to grapple with both these imbalances. The rise of Maratha dominance also helped in reducing the severity of these imbalances, particularly the imbalance between dominant material interests and subaltern interests. In this backdrop, we discuss below some critical issues facing the political economy of Maharashtra.

Agricultural growth during green revolution produced a section among the agricultural classes that drew its material power from agriculture but increasingly aligned with the non-agricultural interests. Thus, the tension between agrarian and non-agrarian interests got resolved at one level—at the level of the elite. At the level of subalterns, it did not dissolve. Also, the rural agrarian elite who aligned with non-agrarian interests had to depend on rural subalterns for political sustenance. This situation necessitated that politics would only nominally determine and control the economy; political elites would try to separate 'electoral support' from policy preferences (Palshikar-Deshpande; 2003). Much of the politics of post-1980 can be explained in terms this new arrangement and the roots of the Congress decline in the state can also be located in this development.

Agrarian Crisis

The crisis pertaining to agriculture in the state is multi-pronged and has technical and economic dimensions to it. We witness two broad characteristics: one is a very slow growth of irrigation (17.7 percent of agricultural land is currently under irrigation; GoM; 2011; 3) and secondly, a very unimpressive rate of per hectare yield (1074 kg in contrast to the national average of 1798 kg; GoM; *ibid.*; 79). The first decade of the twenty first century became infamous for large scale suicides by farmers in many parts, but notably in the backward region of Vidarbha.

While this rightly caught the attention of critics, activists and planners, this is only one side of the overall crisis in agriculture. There are two other and perhaps equally pernicious aspects of this

crisis. One is the issue of land acquisition. This relates also to rehabilitation of those who have to give up land—either for infrastructure development or for industrial/urban expansion. During the last two decades, there is a growing opposition to such land transfers because of tardy record of compensation and rehabilitation but also because of lack of alternative livelihood strategies designed for this purpose. Localized opposition to land acquisitions and a rupture between the political class and the rural population are the two marked effects of this situation. The political process in the state seems unable to mediate between urban/industrial and agrarian interests; it is unable also to negotiate the polarities that have shaped within the agricultural sector and thus, there is a failure to politically handle the issue of agriculture. Another factor is overburdening of agriculture. More than 55 per cent of state's workforce is engaged in agriculture as farmers, small landholding peasants, marginal farmers or landless agricultural labour. The small size of their holdings makes the occupation unviable; the absence of alternative livelihood strategies makes them cling to those sparse resources. This is repeatedly reflected in the larger picture about the economy of the state. The share of agriculture in net SDP is below 12 per cent. These details only confirm the severity of agrarian distress.

Churning within Maratha Community

The agrarian crisis is directly related to the issue of 'Maratha dominance' and its current expressions in the State's politics.

If there is one thing that distinguishes politics and power in Maharashtra, it is the domination of the Maratha leadership. The entrenchment of the Maratha community in the realm of competitive democratic politics has been subject to two conditions: one, that there would be internal consolidation of the community (as one political bloc) and two, that the links between its leadership and the community as a whole would remain more or less hegemonic. Both these features have come under stress since the eighties. The community's political unity has become weak and the links between the community and its leadership has become tenuous. This crisis of the Maratha elite dates back to the seventies when national level leadership of the Congress party (Indira Gandhi in particular) sought to undermine the influence of the regionally dominant caste elite. She

first exploited the sub-regional divisions among Maratha elite; and subsequently, recognizing the dependence of the Maratha elite on rural cooperatives and through her nominee as Chief Minister (Antulay) sought to limit the powers of sugar cooperatives. During the first half of the eighties, a numerically strong Congress party in the state had a string of unstable chief ministers mainly because of the central leadership's strategy. These developments considerably weakened the hold of the Maratha elite over state resources.

However, it was not merely Indira Gandhi's strategy that produced the crisis of the Maratha elite. The democratic dynamics of increasing distance between the elite and the ordinary Maratha community contributed to the shaping of that crisis. The traditional division between the high and low Marathas has been replaced by the division between neo-high Marathas and the ordinary Marathas. (I use the term 'neo-high' to differentiate between the traditional 'high caste' Marathas and the newly established elite who have become 'high' Marathas not due to their claim to traditional caste status of being high caste Marathas, but have gained a high status only in recent past based on their political and entrepreneurial skills and accumulation of material and political wealth.) The neo-high Marathas are not only rich, they are entrenched; they have evolved very sophisticated networks of patronage and created oligopolies of power at the district level by concentrating local power in the hands of family and relatives. The Congress has been for long, a hostage to these neo-high Marathas. Therefore, it has been unable to accommodate the aspirants from non-entrenched Maratha families. This creates a tension between the so-called Maratha elite and the Maratha masses.

The fragmentation and resultant strains in the relations between the elite and the Maratha masses necessitated new strategies of keeping them together. This implies an appeal to and a redefinition of Maratha identity. Accordingly, there have been efforts to construct a broad-based Maratha identity (Deshpande; 2004 and 2006). These efforts combine anti-Brahmanism, soft Hindutva sentiments and an implicit patronizing approach towards OBCs and SCs. Politicizing the symbols that appeal to the sense of pride of the Maratha masses, a number of Maratha organizations have been trying to consolidate the Maratha community. The other strategy has been to demand 'OBC status' for the entire community (This has been analysed in details in Deshpande; 2014). However, these strategies have not been able to retain the political hold of the elite as elections in 2014 have

demonstrated. In the two elections during that year—one to the national parliament and another to state legislature—the Maratha vote got deeply fragmented, moved away from the Congress, and further strengthened the crisis before the elite of that community. In fact, latest developments have meant that entire structure of political competition in the state would now change. The change would involve rise of new leadership among the Maratha community and the rise of Shiv Sena as the main beneficiary of Maratha vote in the time to come. We connect this up in the Concluding section.

Regional Imbalance

Regional imbalance is another long standing issue in the state and has found its expression in a number of ways. When the state was formed, the leadership of the state, from various regions, was aware of the possibility of a regional imbalance because, for various historical reasons, Marathwada and Vidarbh were already backward in comparison to the region identified as western Maharashtra. Therefore, the creation of the state was based on an explicit understanding that both in economic (and infrastructural) and political sectors, the attempt would be to arrive at balanced development and sharing (of resources and power). Even politically, there has always been a domination of the leadership from the more well-to-do western region of the state. In particular, crucial portfolios pertaining to control over resources are almost always allocated to leaders from the western region (Datar-Ghotale, 2013). Besides this imbalance in sharing political power, there is also the long standing complaint that Vidarbh and Marathwada regions are backward. This is borne out by the official reports of the state government as also the Human Development Reports of the state (GoM, 2002 and YASHADA, 2014). These reports show that majority of the districts of these two regions continue to be in the category of very low human development index (HDI).

The debate over regional ‘imbalance’ received momentum in the wake of the appointment of the committee by state government to look into the issue of regional imbalance under the chairmanship of V M Dandekar in 1983. The appointment of the committee and its report in 1984 brought forward the issue in its substantive details. However, the issue of regional imbalance did not subside. To overcome the issue of regional development, the structural solution that has been

adopted is known as ‘Development Boards’ directly under the purview of the Governor. While the state legislature adopted a resolution in favour of this arrangement in 1984 itself, Parliament passed a legislation to that effect only in the next decade in 1993. Accordingly, Development Boards came into being in 1994. The experience of Development Boards in the last decade and a half has not made almost anyone happy. The leaders from ‘rest of Maharashtra’ feel that this is an unreasonable encroachment on the democratic process while in the regions of Vidarbha and Marathwada regions there is feeling that these boards have not done/cannot do enough.

The debate about regional imbalance in the eighties also threw up larger questions about islands of growth and development in the midst of underdevelopment. Two things stare in the eye of anyone who looks at Maharashtra’s overall development performance in spatial terms. One is that in every district, there are blocks (taluks⁶) that are less developed not only in terms of the development of that district, but also in terms of the average development indicator of the state as a whole. This means that the imbalance in development is as much a matter of flaws in overall process as it is an issue of ‘regional’ imbalance. Secondly, and more seriously, the state is disproportionately dependent on the Mumbai-Thane belt for the macro-indicators and if we take out the Mumbai-Thane belt from the calculations, then the average performance of the state comes down considerably. These two factors together alert us to the need for a more region-sensitive and innovative planning.

Concluding Observations

For a long time, political competition in Maharashtra remained within the broader confines of ‘congress system’. This defied the all-India trends. The coalitional bipolarity that emerged during the late nineties postponed the effects of both state level and national level developments temporarily. Finally, the transformation came in 2014. The transformation that has taken place in State’s politics in 2014 clearly indicates two things at least. In the first place, it is now clear that the ‘congress system’ has given way to a non-hegemonic convergence system. In this system,

⁶ Administrative unit at the sub-district level.

while there is a considerable amount of convergence among the four major players in the state (and so, the menu for the political system and the voters is severely restricted; Palshikar-Deshpande, 2003), the political system lacks hegemony—the system is not seen by either outsiders as working for their benefit or by insiders as a meaningful exercise for collective wellbeing. Secondly, because of the convergence, the ability of the system to actually transform itself and move in the direction of better governance and more democratization has become restricted. As the BJP for the first time takes over the government of the state, politics in the state is precariously poised on the various distortions and resultant disappointments. While the state continues to be in the forefront of macro-level economic performance, its record of governance and capacity to bring more and more sections into the network of benefits has been rather weak. This disappointment marks both the urban and the rural population. While Maharashtra is one of the most urbanized states (at 45 percent urban population as of 2011), its industrial growth and employment potential is not improving. On the other hand, as we saw above, the large population that is dependent in agriculture makes the rural Maharashtra a site of dissatisfaction and income inequality. These are challenges which do not only require a new party in power or a tinkering with existing policies; it requires a new imagination. In this sense, Maharashtra today is situated at a juncture where a re-imagining what Maharashtra means and a reframing of the development policy are urgently required. The developments of 2014 brought a political change that does not have the capacity to mediate the pressures of political economy or to steer new direction for the political economy of the state. So, the distortions listed in the foregoing section would still remain and become the basic features of the contradiction between political economy and competitive politics in Maharashtra. In this respect, Maharashtra only represents the larger issue facing many other States of India: that competitive politics in the states, while assuming more democratic character, continues to be unable to affect the political economy and the more the former remains unconnected to the political economy, the more problematic and vacuous its democratic dimension becomes. This, then, is the central challenge Maharashtra's politics throws up and which is quite characteristic of most other States.

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