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The political prioritisation of welfare in India: Comparing the Public Distribution System in Chhattisgarh and Jharkhand

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Abstract

The idea of state responsibility for ensuring food security has gained ground, with strong popular mobilisations for the Right to Food around the world; but important variations prevail, both in the articulation of demands around food security interventions and in political responses to these. This paper takes a close look at India's Public Distribution System, a programme with a long history and clear national-level, legislative backing, but considerable differences in prioritisation at the subnational level. Through an empirically rich and innovative comparison of Chhattisgarh with Jharkhand – both created at the same time, in 2000 – it asks why the opportunities afforded by statehood allowed Chhattisgarh to politically prioritise the PDS, but not Jharkhand. The paper finds that the explanation lies in the interrelated dimensions of political competition, the nature of pressures exerted by electorally significant societal groups, and political enablement of bureaucratic capacity. Finally, the analytical framework at the heart of the paper contributes to the emerging literature on the political conditions that allow the deployment of state capacity for the promotion of welfare.

Keywords: Food security, welfare state, social assistance, subnational politics, India

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1. Introduction

Despite long-term progress in reducing global hunger, millions across the world still experience food crises, undernourishment and even starvation deaths. Food, which claims about two-thirds of the poor's expenditure, remains a matter of daily survival (Banerjee and Duflo, 2011). Responding to the persistence of hunger through food-based social assistance programmes that ensure poor households meet basic nutritional standards, which in turn enables them to access and expand other human freedoms, then becomes the moral obligation of governments across the world. These programmes, particularly food subsidies, proliferated across more than 60 countries in the Middle East, North Africa and South Asia following the 2008 Global Financial Crisis, when food and fuel prices surged (Demeke et al., 2008). In addition to price inflation, the underlying moral economy of food subsidies and the idea of 'state responsibility' have also been shaped by how popular movements framed their demands for food security interventions. Countries with strong popular mobilisations demanding a 'Right to Food', argued that food-based social assistance was not just a social and economic right, but an entitlement that is essential to 'achieving economic democracy, without which political democracy is at best incomplete' (Dreze, 2004: 1728).

Unfortunately, Amartya Sen's famous mantra, that famines do not arise in democracies because the government in such regimes are compelled to act, has not translated into a similarly ubiquitous response and political commitment when it comes to 'non-extreme forms of undernourishment' (Dreze and Sen, 2013). There is wide variation, both in the articulation of demands and grievances around hunger and malnutrition, and in government responses, policy priorities, implementation and, ultimately, outcomes. While there is a large literature that has examined the impact of these subsidies, the politics behind the prioritisation of food policy reform and its delivery that may explain variation at the national and subnational levels has received far less attention.

To address this gap, we focus on the case of India, which has had one of the longest histories of a food-based transfer programme. Responding to a legacy of droughts and local food shortages, India's food security programme evolved from a public distribution system (PDS) targeted at urban areas in the 1950s and 1960s, to more generalised provision that extended to the rural population from the 1970s till the 1990s, resulting in its considerable expansion. The widespread populist appeal of the PDS in the context of the decline of the dominant Congress invited scathing criticisms of wastage of public resources in the new era of economic liberalisation post-1991 (Bhattacharya et al., 2017). The Targeted Public Distribution System took shape in 1997, aiming to give subsidised food to target BPL (below poverty line) households. Things changed dramatically in the late 1990s and early 2000s, when reports of chronic hunger (despite food surpluses held in stock) unleashed a remarkable spate of concerted civic activism across the country.

Timely judicial intervention and eventual political backing led to the passing of the historic National Food Security Act (NFSA), 2013, which made India's food security programme the largest in the world, providing highly subsidised foodgrain to roughly 70 percent of the Indian population (Pande and Houtzager, 2016; Sinha et al., 2014; Bhattacharya et al., 2017). Many state governments played an incredible part in spearheading reforms, which were then incorporated into the national law (Bhattacharya et al 2017). Recognition of the political salience of food policy, of which the PDS is an integral part, was evident both nationally and at the subnational level. However, despite the NFSA providing an overarching national legislative architecture and system for procurement and distribution of food grains and monitoring of implementation, there remains considerable variation in reforms introduced at the subnational level and state capacities to deliver the programme.

Table 1. Demographic and nutrition profiles of the two states

	Jharkhand	Chhattisgarh	
Population below poverty line (%)	37	40	
Indigenous population (%)	26	30	
	2006	2006	
	2016	2016	
Infant mortality rate	69	71	
	44	54	
Stunted children<5 (%)	50	53	
	45	38	
Wasted children<5 (%)	32	20	23
	29		
BMI for women below normal (%)	43	43	
	32	27	

Source: NFHS-IV, Census 2011.

To examine this subnational variation in the political prioritisation and implementation of food policy, we focus on the unique paired comparison of Chhattisgarh and Jharkhand. These states were newly created in 2000, as a product of territorial reorganisation aimed at radical political devolution, which sought to bring the political centre closer to its adivasi populations, historically marginalised within huge subnational units with remote centres of power (Mawdsley, 2002; Tillin, 2013). The moment of statehood opened up new political opportunities in Chhattisgarh and Jharkhand, as political, bureaucratic and civil society actors toyed with different narratives and agendas for development, which, amongst other factors, shaped their subsequent welfare trajectories. In addition to the shared moment of statehood, Chhattisgarh and Jharkhand also have broadly similar demographic profiles, levels of poverty and performance across a range of HDI (Human Development Index)

indicators (see Table 1). This gave us a productive vantage point from which to study variation in the implementation of the PDS, where, instead of broadly similar patterns of prioritisation and implementation, important differences emerge.

While Chhattisgarh expanded the coverage of its food subsidy programme to become 'quasi-universal', even before the National Food Security Act was introduced in 2013, and undertook comprehensive reforms to make its PDS a nationally lauded model, mimicked later by other states (Sinha et al., 2014; Tillin et al., 2015), Jharkhand's political leadership, on the other hand, has not demonstrated the same commitment to PDS reform, and implementation remains patchy, at best. According to a field survey (Public Evaluation of Entitlement Programmes 2013, cited in Dreze and Khera, 2014) conducted in the poorest districts of these two states before the National Food Security Act was rolled out, 81 percent of households were purchasing subsidised grain, compared to 50 percent in Jharkhand. Post-NFSA, coverage expanded substantially across both states; in Jharkhand it increased to 76 percent and in Chhattisgarh to 95 percent (Dreze et al., 2016; Dreze and Khera, 2014). According to the Comptroller and Auditor General's report, Jharkhand's preparedness for the roll-out of the NFSA was lower compared to Jharkhand. Chhattisgarh's commitment to the PDS can also be gauged from its much more elaborate implementation architecture compared to Jharkhand's relatively thin staffing (more details in Section 5.2). Chhattisgarh and Jharkhand have both reduced 'leakages' in the amount of grain released by the apex Food Corporation of India (that fail to reach the intended beneficiaries) dramatically since they became new states, (C < 51.7 percent to 9.3 percent, J < 85.2 percent to 44.4 percent from 2004-05 to 2011-12; Dreze and Khera, 2015). However, the percentage of leakage still remains very high in Jharkhand, at 44 percent. Key differences in the PDS profiles of the two states are summarised in Table 2.

Despite these differences, 'better implementation' of the PDS has not straightforwardly translated into superior nutrition outcomes in Chhattisgarh over Jharkhand, as Table 1 shows, confirming that improving nutrition depends on many factors (the three pillars of food security are availability, access and absorption: see FAO, 2008; besides, proximate drivers, including household behaviour and local context, as well as the overall political economy, also matter: see Walton, 2009). Nonetheless, states that have made long-running use of the PDS (like Tamil Nadu and Kerala) have also done well with reducing undernutrition (Raykar et al., 2015, Harriss and Kohli, 2009), and Chhattisgarh may well follow the same trajectory in the future. So far, both Chhattisgarh and Jharkhand face a daunting challenge of malnutrition and hunger, but only in the former did the political response to starvation deaths lead to the effective political prioritisation of the PDS for the betterment of food delivery.

Existing scholarship provides limited insight on what might be driving these differences. Studies that provide accounts of subnational variations in PDS reform

Table 2. PDS profiles of Jharkhand and Chhattisgarh

	Chhattisgarh	Jharkhand
Programme indicators*		
Proportion of poor households covered by the PDS pre-NFSA (2011) (%)	49.9	25.3
Proportion of poor households covered by the PDS post-NFSA (%)	90.3	82.6
Estimated leakage (2011) (%)	9.3	44.4
Monthly subsidy transfer	Rs 286	Rs 144
Reform initiatives	Consistent reforms since 2001.	Reforms first introduced in 2009.
PDS and ruling party	Key element of BJP and Congress campaigns.	Not a priority campaign agenda. Shallow
Staff deployment	Deeper organisational structure. Large number of dedicated field staff for PDS, such as food inspectors.	organisational structure. Smaller cadre of field functionaries. No dedicated food inspector position.
Subsidised food items other than foodgrains	Pulses, salt	Salt
NFSA implementation according to CAG report (2015)*	Complete	Partial
Date of implementation of NFSA	Jan 2014	Oct 2015

Sources: Bhattacharya et al. (2017), Puri (2017), RBI State Budgets Analysis.

*Criteria included identification of eligible beneficiaries and issuing of ration cards; existence of required infrastructure, initiation of TPDS reform and a functioning grievance redress system.

and implementation have only gone as far as to say that it is political 'will', 'interest' or 'commitment' that matters, indicating that this is largely at the level of political elites (Khera, 2011; Rahman, 2014). While this is an important condition, elite politics alone does not explain how the backing of a redistributive welfare agenda emerged in the first place, and how it translates into implementation. In response, the paper aims

to provide a systematic political analysis of how statehood acted to create the political conditions in which the PDS was prioritised in one state, but not another. The paper draws on a research project spanning two-and-a-half years (2014-2016), with four phases of iterative fieldwork in the two state capitals (Raipur and Ranchi, and four district headquarters: Korba and Raigarh; West Singhbhum and Hazaribagh). In total, 110 semi-structured interviews were conducted with a range of actors, including politicians, government officials at different levels, activists, journalists, dealers, rice millers and others.

The paper is organised as follows: a theoretical literature review around states and the pursuit of welfare and the analytical approach being used (Section 2); the politics of the PDS and the ground for comparative subnational research (Section 3); the political moment of statehood of Chhattisgarh and Jharkhand (Section 4); the substantive empirical analysis of why the PDS was politically prioritised in Chhattisgarh but not in Jharkhand (Section 5); and, finally, the conclusion (Section 6).

2. The political prioritisation of welfare: Theoretical review and analytical approach

There is an extensive literature on the nature, scope and conditions that define and differentiate between particular welfare states. While the main preoccupation of this literature has been to produce typologies of welfare states, the focus of this paper addresses the broader questions of 'Why do some states pursue extensive welfare reform, while others do not?' Or, more specifically, 'What explains the prioritisation of different kinds of social policies?' This section begins with a brief review of the two classic approaches to studying welfare regimes, the class-based relational approach and the democratic politics approach. It situates the vast majority of existing work on subnational welfare regimes in India within these. It goes on to discuss a more recent strand of scholarship around state capacity and political settlements, which, the paper argues, provides the most *proximate* and therefore useful analytical framework for the comparative analysis being carried out here. The question of what political conditions matter for the deployment of state capacity is as pertinent to this literature as it is to this paper. The section concludes with the analytical framework that will guide our enquiry.

The *class-based relational approach* is marked by the iconic contributions of Esping-Anderson (1990) and Huber and Stephens (2001) and involves the study of welfare as distribution and the institutionalisation of class preferences. In this highly influential tradition of analysis (see, for example: Kohli, 1987; Corbridge and Harriss, 2000; Herring, 1988; Heller, 2000, to name a few) the strength of left-oriented political parties, often linked to social movements, becomes a critical determinant of the welfare orientation of the state. Many authors have drawn out the relationships between broad-based social coalitions and the formulation of inclusive social welfare

policies across the global South (Dreze and Sen, 2013; Garay, 2016; Evans, Huber and Stephens, 2017).

The *democratic politics approach* focuses on the role of elections, electoral pressures and the form, as well as degree, of party political competition in influencing welfare policies. Democratic competition in general tends to be associated with an expansion of public goods provisioning, useful to incumbents (Garay, 2016; Whitfield and Therkildsen, 2011). This literature has also emphasised the mechanisms of negative electoral pressures on public investment, like vote buying (Khemani 2010), and targeted approaches, as opposed to inclusive, universalistic welfare measures (Keefer and Khemani, 2005; Barrientos and Pellissery, 2015).

Within India, some of the most influential explanations around subnational variation in the pursuit of welfare agendas have centred around the class bases of political regimes (Kohli, 1987, 2001), the role of subnational identity (Singh, 2016), and the nature of electoral competition (Chhibber and Nooruddin 2004). Kohli's approach has been particularly enduring in importance with its identification of well organised left-of-centre regimes, which were sufficiently autonomous of the propertied classes to be able to steer state intervention in the interests of subordinate classes. More broadly, research into civil society, social movements and decentralised public action has provided insights into how Indian states like Kerala and Tamil Nadu have successfully pursued welfare agendas (Heller, 2000; Srinivasan, 2014). Somewhat complementary to these accounts, albeit distinctive in focus, is Singh's (2016) argument that the invocation of 'imagined' subnational politico-cultural communities influences social development. Chhibber and Nooruddin (2004), on the other hand, show how when competing within a two-party environment, public goods provisioning would be likelier than in a multiparty context. In the former situation, each party is equally motivated by the need to build cross-cleavage coalitions to win elections, whereas in the latter, with a fewer proportion of seats required for winning, all parties appeal to disparate 'vote banks' via the distribution of club, not public, goods.

While insightful, this range of explanations does not shed adequate light upon the particular political conditions that directly shape the 'deployment of state capacity' for the pursuit of welfare (Vom Hau and Hickey, 2016: 1). Most writings on *state capacity* agree that the organisational quality of the bureaucracy, on the one hand, and external embeddedness of the state in social networks, on the other, are cardinal elements (Vom Hau, 2012), but capacity itself must be treated separately from the purposes for which it is used (Centeno et al., 2017). These authors also emphasise that while leadership is not included as a part of the definition of state capacity, political leadership – as a direct outcome of the broader political context – is highly pertinent to its exercise.

A large scholarship has developed in order to explore the role of political coalitions amongst different social groups and classes for the study of state capacity (Vom

Hau, 2012; Vom Hau and Hickey, 2016). This approach has been dubbed the '*political settlements*' approach, where the political settlement is the basis of any state and is arrived at through a historical process of struggle and bargaining between elite groups (Di John and Putzel, 2009; Khan, 2010; Mehta and Walton, 2014; Parks and Cole, 2010; Kelsall and Heng, 2016). This literature understands the organisation and capacities inscribed within the formal structures of the state in terms of the distribution of power, and also foregrounds the role of elite politics in analysing how state capacity is deployed.¹ Subsequently, two broad types of settlement have been distinguished for the analysis of the developmental capacities of states: the first is a 'dominant party settlement' that involves a stable ruling coalition in power, which facilitates a strong elite vision for development; and the second is a 'competitive settlement', with regular shuffles to the ruling coalition which promotes a short-term outlook amongst elites, and is inimical to a developmental vision and outcomes (Levy, 2014; Hickey et al., 2016).

Other complementary approaches to understanding the developmental capacities of states have focused on the crucial interrelationship between the forms of democratic politics, the extent of 'autonomy' wielded by governmental elites (elected and non-elected), their relationship with civil society, and the larger politics of social assistance in developing countries (see Barrientos and Pellisery, 2015; Besley and Ghatak, 2007; Mookherjee, 2004). There is a rich literature on the micro politics of social assistance as well (Zucco, 2008; Pellisery, 2008; De La O, 2013; Pattenden, 2017). Tillin et al (2015) in particular seek to understand the 'mechanisms and dynamisms' within political and administrative processes, distinguishing between different 'welfare regimes' on this basis (more on this in Section 3).

2.1 Analytical approach

This last body of literature successfully combines the strength of the classic approaches to the study of welfare as previously discussed, while offering conceptual tools for more proximate subnational analysis into the question: why do some states politically prioritise welfare, whereas others do not? Drawing upon this scholarship, the analysis pursued in this paper will focus on three interrelated analytical dimensions:

- (i) Nature of political and electoral competition: India is a competitive democratic polity and periodic shuffles to the ruling coalition are the norm. But there can be considerable variation in the nature of party political competition, depending on whether there is contained two-party competition, or highly fragmented and dynamic multi-party competition (refer to Chhibber and Nooruddin, 2004 on this point). Here 'dominant' ruling coalitions generally do not hold monopoly power (Levy, 2014; Hickey et al., 2016), and 'competitive' political settlements vary in their

¹ Refer to Di John and Putzel (2009: 15) for a useful characterisation of 'elites' in the context of the political settlements literature.

extent of elite consolidation or fragmentation (see also Mehta and Walton, 2014). Are the principal political elites engaged in fairly contained party political competition, or is there a dispersal/fragmentation of the party landscape? Although both these scenarios are possible within competitive political settlements, where elite competition is more contained, there is greater stability of high-level rent seekers. In contrast, where such competition is relatively more dispersed, there is a greater churn and therefore instability in high-level rent seekers. This, we argue, has serious implications for the capacity of ruling elites to pursue developmental outcomes within competitive, democratic political settings like in India.²

- (ii) Relationships between political parties and social bases: Regional- and national-level political parties in India have increasingly mobilised highly dynamic constituencies cross-cutting between class, caste and tribe. Understanding the cross-cutting social bases of political parties is essential, in order to evaluate the incentives governing ruling elites to appease their constituencies. We consider the conditions in which ruling political and bureaucratic elites are particularly responsive to specific societal pressures, not only from electorally powerful social groups, but also from civil society organisations that are campaigning for expanded social protection.

- (iii) Political enablement of bureaucratic capacity: Following Centeno, Kohli and Yashar (2017) and Tillin et al. (2015), the political leadership's ability and inclination to motivate and create spaces for key bureaucrats to pursue policy reform for developmental gains is emphasised (see also Melo, Nge'the and Manor, 2012). In this approach, bureaucratic capacity (or state capacity more broadly) is a relational concept that depends on the electoral and social configuration of political competition and the political leadership within this context (see Vom Hau, 2012; Vom Hau and Hickey, 2016). Importantly, for our analysis, the distinction we draw is not between 'formal' and 'informal' institutions (as do Levy and Walton, 2013; Kelsall and Heng, 2016), but between the specific deployment of bureaucratic capacity for developmental objectives by the political leadership in one, versus its conspicuous absence in the other. (Personalised relationships between politicians and key bureaucrats are

² There is a large scholarship on rents to better grapple with the relationship between economics and politics (Levy, 2014). Khan and Jomo (2000) and North, Wallis and Weingast (2013) have both distinguished between the outcomes of rent seeking in institutional settings that are impersonal, and those where the rules of the game are competitive. This approach does not entirely hold in the Indian context (please see the subsequent paragraph). As we discuss, the distinction is also not as clear as between centralised or decentralised rent seeking, for there are a large number of rent seekers in both, with multiple transactions of various kinds. What matters is the stability of the highest level of rent seekers (i.e., the top political leadership).

commonly observed throughout India, yielding a range of developmental orientations, not just clientelistic ones.)³

3. Politics of the Public Distribution System: Framing comparative subnational research

While there is a strong moral imperative that drives demands for food-based social assistance, the case of a concrete food security programme like the PDS affirms that there are powerful political incentives that come into play as well. This section briefly explains the politics of the PDS, showing how subnational research has already provided critical insight into the many ways that food becomes politicised, sometimes with significant implications for reform. It concludes with a clear delineation of the research questions that frame the comparative analysis between Chhattisgarh and Jharkhand at the heart of this paper, outlining the distinctive contribution it seeks to make.

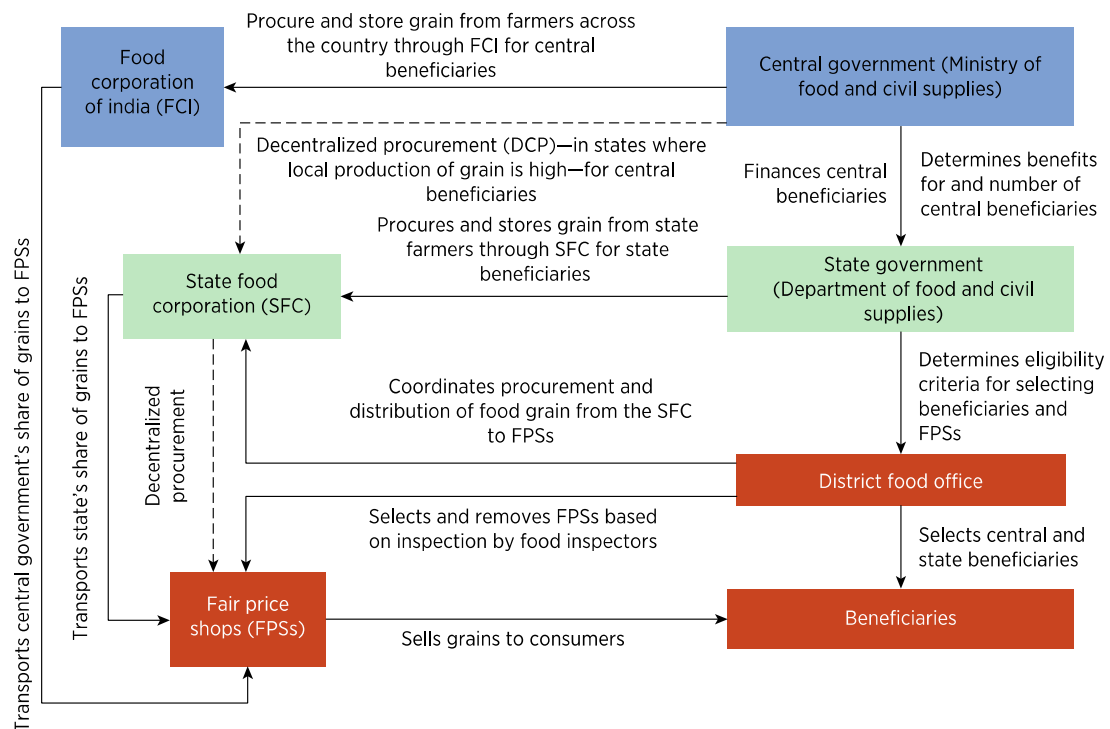
Mooij's (1998, 1999) authoritative accounts confirm a number of historical shifts in the political economy of India's PDS. What started as an urban food-rationing programme to stabilise prices in the post-war years, later acquired a strong rationale for distributing food to the poorer sections of society, but also, importantly, to guarantee reasonable prices to farmers and increase production. As the PDS expanded from the 1960s onwards, it became germane to the country's overall strategy for food self-sufficiency. Over the years, the central government (via the Food Corporation of India and the Agricultural Prices Commission) has tried to encourage production by purchasing foodgrain from farmers at a predetermined minimum support price (MSP).

Ever since the Green Revolution in the late 1960s, a new class of largely OBC (Other Backward Classes) politically assertive farmers acquired electoral importance, both at the centre and in the states. Intensified regional politics and the rising power of agricultural lobbies led to many populist leaders in the states (NTR in Andhra Pradesh and Hegde in Karnataka are examples) using food subsidy policies to appeal to voters and farming groups. The central government introduced decentralised procurement in 1997-98 that led states to procure, store and distribute foodgrains on its behalf. While this was ostensibly done to reduce expenditure on storage and transportation on allocation, in practice, states were able to distort farm policy in order to earn the political support of farmers by setting high procurement prices to acquire foodgrain, regardless of need; 'the procurement price is more politics than economics' (Dharm Narain, Chairman of APC, cited in Raghavan, 2004).

³ This has strong resonance with the debate on the relative embedded autonomy of political and economic elites (Evans, 1994, 1995), which has powerfully illustrated that personalised relationships are pervasive within states, and what ultimately matters is the use to which these are put. 'The balance between predatory and developmental activities is not clear cut, but varies over time and depends on what kinds of activities are attempted' (Evans 1994).

Large-scale procurement strategies by the state have been routinely criticised for distorting the market and strangulating private trade (Commission for Agricultural Costs and Prices, 2013). A high-level committee set by the central government in 2014 recommended that the entire burden of procurement be borne by a handful of select states (including Chhattisgarh) that are equipped infrastructurally to do so (Bhattacharya et al., 2017). This will ensure the continued electoral appeal of the PDS in these states.

Figure 1: The Public Distribution System in India
The Public Distribution System in India: Stakeholders and Responsibilities



Source: Bhattacharya et al. (2017).

Moreover, the procurement chain involves a large number of powerful stakeholders both within (food quality inspectors) and outside (rice millers and transporters) the government, indicating that the potential for collusion amongst vested interests to siphon away grain to the open market is high. The distribution chain is equally fraught, with quality inspectors, godown managers, transporters and dealers all expected to act honestly in order for food to reach the intended beneficiaries (see Figure 1 for an elaborate diagram of the different links of the PDS). The programme has been historically associated with extremely high levels of corruption, ranking third amongst the five basic services (schooling, water supply, PDS, electricity and hospitals), according to the India Corruption Study 2005 (Transparency International India, 2005)⁴.

⁴ See also, <http://unpan1.un.org/intradoc/groups/public/documents/apcity/unpan047870.pdf>

Nonetheless, these political incentives for patronage, subsidies and rent-seeking have interacted differently with state-level politics, with vastly different implications for PDS reform. In Karnataka, it was the election of a minority Janata government defeating the long-standing Congress in 1983 that proved to be the catalyst, with Ramakrishna Hegde attempting to follow on the populist legacy of the 1970s leader, Devraj Urs. The Green Card Scheme he introduced vastly expanded the provision of cheap food to the poorest (Mooij, 1998, 1999). In Kerala, on the other hand, it was the strained relationship between the centre and the state government, following the particularly acute food shortage in Kerala in 1964, that led to vigorous social mobilisation by the cadres of the ruling CPI(M) (Mooij, 1999). All the political contenders (Congress as well as the leftist parties) promised to check price rises and expand the PDS in their election promises. Reporting on events until it was bifurcated in 2000, Mooij (2001) argues that Bihar's politics, however, militated away from any constructive political emphasis on PDS reform. Corrupt dealers of fair price shops colluded with an equally corrupt food bureaucracy, which also depended upon political patrons. While there was political attention to the PDS aplenty, it was not for reform, but for rent-seeking.

This wave of early scholarship shed light upon the political dynamics underpinning various populist moves around the PDS; however, it stopped short of offering any systematic basis of comparisons across states. For the large part, subnational research on the PDS has concentrated on the important matter of implementation outcomes, with contrasts around improvement in delivery, for example, but little in-depth understanding of the question of political prioritisation of this welfare programme (see Bhattacharya et al., 2017; Dreze and Khera, 2015; Chatterjee, 2014; Puri, 2012; amongst others). In a more recent contribution though, Tillin et al. (2015) further comparative political analysis on why states pursue welfare agendas differently.

They distinguish between two groups of subnational welfare regime in India, based on the nature of support for the political leadership, the autonomy and capacity of the bureaucracy, and the strength of civil society and its relationship with the state. The first group comprises the more consistent 'welfare performers', either due to broad-based political support ('social democratic' parties in power, like in Kerala and West Bengal, or 'competitive populism', like in Tamil Nadu and Andhra Pradesh); or when a dominant socio-economic elite with a narrow social base nevertheless implements social protection policies ('incorporationist' regimes like Chhattisgarh or Odisha). The second cluster comprises the less consistent performers with a lower level of commitment to pursuing welfare policies, because of either the nature of political competition or the orientation of the leadership not being conducive (pro-business states like Gujarat, 'competitive clientelist' states like UP and Bihar, and 'predatory' states like Jharkhand are all included).

Although not restricted to the PDS, Tillin et al. (2015)'s framework offers some clues for the two cases at hand here. Chhattisgarh is classified as a consistent welfare performer with demonstrated commitment to a fairly expansive social policy programme. This is despite the fact that its political leadership is dominated by a narrow socio-economic elite and weakly organised lower classes and castes. Jharkhand, on the other hand, is classified as a more 'extreme case' of a predatory state, where the political regime has not shown any consistent commitment to a broad-based social policy agenda, where power is personalised, political parties are fragmented and the authority of the bureaucracy is limited to some discretionary power at best (Tillin et al., 2015). The authors attribute Chhattisgarh's PDS reform to the 'administrative dividends' by virtue of being a new state, but do not explain why these same dividends were not cashed in by Jharkhand, despite the presence of significant other 'enabling' features.

The distinctive contribution this paper seeks to make lies in addressing the question: why did Chhattisgarh politically prioritise the PDS, whereas Jharkhand did not, despite their common moment of creation in 2000? There are three other points that further complicate the puzzle.

- (i) Given that Jharkhand's demand for statehood emerged from a strong mobilisation of its tribal population, whereas Chhattisgarh lacks a comparable movement, why has Jharkhand's political elite not been able to drive the social policy agenda and serve the interests of its core constituency in the way that Chhattisgarh's upper caste leadership has? While the alignment of political leadership and bureaucratic incentives in pursuing PDS reform in Chhattisgarh can be one explanation (Tillin et al., 2015), what is the social and electoral basis driving this leadership's orientation, and how is it different from that in Jharkhand?
- (ii) Tillin et al. (2015) argue that rents generated from extractive activity in Chhattisgarh are used to reward a narrow set of elites, and simultaneously insulate welfare programmes like the PDS from interference, which would otherwise have seen much higher levels of leakages. Moreover, in a context where extraction and industrialisation have triggered intense and violent conflicts, the effective functioning of the PDS and other welfare measures has become an increasingly important electoral strategy. But, in fact, both Jharkhand and Chhattisgarh are mineral-rich states with extractive rent-seeking and intense local conflicts, and yet, only Chhattisgarh insulated its PDS for reform, while Jharkhand did not. Why?
- (iii) Third, given its rich social movement history, Jharkhand perhaps has a denser, more active network of civil society groups and activists compared to Chhattisgarh that has regularly petitioned the state on a range of social

policy and human rights concerns. Also, Chhattisgarh has a record of oppressing civil society action. However, in Chhattisgarh, state-level bureaucrats worked 'intimately' with civil society activists who raised issues of health and nutrition, which played an important role in facilitating PDS reforms. Why did such a 'close and productive relationship' (Tillin et al., 2015) between key bureaucrats and civil society develop in Chhattisgarh, which facilitated citizen involvement in the design and implementation of food policy, but not in Jharkhand?

4. The political moment of statehood and politics since

This section offers a brief account of how the two states came into existence. It draws attention to the distinctive socio-political configurations that informed their respective political settlements at statehood, and their political trajectories since.

At the outset, the role of the Centre warrants recognition in regard to the formation of these new states. The political dynamics between the ruling parties at the centre and state (BJP-led NDA and the Laloo Yadav-led RJD in Bihar), led to strong backing for Jharkhand, and Chhattisgarh's statehood followed in the same political momentum (see Tillin, 2013). All this unfolded within a larger context of economic liberalisation and deregulation, and the creation of 'competition states' that would clamour for private capital (Jenkins, 2011; Corbridge, 2011). Despite the significant part played by the centre in driving state bifurcation, highly specific political configurations emerged at the subnational level. This was in keeping with the diverse character of the Indian polity. Indeed, the conditions leading to the formation of the two new states were very different (Berthet, 2011; Tillin, 2013). In Jharkhand, the movement for statehood was at least partly associated with half a century of popular social movements of adivasis, low caste peasants and mine workers. In Chhattisgarh, there was no such popular coalition (see Lefebvre, 2011). The demand for statehood developed amongst OBC elites, as a strategy to challenge the hold of high caste elites that dominated the Madhya Pradesh Congress.

The hallmark feature of Jharkhand's politics is its adivasi political legacy. It is the site of India's first modern adivasi political party, the Jharkhand Party, which led an unsuccessful bid for statehood back in the 1950s (Kumar, 2011). The proliferation of numerous Jharkhandi adivasi parties since, each claiming to be the true inheritors of the Jharkhand Party, meant that Jharkhand's political landscape became irreversibly fragmented (ibid.). The parties had nothing much to distinguish them from one another. Even the Jharkhand Mukti Morcha (JMM), which spearheaded radical politics about land alienation and feudal exploitation in the 1970s, became mired in corruption scandals close to the time of statehood (Singh, 2008; Tillin, 2013). Since 2000, no political coalition was able to form a government for the full five-year term, with the BJP-led phase since 2014 being an exception. Jharkhand's adivasi parties have competed with a marginal Congress and a rising BJP. The current Chief Minister (CM), BJP's Raghubar Das, is the first non-adivasi CM of the state. The social bases of adivasi parties have been changing. Fewer adivasis and more OBCs

and upper castes voted for the JMM between 2000 and 2014, even as more adivasis voted for the BJP.⁵

Chhattisgarh has a strong upper caste ‘outsider’ (Rajputs and Marwaris mainly) element, which has arrived over the decades, taking advantage of its unexploited land and timber resources. These, together with the sizeable OBC population (nearly 39-40 percent at the time of statehood), have combined to marginalise adivasis (also a numerous 31.8 percent) and Scheduled Castes (12 percent roughly) in terms of political representation (see Berthet, 2011). There are no dedicated adivasi political parties (the CPI had a strong following in the Bastar region before the Naxals imposed an electoral boycott; Mukherji, 2012, Sundar, 2016). OBC elites have striven to gain prominence within both the Congress and BJP, and have been accommodated variously too, though they continue to be unhappy with the concentration of power amongst the higher castes in the ruling BJP.⁶ The two parties are locked in close electoral contest, with the Congress maintaining a healthy seat share through the BJP’s consecutive terms in office (2003, 2008 and 2013). This creates a continuous pressure on the ruling party to dole out populist measures.

5. Explaining why the PDS was prioritised in Chhattisgarh, not Jharkhand

In this substantive analytical section, we first briefly summarise the timeline of PDS reforms in the two states, and then address the key question at the heart of this paper.

5.1. Reforms timeline

While Chhattisgarh introduced a series of PDS reforms relating to both procurement of grain as well as its delivery to the poor right from its formation, Jharkhand introduced few new initiatives until 2009. Moreover, the reforms timeline presented in Figure 2 shows that Chhattisgarh took a systemic view of the PDS, employing both demand- and supply-side measures that have yielded gains in coverage and reduced leakages in delivery (Bhattacharya et al., 2017).

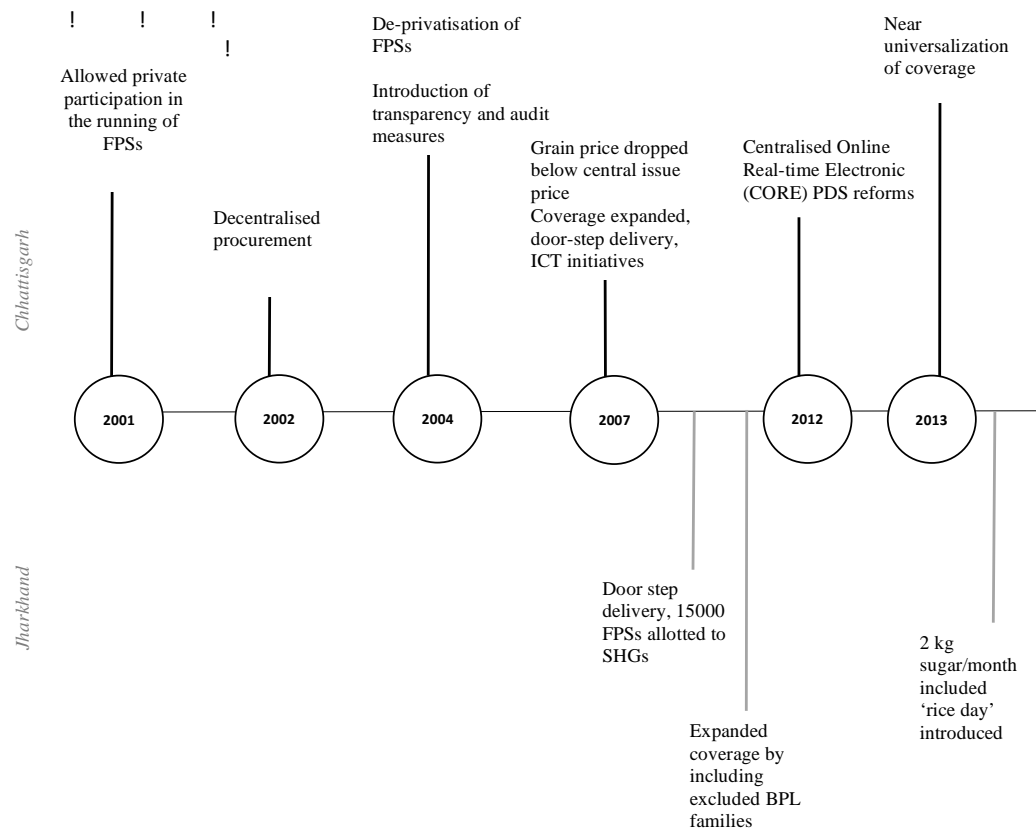
Chhattisgarh made effective use of technology, even winning the Prime Minister’s IT award in 2007.⁷ Chhattisgarh is the second state to have achieved near universal PDS coverage in 2007 (Tamil Nadu before in 1992; HP, Kerala, AP, Assam and Rajasthan have expanded considerably). In Jharkhand, it was during a period of President’s rule in 2009 (imposed on account of political instability), where a proactive governor (K. Sankaranarayanan) worked directly with a senior bureaucrat,

⁵ We are very grateful to Lokniti, CSDS, for sharing their election survey data for the years 2000-14 for the two states.

⁶ <https://www.firstpost.com/politics/chhattisgarh-why-raman-singh-should-take-the-obc-stir-seriously-653489.html>

⁷ Interview with secretary food and civil supplies, Raipur, June 2015.

Figure 2: PDS reforms trajectory in the two states



the food and civil supplies secretary, without the distractions of political pressures, that the first reforms were launched. In the later years, more reforms were introduced here too, but by this time, PDS reform had acquired national currency of sorts, and states were engaged in mimetic learning. The central government has acted as a facilitator. For instance, it championed decentralised procurement in 1998 after the advances in states like Chhattisgarh and Tamil Nadu, and developed a nine-point action plan in 2006-07 aiming at reducing PDS leakages, which was formalised in 2012 after consultations with state food ministers.

5.2 Discussion and analysis

In this section, the paper turns to a substantive discussion of how the three main analytical dimensions interact to explain why the PDS was politically prioritised in Chhattisgarh, not Jharkhand. The analytical map (see Figure 3 below) depicts these nested relationships and effects.

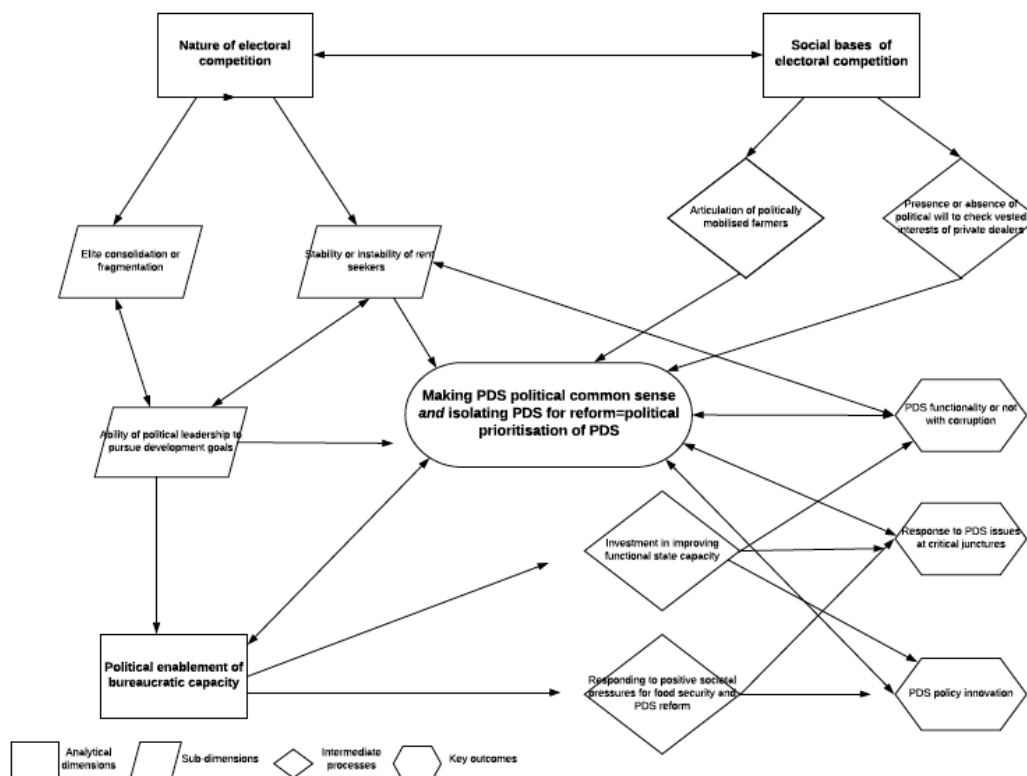
In the *first* part of the analysis, we see how the nature of political and electoral competition and the social bases of political parties come together to inform the making of the PDS as political common sense in Chhattisgarh, not Jharkhand. The significance of key intermediate processes like the mobilisation of farmers and the curtailment of private dealers is highlighted. We also see how elite consolidation versus fragmentation, as a sub-dimension of the nature of political and electoral

competition, shapes the ability of the political leadership to pursue developmental goals, and subsequently, the isolation of the PDS for reform.

This leads on to the *second* part, where we consider the developmental orientation of the political leadership, a sub-dimension of the political enablement of bureaucratic capacity. We show how this is critical to Chhattisgarh investing in improving the functional capacity of the state, as well as responding to positive societal pressures for PDS reform, while this is markedly absent in Jharkhand. This part also shows how key outcomes result, like responsiveness during critical junctures like hunger deaths, and, importantly, PDS policy innovation.

And finally, in the *third* part, we probe into the further implications of the coexistence of high-level rent-seeking with PDS functionality. The stability of rent seekers (a sub-dimension of the nature of political competition) in Chhattisgarh aided the isolation of the PDS for reform, but did not preclude programme-specific corruption to continue. On the other hand, the continuous improvements in bureaucratic capacity in Chhattisgarh resulted in PDS functionality despite PDS corruption, a scenario conversely absent in Jharkhand.

Figure 3: Analytical map



5.2.1 Political and social configuration of electoral competition: the making of PDS as political common sense

The two newly formed states have been marked by strikingly different terms of political competition. Chhattisgarh has seen the BJP and the Congress in close contest. The BJP has ruled the state for three consecutive terms since 2003, under a dominant chief minister, Raman Singh. In contrast, Jharkhand has seen very short-lived coalition governments for the most part since 2000 (12 changes including three spells of president's rule in 14 years). It has been under continuous majority rule (under the BJP) only since 2014. Both states have 'competitive' political settlements, in the specific sense of two- or multi-party competition, though only one has had the benefit of a dominant political leader in power. While, in principle, Chhattisgarh, by virtue of its longer staying political leader, is more likely to prioritise development reform than Jharkhand, the case of the PDS affirms the operation of a more complicated socio-political process.

It is incontestable that Raman Singh has displayed astute political acumen in responding proactively to electoral and other signs, thereby prioritising the PDS and isolating it for reform (we discuss this next). However, this is also because the farming lobby, especially from the fertile rice-producing central plains region, is critical to Chhattisgarh's electoral politics. In fact, both political parties have focused on PDS-related procurement measures, primarily in the run-up to elections. A top Congress opposition leader said, 'Chhattisgarh is a single crop state, so if farmers do not get bonuses (above the Minimum Support Price), then what will happen?'⁸ Farming lobbies like the Kisan Mazdoor Mahasangh are vocal politically.⁹ Chhattisgarh is a state with a 'politically assertive middle peasantry', where the landholding conditions ensure that nearly 64 percent of the area under rice cultivation is covered by holdings of over 4 acres (Tillin, 2013: 121). Table 3 captures the details of announcements of pro-farmer measures and very high bonuses by both parties ahead of each state assembly election, including 2018, in the run-up to the elections later this year.

The BJP's 2013 manifesto explicitly stated: 'the priority of the government is the prosperity of the farmers'. As we have seen, Chhattisgarh was amongst the first states in the country to develop a decentralised procurement policy, unleashing a zealous official drive to expand procurement, which even ended up creating some embarrassing discrepancies. In a span of five years, from 2008-09 to 2012-13, while the area under rice has remained stable at 3.7 mha, the production of rice increased by 42.2 percent, from 4.4 million tonnes to 6.3 million tonnes, but procurement

⁸ Interview, Raipur, April 2016.

⁹ <http://beyondmargins.blogspot.in/2015/04/paddy-what-price.html> and <https://indianexpress.com/article/india/congress-farmer-bodies-plan-protest-in-chhattisgarh-4726789/>

Table 3: Farmer-related announcements by BJP and Congress, Chhattisgarh

	Announcement made by BJP	Announcement made by Congress
2003	<ul style="list-style-type: none"> • Interest-free loan for farmers • Complete withdrawal of land tax • Setting up of a Farmer Welfare Fund 	
2008	<ul style="list-style-type: none"> • Interest-free loan for farmers • Free 5 HP electricity for farmers • Farmer Welfare Fund (recycled from 2003) • Promise of rice at Re.1 per kg to the extremely poor • In 2007, promised Rs.50 bonus per quintal in addition to the Rs.50 already introduced by the Centre. BJP reacted to Congress' announcement of Rs.250 as bonus by announcing Rs.270 as bonus per quintal. On winning the elections, they gave the bonus for one kharif marketing season, but refused to do so from the next year onwards. 	<ul style="list-style-type: none"> • Free power • Promise of rice at Rs.2 per kg to all ration cardholders in Chhattisgarh • Promised Rs.250 in their own manifesto
2013	<ul style="list-style-type: none"> • Interest-free loan for farmers, • Free 5 HP electricity for farmers (recycled from 2008) • 'Kisaan Kalyan Kosh' or Farmer Welfare Fund to be established (recycled from 2003 and 2008) • Bonus Rs.300 per quintal on paddy (no bonus in 2009, 2010 and 2011) • MSP Rs.2100 per quintal for paddy • Provision of Re.1 per kg of rice to the poor • 'Fasal Beema guarantee' or Crop Insurance Guarantee Scheme for farmers • A policy to be formulated for immediate compensation in cases of crop failure • Special agro-forestry zones (not created) 	<ul style="list-style-type: none"> • 35 kg of free rice in a month to BPL and APL families • Free power supply to peasants for 5Hp pumps • Rs.2000 per quintal procurement price for paddy, out of which Rs.500 to be paid to the woman members of their family
2018	<ul style="list-style-type: none"> • 'Bonus Tihar' from 3 to 13 October 2017 around Diwali to give paddy bonus of Rs.300 per quintal procured from them. This will amount to Rs.2100 crore as bonus to 13 lakh paddy cultivators. 	<p>The state Congress Legislature Party leader, T. S. Singhdeo, has appealed to people from all sections of the society, non-governmental organisations (NGOs) and intellectuals to send their suggestions and recommendations for the party's manifesto.</p>

Source: Multiple newspaper reports.

increased by 67 percent from 2.9 million tonnes to 4.8 million tonnes.¹⁰ Moreover, the strong push for procurement and high support prices for farmers by the ruling party has come at a price. The opposition Congress has been quick to call out the BJP, when it has withdrawn bonuses in non-election years, accusing the government of 'cheating farmers'.¹¹ When this situation has combined with drought conditions, as in 2016, the government has been accused of sponsoring a 'tragedy', with 'trusting' farmers being driven to distress, even suicide.¹² In fact, the ruling BJP has come under pressure due to a conflict with the Modi-led central government over its bonuses, frequently the highest in the country. The central government has reprimanded Chhattisgarh for distorting market prices, provoking appeals by CM Singh to PM Modi that 'withdrawing bonuses will reduce buffer stock' and 'adversely impact food security in the country'.¹³ The PDS is a high-profile programme with clear political stakes.

The situation is strikingly different in Jharkhand. To begin with, the land area devoted to foodgrain production is much lower (2.55 million hectares/mh as compared with 5.06 mh in Chhattisgarh in 2015-16; 1.5 mh for rice as against 3.81 mh in the latter¹⁴). Chhattisgarh is amongst the top rice-producing states in the country. And yet, the nearly comparable numbers of cultivators in both states (3,814,832 in Jharkhand, 4,004,796 in Chhattisgarh¹⁵) suggests that more of Jharkhand's farmers have marginal landholdings. They are less politically organised, and do not form a formidable electoral group, unlike in Chhattisgarh. One rice miller in Ranchi lamented,¹⁶

'All states have a procurement policy. Look at Chhattisgarh. Here in Jharkhand, nobody has formulated a procurement policy till date. The same MSP announced by the Centre prevails. It is only because the actual market price is lower than the MSP that the situation is continuing'.

Jharkhand has suffered from lackadaisical procurement, its agencies consistently missing procurement targets.¹⁷ In 2011, it was a late entrant to the decentralised procurement scheme.¹⁸ Consistent operational problems with state procurement agencies led to the appointment of a private agency (the National Collateral Management Agency) in January 2016, though recent reports of its performance

¹⁰ <http://cacp.dacnet.nic.in/ViewReports.aspx?Input=2&PageId=39&KeyId=519>

¹¹ http://www.business-standard.com/article/politics/raman-govt-denied-bonus-to-farmers-over-paddy-procured-115030401569_1.html

¹² Interview with an agricultural scientist, Raipur, April 2016.

¹³ <http://indianexpress.com/article/india/india-others/dont-stop-paddy-bonus-raman-to-pm/> and <http://beyondmargins.blogspot.in/2015/04/paddy-what-price.html>

¹⁴ <http://eands.dacnet.nic.in/PDF/Glance-2016.pdf>

¹⁵ <http://eands.dacnet.nic.in/PDF/Glance-2016.pdf>

¹⁶ Interview, Ranchi, May 2016.

¹⁷ <https://www.hindustantimes.com/ranchi/way-behind-target-jharkhand-procures-1-47-lakh-mt-paddy-in-three-months/story-ql82usR8fM7svS81wJUOSO.html>

¹⁸ <http://dfpd.nic.in/decentralized-procurement.htm>

have not been favourable.¹⁹ The scale of procurement compared to Chhattisgarh is thus much lower in Jharkhand (in 2017-18, the rice procurement target in the former was a staggering 4.8 million metric tonnes, as compared to 0.25 million metric tonnes in the latter²⁰).

From early on, prioritising the PDS made for political common sense in Chhattisgarh. While satisfying farmers through expanded and generous procurement was an important driver, that alone would not ensure the improved delivery of foodgrains to the poor. In 2003, Raman Singh reversed the decision of his predecessor (Ajit Jogi) in 2001 to allow private participation in the running of fair price shops. Reports indicate that local discontent centred on dealer corruption.²¹ The erstwhile principal secretary to the CM said, 'All the shops were controlled by *karyakartas* (workers) of the ruling party. He [Raman Singh] agreed that the shops be taken from nearly 9,000 people. This was indeed a very bold decision'.²² There was a huge backlash, with dealers contesting the move; in 2005, the Chhattisgarh High Court gave its approval to the move, by dismissing more than 400 petitions lodged against the government. Singh is credited for staying firm, risking alienation. Observers offered²³ many explanations, including that the move annoyed a few, but made many others happy, or that many dealers found ways of participating in the new institutional arrangements favouring SHGs. In 2014, there were 11,077 fair price shops, of which 413 are being operated by GPs, 4,354 by cooperative societies, 2,405 by women SHGs, 151 by Forest Protection Committees and 36 by urban local bodies²⁴). The government also introduced various other measures to incentivise dealerships to be viable (like raising the commission to PDS shop owners from three to 35 rupees per quintal; and providing interest-free loans up to 75,000 rupees).²⁵

Such political momentum never unfolded in Jharkhand, where successive political leaders riding fragile coalitions were extremely loathe to alienate any politically important group. Mooij (2001) reported the influential status of the PDS dealers in Bihar and the newly formed Jharkhand. She estimated that there were over 59,000 dealers, whose numbers had increased considerably in the previous decade, in part due to fair price shop licences being handed out to supporters of the ruling RJD party. The PDS dealers' association has remained very active in Bihar, Jharkhand's parent state (Mooij, 2001). In Jharkhand too, dealerships have continued to be dominated by the upper castes. It was simply not on the radar of any government to

¹⁹ <https://www.hindustantimes.com/ranchi/way-behind-target-jharkhand-procures-1-47-lakh-mt-paddy-in-three-months/story-ql82usR8fM7svS81wJUOSO.html>

²⁰ <http://dfpd.nic.in/procurement-figures.htm>

²¹ <http://www.forbesindia.com/article/on-assignment/how-the-pds-is-changing-in-chhattisgarh/19972/1>

²² Interview, Raipur, June 2015.

²³ Multiple interviews with officials and civil society activists, Raipur, 2014 and 2015.

²⁴ <http://www.dailypioneer.com/state-editions/raipur/chhattisgarhs-pds-system-draws-appreciation.html>

²⁵ <http://www.forbesindia.com/article/on-assignment/how-the-pds-is-changing-in-chhattisgarh/19972/1>

take them on. Our interviews in Ranchi with assorted officials and rice millers revealed that an attempt was made in 2009 by the Food Secretary, which led to her own transfer from the post. The absence of any functioning panchayat system (the first panchayat elections were held in 2010) contributed to the virtually unchallenged local power hold of PDS dealers. The PDS system has been opened up to women's SHGs since 2011,²⁶ though it is still the private dealer shops that corner the higher numbers of beneficiaries. And, as a local activist remarked, 'It hardly matters if the dealership is run privately or by an SHG, the commission is so low that dealers are compelled to cheat'.²⁷

The concerted pursuit of PDS reform in Chhattisgarh has yielded a positive popular impression. A 2013 survey organised by important news media revealed that 94 percent of those surveyed were aware of the food security programme and thought well of it.²⁸ A food inspector interviewed in Raigarh district said, 'The PDS has benefited our CM, it has helped him win elections'.²⁹ There are profound spatial variations in PDS implementation in Chhattisgarh, although investigating this is beyond the scope of this research. For instance, the Maoist affected districts in the south (Bastar, Dantewada) have experienced difficult situations, with rations frequently being diverted to the camps used by police and security forces (Sundar, 2016). In Jharkhand, while the PDS has improved in recent years,³⁰ Jharkhand is still amongst the lowest performing states for PDS (Bhattacharya et al., 2017).

Finally, in deep contrast with Chhattisgarh, there is no personal association of the PDS in Jharkhand with any one politician or party. Although some chief ministers of Jharkhand undertook important steps (Hemant Soren, for example, introduced the *chawal diwas* in 2014, and Arjun Munda in 2010 ordered the provision of rice at one rupee to households excluded from the BPL list), the PDS is not part of any leader's dominant political narrative. A brief comparison of the election manifestoes of BJP, JMM and Congress ahead of the last 2014 election revealed no seminal focus on the PDS as such (only the BJP mentions a promise of 35 kg of rice or wheat at Rs 1 per kg³¹). In contrast, PDS/paddy procurement is a key part of the ruling BJP's political success narrative, with 12 out of 36 achievements listed on its website being related to this.³² And, interestingly enough, state largesse on the PDS has not run Chhattisgarh's coffers to the ground. Finance accounts data showed that in 2012-13, the fiscal deficit in Chhattisgarh was the lowest in the country (Choudhury, 2015). This is partly attributed to the generalised measures for fiscal consolidation required

²⁶ <https://www.telegraphindia.com/states/jharkhand/efforts-to-revamp-pds/cid/416889>

²⁷ Interview, Ranchi, May 2016.

²⁸ <https://www.firstpost.com/politics/bjp-to-retain-power-in-chhattisgarh-survey-1212277.html>

²⁹ Interview, Raigarh, March 2015.

³⁰ <https://www.dailyo.in/politics/pds-biometric-aadhaar-card-public-distribution-system-bpl-apl/story/1/20208.html>

³¹ <http://www.bjp.org/en/media-resources/press-releases/salient-points-of-bjp-manifesto-for-legislative-assembly-election-2014-for-jharkhand-state>

³² <http://www.bjpcg.com/>

by the Centre of all states, though the prudent role of the revenue bureaucracy in improving Chhattisgarh's tax collection mattered too.³³

5.2.2 Political enablement of bureaucratic capacity: Isolation of PDS for reform, PDS innovation and responsiveness

The nature of political leadership at the time of state creation played a significant role in shaping bureaucratic capacity in the initial years. Moreover, as we argue, public action, civil society engagement and judicial intervention also contributed to the deployment of bureaucratic capacity for initiating food policy reform and improving implementation, but to different degrees of effectiveness in the two states.

The creation of a new state offered the opportunity to set new administrative standards and energise the bureaucracy. Chhattisgarh benefited from a cleaner bureaucratic protocol, with the division of its bureaucratic cadre handled more effectively than Jharkhand (completing the process of state cadre bifurcation in two years, as compared with four in Jharkhand). Conveying the enthusiasm of being assigned to the new state of Chhattisgarh, a high-ranking official³⁴ said, 'When I came to the state I was very happy. When you come to a new state you set the standards, the benchmarks'. Importantly, Chhattisgarh's first chief minister was an ex-civil servant, who was able to lay out a clearer administrative vision for the state and build greater cohesion within the bureaucracy. In contrast, in Jharkhand, the incoming political leadership was less experienced in administration, and, in the words of a senior IAS officer, 'the bureaucracy became a group by itself, more seasoned in politicking than the politicians themselves'.³⁵ A group of bureaucrats actively 'schooled' the new political rulers in 'how to make money through files, tenders and appointments' (ibid.).

Many senior IAS officials in Jharkhand interviewed for this research commented on the factionalised nature of the cadre, which has abetted multiple processes of rent-seeking. Many felt that Jharkhand was 'no place' for 'honest officials'. The absence of stable terms of political leadership left the bureaucracy rudderless and uncertain about their term and position in Jharkhand. These initial conditions played an important role in shaping the trajectories of PDS reform and implementation in the two states. Jharkhand's Food and Civil Supplies department saw a high turnover of secretaries, with 21 transfers between 2005 and 2015, while Chhattisgarh's food secretaries had more stable stints, with only six transfers in 10 years. As a result, bureaucrats in Chhattisgarh were able to drive and stabilise the reform process better compared to Jharkhand.

This political enablement of bureaucratic capacity resulted in the prioritisation of some key administrative goals. In Chhattisgarh, a concerted effort was made to

³³ Interview with the first finance secretary of Chhattisgarh, Raipur, August 2014.

³⁴ Interview with senior IAS official, Raipur, June 2015

³⁵ Interview with senior IAS official, Ranchi, August 2014.

increase revenues by accelerating mobilisation efforts through revamped tax norms and ensuring stricter compliance.³⁶ This comfortable fiscal deficit allowed the government to expand the PDS by increasing coverage and also creating new administrative posts for monitoring the programme. Ample fiscal space therefore allowed Chhattisgarh to back a clear welfare agenda with the necessary resources. In addition, stern messages and the threat of action against corruption in the PDS were sent out by the top leadership – ‘the tenor was set from the beginning’, said a high-ranking civil servant. The symbol of religious fasting, or ‘*vrat*’, was used to appeal to PDS officials to stay clean: ‘This is a year of fasting – no one will take money’.³⁷ In contrast, revenue mobilisation was not similarly prioritised in Jharkhand in the early years, resulting in lower revenue collection than in Chhattisgarh, despite having a similarly sized tax base (Choudhury, 2015).

Expanding the capacities of the frontline state to deliver its food subsidy programme was a key administrative goal that was prioritised in Chhattisgarh. There are 559 sanctioned posts for food inspectors in Chhattisgarh, who monitor implementation and ensure people are getting their full entitlement. In contrast, Jharkhand only has 264 sanctioned posts for block supply officers, who play a similar role. While each food inspector in Chhattisgarh is assigned to a cluster of panchayats, instead of an entire block, to maximise effectiveness, there are a large number of vacancies. The latest Food Department reports (2016-17) indicate that out of 559 food inspector posts, 289 remain vacant. In Jharkhand, line department vacancies are also common and significantly impact upon effectiveness. For example, out of 264 sanctioned posts for the block supply officer, 130 remain vacant.³⁸

In Chhattisgarh, while vacancies persist – suggesting that the problem of boosting bureaucratic capacity in the most fundamental sense is a difficult one to address –, administrators are sensitive to this, and adopt creative approaches to get the job done. As a highly ranked civil servant said,

‘At the time of state creation, we had 146 blocks and we needed 180 people for all blocks, but we had only 90. An additional budget had to be created, and because we are resource rich, we had the fiscal space to do this. Then it was a question of priority: how much did we want that inspection to be done? As there was a will, there were enough posts, even within the existing administration, that could be converted into food inspector posts. When there is political will, then the bureaucrat finds some way to do this.’³⁹

How the bureaucracy prioritised the PDS also becomes evident in its relationship with civil society. To a large extent, civil society engagement with the government on

³⁶ Interview with senior IAS official, Raipur, August 2014.

³⁷ Interview with senior IAS official, Raipur, June 2015

³⁸ Information obtained through RTI.

³⁹ Interview, Raipur, June 2015.

food security issues in both states was led by a Right to Food commissioner appointed by the Supreme Court to monitor the implementation of its orders on the Right to Food case. These SC commissioners, who were former civil servants and 'eminent activists' with movement-based backgrounds and long-standing experience with grassroots organisations, inevitably became a channel through which civil society communicated their concerns to the government (Pande, and Houtzager 2016). Although judicial backing and the relative autonomy of the commissioners' position were supposed to lend credibility to the concerns raised by civil society, the effectiveness of the commissioner's office in moving the bureaucracy still differed in the two states.

Both Jharkhand and Chhattisgarh have active state chapters of the national Right to Food campaign, which have pursued the demand for food as an intrinsic right to life through legal and grassroots struggles. The Right to Food campaign became 'a crucial political partner of the courts through their persistent engagement with legal decision-making and bureaucratic reform (Gauri and Brinks, 2008; Hertel, 2014). While in Jharkhand, public action predominantly assumed the form of public hearings and protests; in Chhattisgarh, legal advocacy work was also emphasised. The Raipur High Court passed two interim orders related to the Right to Food case, but no such orders were passed in Jharkhand. The court orders proved consequential. Concerted district- and local-level mobilisation and investigations of complaints around the non-implementation of the court's orders bolstered the lobbying of civil society activists in Chhattisgarh. Moreover, community health workers, who were part of the state-wide Mitamin programme also played an important role in raising awareness around nutrition, and formed nutrition monitoring committees (Garg, 2006).

Benefiting from the wider context of decentralised public services, grassroots mobilisation in Chhattisgarh thus took on a more institutionalised form. Some civil society activists were also able to embed themselves within public institutions, such as the State Health Resource Society, to promote the idea of a more universal right to food and health. This perhaps stemmed from the notion that Chhattisgarh's bureaucrats viewed 'civil society as reasonable'.⁴⁰ In Jharkhand, in comparison, civil society activists lamented the 'repressed' nature of Jharkhand's bureaucracy, which, in the absence of 'political will', was not responsive to the demands and issues raised by the Right to Food campaign in the state.⁴¹ And yet, while the bureaucracy and civil society have shared a close relationship when it comes to food policy in Chhattisgarh, we cannot forget that the government's record of dealing with activists and dissent more generally (particularly left-wing extremism) has been marred by cases of human rights violations and violent repression (Sundar, 2016).

Both states experienced starvation deaths in the early years of statehood, but with very different 'trigger effects'. The 2001-02 episode in Palamu district of Jharkhand

⁴⁰ Interview with prominent health and nutrition activist, Raipur, December 2014.

⁴¹ Interviews with activists, Ranchi, November 2014.

did not stir the political leadership to action. Although civil society groups highlighted the shocking conditions that led to these hunger deaths and called for state intervention through the PDS, according to a senior activist in the state,⁴² the cases were denied in the legislative assembly. In contrast, starvation deaths in Dantewada district in 2004 became an important turning point in Chhattisgarh's PDS reform trajectory. The commissioner on the Right to Food case was able to successfully mobilise senior bureaucrats to set up a 'high powered committee on starvation' and assess the functioning of the PDS in tribal areas. During the visits of this committee, which were guided by civil society groups, senior bureaucrats took note of several implementation irregularities and reassigned food inspectors to particularly vulnerable areas. It was after this intervention that Chhattisgarh initiated the de-privatisation of fair price shops. As a testament to this productive relationship between the bureaucracy and civil society in Chhattisgarh, an activist pointed out that 'Where the Right to Food campaign was strong, they were able to take on vested interests. They knew that they had state support'.⁴³

Another trigger that galvanised civil society engagement with the government in Chhattisgarh came with the defeat of the BJP in a crucial by-election in Kota in 2007, which only confirmed the electoral appeal of the farmer-driven PDS. According to the food and civil supplies secretary in Chhattisgarh,

'the core reason for why reforms happened in Chhattisgarh was the specific incident of the BJP's electoral defeat in the 2005 by-election. Post the result in a press conference, the CM said, "We lost because we weren't able to supply rice in the PDS shops".'⁴⁴

Apparently within 10 days of the Kota defeat, Singh put together a crack team of bureaucrats who were given the additional charge of food and civil supplies. It was during this time that the inputs of civil society were solicited and acted on by state officials. In Jharkhand, things improved marginally after 2009, when the governor took a personal interest in the PDS during a brief period of president's rule, and a proactive administrative services officer initiated a series of key reforms, including doorstep delivery, the opening of 12,000 new fair price shops to self-help groups and free foodgrain to 2.4 million drought-affected poor families. Chief ministers, who took an interest in the PDS in Jharkhand, undertook populist measures, rather than systematic improvements as in Chhattisgarh.

In Chhattisgarh, it could be argued that the nature of the political leadership and its relationship with the bureaucracy enabled the productive deployment of state capacity, allowing the state to respond to organised civic and public action in the realm of food policy. The strong moral and relatively indisputable basis of food

⁴² Interview, Ranchi, August 2014.

⁴³ Ibid.

⁴⁴ Interview, Raipur, June 2015.

provision certainly helped matters, allowing the government to respond much more benignly to civil society pressure than, for example, in the arena of extraction. In this latter, the polarised nature of positions and demands has led to much more repressive reactions by the state. In Jharkhand, that civil action around food was not particularly effective is paradoxical, given its rich social movement legacy. However, given the messy realities of political competition and the internal organisation of the bureaucracy, activists were not able to elicit state responsiveness to their demands.

5.2.3 Elite rents and state capacity: PDS functionality and PDS corruption

Both Chhattisgarh and Jharkhand are mineral-rich states. Statehood meant that plentiful iron and coal resources were available for extractive rent-seeking by political elites. On a grand scale, a steady top-level political leadership, in power for over a decade, has benefited from the continued availability of extractive rents. As Chief Minister, Raman Singh has held tight control over the mining and industry portfolios. He has personally overseen the signing of multiple MOUs (memorandums of understanding) with mining companies, and weighed in on the allocation of coal and iron blocks to favoured parties. A Public Interest Litigation (PIL) was filed in 2013 in the Chhattisgarh, directly implicating the CM.⁴⁵ In Jharkhand, successive high-level political leaders, including Chief Ministers Shibu Soren and Madhu Koda, have influenced discretionary coal and iron allocations and faced serious corruption charges. Perhaps less relevant to this argument, although important still, is that Jharkhand's politicians have lacked Chhattisgarh's formidable PR machinery, that accompanies a long-staying political party in power.⁴⁶ As a result, extractive rent-seeking in Chhattisgarh has not suffered the same level of public exposure as in Jharkhand, where it has been more brazen. In both cases, then, extractive rent-seeking exists, but only in Chhattisgarh did the political elite prioritise and isolate the PDS for reform, as explained by the previous two sections.

In Chhattisgarh, greater stability of tenure and a steady supply of big rents allowed its chief minister to prioritise some areas of reform, whereas in Jharkhand, there is commensurate instability, wherein short turnovers meant that rent-seeking considerations wiped out any serious engagement with reform. Extending the analysis offered by Chhibber and Nooruddin (2004), Hickey et al. (2016) and others, this paper shows that when there is contained political competition and a long-staying dominant leader (Chhattisgarh), high-level rent-seeking can coexist with the pursuit of developmental outcomes, more than in a situation where the political competition is fragmented (Jharkhand).

Nevertheless, this still begs the question: has the political insulation of the PDS eliminated programmatic corruption within the PDS in Chhattisgarh, more than in

⁴⁵ Interview with litigant, Raipur, August 2016.

⁴⁶ A strong government in power in Chhattisgarh is suspected to have warded off the centrally appointed Shah Commission on illegal mining from scrutinising the state at the same time as Jharkhand.

Jharkhand? The evidence here is complicated, and suggests that programmatic reform in Chhattisgarh has coexisted with some elements of patronage as well as wilful corruption.⁴⁷ Chandra (2004) writes that politicians generally prefer to provide 'patronage goods' like handpumps and licences, rather than policy legislation or reform. She argues that the former ensures a continuous 'sale' of particularised benefits and the earning of political loyalty, whereas the latter wins one-time vote support. However, as we have seen, PDS has the built-in programme advantage, whereby policy reform has enabled a continuous flow of subsidised food to a large majority, winning continuous electoral support. While superior bureaucratic capacity has been tackled effectively to curb corruption in order to improve delivery, on the one hand, equally, corruption continues at multiple stages of the complex procurement chain. This latter can be thought of as a form of patronage, whereby ruling political elites allow state resources to be used to either re-purchase the same rice twice, or pay for more rice than is procured, with the rest being siphoned away to the black market, in exchange for the political support of traders, rice millers and transporters. This contrasts with Jharkhand, where rent-seeking is indiscriminately existent, and this, combined with poor bureaucratic capacity, is hampering its effective functioning considerably.

As previously discussed, superior bureaucratic capacity in Chhattisgarh, principally in terms of staffing and better institutionalised procedures, has been a critical asset for the top-level leadership and bureaucracy in weeding out everyday corruption in PDS delivery. Raman Singh's strict message to MPs, that this was a programme that 'had to be made to work',⁴⁸ was accompanied by his personal oversight over monitoring procedures (described in detail in Tillin et al., 2015; Bhattacharya et al., 2017). Curbing PDS corruption in successive stages (a few highlights include: checking dealer corruption through de-privatisation; raising dealer commission rates to incentivise honesty; and curbing corrupt private transporters by replacing these with state-owned vans; see Bhattacharya et al., 2017) has been a major component of the Chhattisgarh government's PDS success narrative. The state reduced leakages from 51.7 percent to 9.3 percent from 2004-05 to 2011-12 (Dreze and Khera, 2015).

This also explains the scale of uproar when PDS corruption became public, amongst the most dramatic being the *Nagarik Apoorti Nigam* (NAN) crisis of 2015-16. This is the government body housed within the Department of Food and Civil Supplies responsible for procurement. Large wads of cash were discovered in the homes and offices of senior officials,⁴⁹ casting doubts on the acquiescence of the CM. The man nicknamed as the '*chaur baba*' (rice man) was even lampooned as '*chaur chor baba*' (rice thief). This confirmed what 'insiders' (politicians, journalists, agricultural scientists, the traders and millers involved in the rice trade) to the system long knew:

⁴⁷ See Kelsall and Heng (2016) for a gripping account of the symbiosis of patronage and programmatic reform in the health sector in Cambodia.

⁴⁸ Field interview with a local political leader, Raigarh, March 2015.

⁴⁹ <https://www.firstpost.com/business/economy/scam-stains-famed-chhattisgarh-pds-systemic-loot-runs-into-crores-2161081.html>

Figure 4. Nested flows of corruption in the PDS system



Source: Interview with key informant, Raipur, April 2016.

the procurement system ensured the interests of middlemen (who are not aligned to any one party, but are critical actors in the local political economy), the lower-level party workers of the BJP (who take charge of local procurement centres), and rice millers (who are clearly pro-BJP). One informant painstakingly described a six-level nested process of corruption that flourishes within the PDS system in Chhattisgarh (see Figure 4). A second controversy that also damaged the government's credibility was the 'bogus' cards matter of 2013-14, where much was made by the opposition of the issuing of over 1.4 million cards to ineligible or non-existent beneficiaries.⁵⁰ A top-ranking advisor to the CM said, 'The CM was advised not to reduce its excess cards. However, finally the government could not go through the card cancellation campaign, and had to take back its announcement'.⁵¹ Despite these controversies, even opposition leaders think he is incontrovertible: 'nothing is touching him', said one.⁵²

In Jharkhand, PDS leakages remain high, despite improvements (85.2 percent to 44.4 percent from 2004-05 to 2011-12, according to Dreze and Khera, 2015). Jharkhand inherited a weak bureaucratic apparatus from Bihar, as much damage had been done during the Laloo era to de-institutionalise the state, in order to reduce the grip of the upper castes (Mathew and Moore, 2011). However, as previously argued, politics in the new state did nothing to improve matters. There is a great dearth of food inspectors, tasked with quality inspection in FCI- and SFC-run godowns, as well as the fair price shops, and relaxed norms of conduct. One PDS shop owner in Ranchi quipped, 'it is a big deal if a food inspector comes once a year'.⁵³ Since the BJP government came to power in 2014, however, the new administration has tried to improve matters. The proactive food and civil supplies minister is reportedly trying to urgently address the problem of manpower in the department,⁵⁴ as well as ushering a new phase of technocratic reforms centred on biometric authentication.⁵⁵

Procurement within Jharkhand's PDS system operates at a much smaller scale than does Chhattisgarh's, but the system has suffered from entrenched corruption. In a similar vein to Chhattisgarh, a close compact between the rice miller and middlemen ensures that farmers are often paid a price below the MSP. But, unlike Chhattisgarh, the problem is not one of 'excessive' engagement by actors within the procurement system (which leads to situations like the double counting of rice), but perhaps of a deficit. There are massive problems with rice collection and transportation, with rice routinely not being collected to and from the FCI godowns. The State Food Corporation (Jharkhand's equivalent of NAN) is a decrepit and understaffed

⁵⁰ <https://indianexpress.com/article/india/india-others/fake-ration-card-scam-accused-is-now-chhattisgarh-bjp-treasurer/>

⁵¹ Interview, Raipur, June 2015.

⁵² Interview, Raipur, June 2015.

⁵³ Interview, Ranchi, May 2016.

⁵⁴ Interview, Ranchi, May 2016.

⁵⁵ <https://timesofindia.indiatimes.com/city/jamshedpur/Jharkhand-minister-favours-technology-to-check-PDS-corruption/articleshow/50509303.cms>

organisation. Dealers are particularly angry, as they bear the brunt of losses, having paid for grain that languishes in the godowns. There is a collusion of interests between private transporters and SFC officials that further explains irregularities and delays in delivery. However, the shock value of exposing PDS corruption is not a fraction of that in neighbouring Chhattisgarh, as it is simply par for the course. In summary, the PDS works with some elements of corruption in Chhattisgarh, whereas in Jharkhand, the more pervasive nature of corruption means that it does so to a limited extent. Better bureaucratic capacity in Chhattisgarh has been critical to implementing reforms, which is conspicuous by its absence in Jharkhand.

As a postscript, in the latest phase, the central government-initiated digital identification scheme (Aadhar) is impacting upon both states' ability to implement the PDS, albeit differently. Right to Food activists all over the country have protested the top-down requirement of linking the Aadhar number to a beneficiary's ration card, without which she may be denied rations.⁵⁶ In Chhattisgarh, reported problems led to a prompt response from the Food Secretary that the state would not allow anyone to go without food.⁵⁷ The commensurate response has been chaotic in Jharkhand, where the government was caught on the wrong foot, even denying suspected 'starvation deaths'.⁵⁸ The food minister has openly differed from the food secretary, who had indicated that only the Aadhar-linked cards would be permissible. The chief minister of Jharkhand has favoured a move to a cash-based system (Direct Benefit Transfer), bypassing the PDS altogether, but this has been recently withdrawn following wide-scale protest⁵⁹.

6. Conclusion

Food security programmes come with a strong moral imperative. Popular mobilisations for the Right to Food across the world have focused the spotlight on the state to back food security interventions. However, there remain important variations in the political prioritisation of food-based welfare programmes. We find that, despite the seemingly universal appeal of a food subsidy programme like the Public Distribution System in India, political incentives that drive support for the programme differ considerably between its subnational regions. This paper explores precisely why and how the Public Distribution System receives varying levels of political and institutional support under distinctive subnational environments.

India's nationally driven food security programme, with its long history, provides an appropriate context to scrutinise this subnational variation and ask why the PDS is

⁵⁶ <https://www.dailyo.in/politics/pds-biometric-aadhaar-card-public-distribution-system-bpl-apl/story/1/20208.html>

⁵⁷ <https://www.ndtv.com/india-news/in-chhattisgarh-insistence-on-aadhaar-is-disrupting-a-successful-pds-system-1684752>

⁵⁸ <https://www.hindustantimes.com/india-news/pds-struggle-on-in-jharkhand-govt-denies-starvation-deaths/story-dxh4Fy1ShHWGsE7J4zqXsJ.html>

⁵⁹ <https://thewire.in/rights/after-months-of-protest-jharkhand-govt-withdraws-direct-benefit-transfer-experiment>

prioritised in one state, and not in another. Chhattisgarh and Jharkhand, with similar demographic and nutrition profiles, make for a productive comparison, where we could also exercise some control over the starting point, which has not been vigorously explored in the literature so far. The paper poses three analytical questions, drawing upon the specific conditions of these cases, and their political histories as new states. First, why is it that Chhattisgarh's upper caste elite pushes for PDS and Jharkhand's adivasi leadership does not? Second, despite its richer context of civil society activism, why was civil society in Chhattisgarh able to influence the bureaucracy more effectively? And third, even though both are mineral-rich states, whose leaders engage in extractive rent-seeking, why does Chhattisgarh's leadership insulate the PDS for reform, but Jharkhand's does not?

In addressing these questions, the paper engages seriously with the question of the political deployment of state capacity, which has been the subject of the latest wave of critical scholarship on welfare provision (Centeno et al., 2017; Vom Hau, 2012; Vom Hau and Hickey, 2016). It shows that three key dimensions –nature of political and electoral competition; the social bases of political parties; and the political enablement of bureaucratic capacity – interact to produce the political prioritisation of the PDS in Chhattisgarh, but not in Jharkhand. Conceptually, the paper thus builds on a long tradition of research on welfare politics, which takes a class relational and democratic politics approach, but adds other elements around political coalitions and their particular use of bureaucratic capacity. The paper's contribution lies especially in demonstrating the nested effects of these dimensions. As the analytical map (Figure 3) shows, important sub-dimensions and intermediate processes interact to shape key outcomes (like PDS policy innovation, responsiveness at critical junctures, and functionality despite corruption) that both demonstrate *and* reinforce the political prioritisation of this programme. The analysis pursued through this approach also helps answer the three questions in the following ways.

First, close competition between two national parties, which built considerable pressure on the ruling party to deliver on its poll agendas, and an electorally important farmer constituency drove Chhattisgarh's leadership to simultaneously prioritise policies of decentralised procurement and PDS reform. In Jharkhand, on the other hand, a fractured political mandate, lack of internal party cohesion and the absence of electoral pressure on reforming the PDS meant that patchy implementation persisted for nearly a decade since state creation.

Second, while bureaucratic capacity in Chhattisgarh was developed through early political leadership and some inherited advantage from Madhya Pradesh, in Jharkhand, the fragmented bureaucracy mirrored the political landscape in the state. The responsiveness of the bureaucracy to judicial intervention and civil society that followed was perhaps predicated on this. This may explain why, even though civil society mobilisation in Jharkhand has a richer legacy, it has been less effective in leveraging the bureaucracy to introduce PDS reforms.

Finally, though the political leadership in both states engaged in high-level and high-stakes rent-seeking, the sheer fact of tenure stability of the elected elites in Chhattisgarh meant that they enjoyed a steady supply of rents, allowing them to prioritise some areas of developmental reform. This was not the case in Jharkhand, where short-lived governments indiscriminately engaged in pervasive rent-seeking. And yet, the paper also shows that the political insulation of the PDS in Chhattisgarh for reform did not wipe out programmatic corruption here; although PDS corruption did not greatly compromise foodgrain delivery, unlike in Jharkhand. The relative superiority of the bureaucratic mechanism in the former mattered.

We hope that the analysis presented here will be useful beyond the particular case of these states or even the Public Distribution System in India. In offering an explanatory framework for the political prioritisation of welfare that goes beyond elite-centred accounts, a relational account of bureaucratic capacity that demonstrates the relevance of politician–bureaucratic relationships for state functionality and responsiveness, and a nuanced understanding of the interaction between rent-seeking and the pursuit of developmental outcomes, the paper also seeks to advance the repertoire of conceptual tools available for understanding the many guises of the welfare state.

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