

Towards a Critique of Maharashtra's Political Economy: Conceptual Cobwebs and Policy Puzzles¹

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Studies and commentaries on the economy and politics of the state of Maharashtra, over the last 50 years of its history, in the media or in the scholarly work of some of the distinguished thinkers and researchers, three or four major themes seem to recur as serious contradictions or paradoxes between the professed visions of the state and its unflattering reality. The most glaring of these is the rapid and simultaneous growth of unprecedented affluence for a few and life-threatening poverty for many. An equally rapid but highly truncated urbanisation and the festering problem of regional disparity follow. All the three are closely interrelated and are reflected in the fourth issue that has recently concerned the scholars and media. It is the phenomenon of farmers' suicides, particularly in Vidarbha.

In the early days after the creation of the state, Yeshwantrao Chavan, the then Chief Minister, had identified most of these as the most pressing problems facing the newly created state.² He assured the citizens through his speeches that his government was ready to confront them all. He seemed confident that they could be tackled under his leadership. Fifty years later, we are still talking about the same set of problems, as not only unresolved but also substantially aggravated. There is a reason to wonder why.

These issues of rapid polarisation of wealth and poverty, highly skewed urbanisation, regional disparity and the lack of sustainability of much of the state's agriculture, which Chavan had identified in the 1960s, have been on the agenda of state leaders of all parties for the past five decades. Numerous committees, commissions and commentators have raised them and offered policy recommendations to overcome them. Some of them have even been implemented with some success. Our concern about the current state of Maharashtra's political economy translates, therefore, into the larger question of why these issues have

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² For example, in 1961, in an inaugural speech to a conference of economists, he spoke of the vast drought-prone regions, the dramatic growth of Mumbai at the expense of the rest of the state (as evidence of skewed urbanization), the absence of growth of a producers' goods industry and the dearth of employment and trained manpower as critical issues needing the state's immediate attention. See Chavan, Y.B. 1962 *Sahyandriche Ware* (Mumbai, Prakashan Vibhag, Maharashtra Sarkar) (63-68).