

# **Global and Indian Political Economy: Theory, Practice and Challenges**



## **The Twenty Sixth Annual Conference of The Indian Political Economy Association**



**Feb 17-18<sup>th</sup> 2023, Department of Humanities and Social Sciences,  
GITAM University, Vishakhapatnam**

Indian Political Economy Association is organizing its 26<sup>th</sup> Annual Conference at GITAM University, Vishakhapatnam, during Feb 17-18<sup>th</sup> 2023. Global economy currently is at a cross road, when recession ridden economies across nations, which are trying to recover from a global Pandemic, are also facing the economic consequences of a protracted war. The Indian economy faces the challenges sustaining growth, employment and macroeconomic stability. The crisis and constraints often manifest in other systems of the society such as politics, culture and institutions. Hence there is a need to see the resonance in geo-politics, economic affairs and political processes. There is a need to combine empirical studies with theoretical issues that give us foundational understanding. This Conference has chosen the following themes that aim to reflect critical and reflexive thinking.

1. Crisis of Globalization: Geo-political conflicts, Inflation and Recession in the Post-Covid World
2. Indian Economy: Performance and Projections
3. Theoretical Issues in Political Economy
4. Trends in Political Democracy in Indian and the World
5. Growth and constraints of Economic Development in Andhra Pradesh

### **Concept Note**

#### **1. Crisis of Globalization : Geo-Political Conflicts, Inflation and Recession in the post-Covid19 World**

The US-hegemonic Globalization strategy that promised a shared prosperity, in post-Cold War period, began showing its cracks after the Global Financial Crisis of 2008 and China's rise as a rival economic and military power. The Covid19 pandemic has driven the wedge further deep. Following the fall of Soviet Union, the imagined unipolar world under the US hegemony was promised a new cooperative neoliberal world system, entailing free commodity and capital mobility, discarding labour, ecological and capital controls. While the new arrangement did

give a short term fillip to the global growth, the over-accumulation of capital derailed the project, resulting in a long recession. The monetary easing strategy to tackle the post-Covid19 challenge on the top of it, far from enabling a recovery, resulted in one of the worst 'stagflationary' crises. The Ukraine-Russia war, at this juncture, has brought the broad contradictions among the geo-political powers to a higher level, whose consequences created existential threats to not only advanced countries but for the poor countries as well. The political manifestation of the collapse of unipolar world came sharply to the fore with the escalation of Ukraine war and the US attempt to stir up the Taiwan-China issue. The myth of unipolarity is further exposed when the unilateral sanctions against Russia by the US are openly disregarded by nations. The conservative monetarist solution of raising Fed rates to tackle inflation, far from solving the inflation crisis, led to collapse of economies with large trade deficits. What do these shifts in geo-political order mean for the current stage of world system? Does multi-polarity lead to more democratized world order or more conflict-ridden one? Is there a desperate attempt by a loose global alliance of rogue capital that wants to re-establish control over natural resources? Is the current ongoing conflict a temporary one or precursor for dangerous conflict? Can the world find alternative trading mechanisms, bypassing US-controlled hegemony? The conference invites papers on these issues concerning us.

## **2. The Indian Economy: Performance and Projections**

The challenge that the Indian economy currently faces is not simply one of recovering from the effects of a Covid19 pandemic related economic shock. Two previous and successive shocks that were peculiar to its context, namely those resulting from demonetization and the introduction of the GST, had earlier been inflicted on the Indian economy that was already exhibiting several other tendencies indicating a loss of expansionary momentum in the 2010s decade – like a declining investment ratio, stagnation in foreign trade, and a marked growth slowdown in the industrial and construction sectors. An agrarian crisis, growing and massive unemployment and inequality, defining features of the neo-liberal era, has also provided the general background for these trends. Despite these pointing towards a deep crisis afflicting an economy that is still in the bottom half of the lower middle income group of countries, narratives about India being on the path towards becoming an economic superpower abound. The refusal to acknowledge undeniable facts and the possibly grimmer realities that are concealed behind problems with data, and underplaying the vulnerabilities that India might face as the crisis of Globalization and of climate change play themselves out, serve to rationalize an obstinate refusal on the part of the Indian state to make any policy corrections. The conference invites papers that would analyze these different aspects of India's economic reality and the inter-connections between them, in order to identify the possible contours of future development and the social and political contestations that will be play the deciding role in the process.

### **3. Theoretical Issues in Political Economy**

Mainstream economics imposes a dominant narrative that there is only one approach to understand economic reality, i.e., to comprehend phenomena such as growth, development, employment, distribution, or price formation. The Marginalist approach reduces the economic problematic to demand-supply equilibrium theory and rational choice under putative scarcity, overriding real and conceptual anomalies. A false narrative of social Darwinism afflicts not only economics, but social sciences in general. Political Economy and the Heterodox approaches, on the other hand, tend to raise questions of real world, build consistent and rigorous theoretical foundations. Political Economy is open ended and pluralistic to provide a firm theoretical framework for the study of socio-economic progress. It is also an open-ended counter-*homoeconomicus* framework, unlike the neoclassical closed deterministic equilibrium models. Theoretical strands of political economy such as Classical political economy, Marxian political economy, Post Keynesian economics, Feminist political economy among others are open-ended frameworks taking concrete historical, social and institutional factors to explain the economic outcomes, such as growth, development, employment, distribution, or price formation. Political economy also provides the scope to re-examine or explore various concepts and categories in economics from various perspectives such as its methodology, history of economic thought, primitive accumulation, social surplus, social classes, distribution, growth, prices and the role of the state. We invite papers that engage in conceptual issues and problems in political economy.

### **4. Trends in Political Democracy in India and the World**

A concerning phenomenon around world in the post-Global Financial Crisis period is a marked change in the nature of political democracies across nations. Constitutional democracies promise participative politics and institutional safeguards for the citizens. Cold War period heralded times of social democracy. Most countries, including India, enacted a variety of legislations in increase participation and rights of citizens. The Constitutional morality enshrined in the Preamble, Directive Principles and the Constitution provided the democratic philosophy. India managed reasonable degree of success in upholding parliamentary democracy and fairly transparent electoral process. However there are good and not so good times for democratic politics in the past history. Western European nations managed a fair degree of social democracy, US adopted multi-culturalism and India adopted secularism as foundational values. However, in the post-Financial Crisis period, there has been a sway of right wing parties that have managed to come into power. In many countries, there has been centralization of authority, India being no exception. In Indian politics, despite regional parties being in power, patrimonialism runs deep and tend to depoliticize political discourse. The Conference invites papers on these issues from scholars, activists and academicians that argue for revitalization of democracy in India.

## **5. Growth and constraints of Economic Development in Andhra Pradesh**

The state of Andhra Pradesh experienced a bifurcation in 2014 to take a re-birth in its original geographical state that existed before 1956. Since then, the State has managed a decently higher long term rate of growth of 6.69 percent during 2014-2021, higher than the national average rate of growth of 4.9 percent. The state has a vibrant agricultural economy with a moderately big industrial sector. The A.P state has an exceptionally remarkable welfare programs, known as 'Navaratnas', that entail a significant cash transfer to the poor households. However, the state had to borrow heavily to finance this welfare expenditure, crossing direct and indirect limits, making it one of the most indebted states. The neoliberal welfare model raises several questions regarding issues of falling public investment in agriculture and infrastructure and sustainability of public debt. Papers with critical analysis are invited from scholars using political economy of development as a framework.

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### **Instructions for paper submissions:**

1. Paper abstracts can be sent by 31<sup>st</sup> December 2022, and final paper, not exceeding 4000 words, should be submitted by 31<sup>st</sup> January 2023.
2. The papers can be sent to : [ipeaconference2023@gmail.com](mailto:ipeaconference2023@gmail.com)
3. The registration fee of Rs.2000 (IPEA Member) the Conference fee will have to be paid to Dr. Dhananjay Kumar, the convenor through GPay/PhonePay/Paytm @9852374889
4. No travel allowance shall be paid. Participants have to reach the venue on their own.
5. Lodging, boarding and local hospitality shall be taken care.