

## Changing Basis of State Formation in India

**Atosha Bellai**

Faculty Member, Department of Political Science, Indira Gandhi Govt College Tezu, Lohit District, Arunachal Pradesh

**Abstract:** The state formation of India has not been a static process; it has had its different historical stages, which were influenced by the political power, economic formations, social relations, and ideological movements (Chatterjee, 1997). India serves as a good example, with a stratified and multi-layered process of state building, of a transition between pre-colonial polities with fragmented sovereignty and localised power, and a highly centralised colonial administrative state. The Indian state after gaining independence in 1947 was reconstituted based on constitutional, democratic and developmental principles. The political legitimacy and institutional stability of a new independent and heterogeneous society were guaranteed by the adoption of a written Constitution, the introduction of universal adult franchise and a strong federal system. The state formation during the first post-colonial decades was associated closely with the planned economic growth, expansion of the public sector, and the welfare-based policies, therefore, strengthening the position of the state as the main driver of nation-building (Kohli, 2004).

But since the end of the twentieth century, the foundation of state formation in India has been transformed drastically. The interplay between the state, the market and society has changed due to economic liberalisation, globalisation and a fast change in technology. The modern Indian state has gained its power not just due to the constitutional and democratic legitimacy, but also due to its ability to provide economic development, control identities, and implement digital governance practices. At the same time, the emergence of identity politics, cultural nationalism and tension between the centre-state has transformed political underpinnings of the state. This paper contends that the transformation of the foundation of state in India indicates that this is a move towards a more market-oriented, technocratic and ideologically aggressive state as opposed to a more developmental and welfare-oriented state. Based on historical-institutional and political-economy approach, the paper puts forward how continuity and change co-exist in the process of state-formation in India to give insights into the changing nature of governance, democracy and citizenship in a big post-colonial society.

**Keywords:** State Formation; Indian State; Federalism; Political Economy; Governance; Nation-Building.



This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license

## Introduction

State formation can be described as the process of historical consolidation of political authority; the establishment of institutions and legitimacy in a specific territory and population. The colonial legacies, post-independence constitutionalism and changing priorities of politics and economy have played a central role in this process in the Indian context (Chatterjee, 1997). Max Weber and other scholars stressed the monopoly of legitimate violence of the state as a mark of modern state, whereas coercion, capital, and war-making were stressed by historical sociologists like Charles Tilly as the main aspects of the state-building. The case in India, however, is quite peculiar, where democratic legitimacy and social diversity are extremely important factors in addition to coercive and administrative abilities.<sup>1</sup>

Since the Indian state achieved independence, the federal constitutional structure and the reorganisation of states based on language helped the state to maintain cohesion and diversity at the same time. The Nehruvian developmental policy made the state a planner, producer, and provider of welfare, which extended its influence in the economic and social life (Rudolph and Rudolph, 1987). This step also helped in consolidating the institutions and integrating politics. Since the 1990s, economic liberalisation minimised the direct interventions of the state in the production processes and maximised regulatory and facilitative roles<sup>2</sup>.

Meanwhile, the increased popularisation of identity-based politics and digital government has shifted the bases of state legitimacy. The Indian state has shifted away towards a centralised developmental form towards being more fragmented but assertive due to the market forces and mobilisation at the political level. The knowledge of such changes is critical to evaluate modern discussions on federalism and citizenship as well as democratic rule in India. Therefore, the analysis of shifting foundation of state formation is a valuable prism through which the analysis of the changing nature of the Indian state can be examined.

## Literature Review

The analysis of the formation of states in India has gained a lot of attention among scholars and has utilized theoretical approaches of political science, sociology, and economics. Classical theories of state formation offer some initial information on how political power, government arrangements and acceptance have developed. In his ideas of the state, Max Weber (1978) defined the state as one that had monopoly of physical force over a specific territory and he focused on the elements of bureaucracy, legal-rational power and administration as a major state consolidation element. On the contrary, Marxist views place state formation in relation to the relations of classes, economic stratifications and elite alliances and emphasize how the political institution tends to mirror and reproduce the interests of elites (Alavi, 1982). The historical institutionalists like Skocpol (1979) emphasize the role of path dependency and cumulative consequences of past decisions explaining the interaction of the pre-colonial, colonial and post-independence legacies in shaping modern forms of governance. These are the classical and institutional views that offer a theoretical background to the analysis of the multi-layered state formation process in India.

India is a special example of a post-colonial state-building. Theorists like Atul Kohli (2004) also focus on the prominence of the evolution of the state in the post-independence era. The Nehruvian

---

<sup>1</sup> Chatterjee, Partha. 1997. *The Nation and its Fragments: Postcolonial and Colonial Histories*. Princeton: Princeton University Press.

<sup>2</sup> Rudolph, L. I., and Rudolph, S. H. 1987. *The Politics of Indian State: In Pursuit of Lakshmi*. Chicago: University of Chicago Press.

model established the state as a regulator and producer, and industrialisation, planning, and increasing public sector as a part of a nation-building process and a concept of political legitimacy. Kohli also adds that this kind of development strategy strengthened the capacity of the state so that it was also able to deal with various social groups thus promoting economic growth. Later in the analysis, Kohli (2012) brings out the role of economic liberalisation, globalisation and the growing role of corporate actors in state policy by pointing to a change in the role of direct production to regulation and facilitative role. This shows how the Indian state has kept adapting to the evolving economic and social situations as it bargains its power.

**Partha Chatterjee (1997)** adds a critical dimension by highlighting the importance of nationalism and ideological mobilisation as some of the ways of legitimising post-colonial power. He suggests that the state formation in India was not simply the administrative or coercive, but it strongly depended on the popular consent, which was developed by the nationalist movements and post-independent political institutions. The work of Chatterjee brings to the fore the overlapping of formal institutional organization and the larger social and cultural processes, showing how the legitimacy in India is built up with procedural governance as well as symbolic inclusion.

**Jean Dreze and Reetika Khera (2017)** pay attention to the change of the state-society relations by means of social welfare and workfare programmes. Programs like MGNREGA can be considered as a move away towards universal welfare to employment-based assistance, which is a part of how the state responds to informal labour markets and social inequalities, in terms of adaptability. Their study highlights the fact that these workfare programmes not only offer economic security, but also raise the ability of the state to have legitimacy in a diverse and stratified society.

**Christophe Jaffrelot (2007)** explores the identity politics and cultural nationalism as the key aspects of Indian governance of today. His argument is that the concept of religion, caste, and regional identities is becoming the main factor in the mobilisation of political forces, public policy and citizenship discussions, which shapes the federal dynamic as well as social cohesion. As Jaffrelot has shown, the concept of state legitimacy in India is no longer attached to the developmental performance or constitutional powers; it is also interlocked with the regulation of social and cultural identities.

The political economy had undergone major changes since the 1990s which have continued to alter the way states are formed. Liberalisation of the economy meant that it had less direct influence in production processes, and more regulatory and facilitating influence in encouraging a market-oriented growth (**Ahluwalia, 2002**). The presence of corporations in policy-making, privatisation, and public-private infusion has changed the traditional ways of governance bringing in new accountability issues, equity issues, and social inclusion issues. Meanwhile, the informalisation of labour, increased jobs in the private sector, and the specialised workfare programmes have redefined social legitimacy, which means that the state has to trade off between efficiency and distributive justice (Anand and Thampi, 2016).

## **4. Conceptual and Theoretical Framework**

### **4.1 Classical Theories of State Formation**

The classical approaches to the state formation give the background information of how political power, political institutions and political legitimacy develop over time. The conceptualisation of the Weberian view as a political organisation that manages to exercise the monopoly of the legitimate utilisation of physical force in a specific territory is what defines the state. This point of view promotes legal-rational power, bureaucracy, and efficiency of administration as central pillars of contemporary statehood. Since the Indian scenario fits the Weberian concepts to understand the stability of a centralised bureaucracy, codified law, and institutions of

administration left behind after the colonial rule, all these persisted in organising the governance and capacity of the state after independence.

The Marxist political-economic approach presents an alternative explanation by placing the state formation in the context of the relations of classes and economic power. In this perspective, state is not a neutral adjudicator but a form of representation and reproduction of dominant class interests in particular modes of production. In the case of India, in the results of Marxist analyses, the agrarian relation of classes, industrial capital, and coalition of elites determined the approach to development and the priorities of state policies, especially the stage of state-directed industrialisation (Alavi, 1982).<sup>3</sup>

These views are brought together in institutional and historical approaches that emphasize the historical continuity, institutional path dependency and long-term structural change. According to scholars, state formation is not a revolutionary event but a cumulative and uneven process that is formed by the existing past institutional decisions and political conflicts. The formation of the state in India is an indication of the historical overlay of the pre-colonial social, the colonial administrative, and the post-independence constitutional structures, into a new complex and dynamic institutional order (Skocpol, 1979)<sup>4</sup>.

## 4.2 State Formation in the Post-Colonial Context

In India after a colonial period, nationalism was critical in the legitimisation of state power and the integration of politics. The nationalistic movement also converted a colonial state apparatus into a sovereign democratic state by institutionalizing it in the popular consent and mass mobilisation and constitutional ideals. Nationalism therefore played vital roles as an ideology as well as a powerful source of legitimacy to the new Indian state that had just been established (Kaviraj, 1997)<sup>5</sup>.

The formation of the state was joined by nationalism, the developmental state and planned economy that became the main elements of Indian post-independence strategy of state formation. The state was prepared to achieve a centralized economic planning, a growth of the public-sector, and a welfare-focused policy, as the leading developer of economic change and social equity (Frankel, 2005). This aspect of development prepared state capacity, increased institutional reach and a stronger political legitimacy. It therefore had a unique post-colonial process of state-building that was not classical European experiences but which was institutionally powerful and democratically based (Frankel, 2005)<sup>6</sup>.

## 5. Historical Basis of State Formation in India

### 5.1 Pre-Colonial Foundations

The pre-colonial era in India witnessed the origin of state formation whereby there was a variety of political structures such as small kingdoms and large empires. Power at this stage was highly unconcentrated, and rulers turned to military power and customary law as well as bargained ties with local elites as ways of establishing sovereignty. Empires like the Maurya and the Mughal had

---

<sup>3</sup> Alavi, H. 1982. The State in Post Colonial Societies: Pakistan and Bangladesh. *New Left Review* 74: 59–81. ISSN 0028-6060. London: New Left Review Ltd.

<sup>4</sup> Skocpol, Taine. 1979. *States and Social Revolutions. A Comparative Study of France, Russia and China*. Cambridge: Cambridge University Press.

<sup>5</sup> Kaviraj, S. 1997. "The Modern State in India." In: M. Doornbos, S. Kaviraj, ed., *Dynamics of State Formation: India and Europe Compared*, 225250. New Delhi: Sage Publications.

<sup>6</sup> Frankel, F. R. 2005. *The Political Economy of India, 1947-2004 the Gradual Revolution*. New Delhi: Oxford University Press.

a centralized leadership but administration at the local level frequently relied on intermediaries such as zamindars, chieftains and village councils (Stein, 1980).<sup>7</sup>

Caste, religion, and local institutions were very important in the process of political order and social regulation. The caste system organized social stratification and economic functions and had indirect impact on the organization of the administrative system and access to power. Religion also served as a tool to redistribute wealth and to legitimize society by means of institutions of religion (temples and monasteries) that strengthened the moral legitimacy of rulers. Councils and customary practices at the village level brought about continuity and stability which was a manifestation of embedded governance as opposed to a centralized bureaucracy state. Therefore, the formation of pre-colonial states in India was characterized by vested authority and social embeddedness as opposed to homogenous sovereignty.

## 5.2 Colonial State Formation

The colonial rule brought about a completely different premise of state formation in India. The British colonial state prioritized the centralized bureaucracy, uniform tax systems, the codified law as the tools of control and exaction. The Indian Civil Service, land revenue system like the Permanent Settlement changed the pattern of power existing before through introduction of the subordination of local power to colonial authority.

Colonial legal-administrative system attempted to justify control by the standardized laws, written documents and centralized administration. As much as these institutions made the state more efficient in administration, this was at the expense of the state becoming alienated to society since they depended more on coercion than consent (Cohn, 1996). Nevertheless, colonial dominance was not founded on power alone, it had some elements of consent as it used co-opting of the local elites and making the rule legitimate through the assertion of order and progress.<sup>8</sup>

The colonial period had, therefore, transformed the Indian state making by substituting the decentralized and socially based governance system with the centralized and bureaucratic, as well as extractive, state. This had a great impact on post independence India as it brought about continuity in the institutions and also brought about tensions between authority and legitimacy that have remained to affect the Indian state up to date.

## 6. Post-Independence Basis of State Formation (1947–1990)

### 6.1 Constitutional Framework and Nation-Building

Post-independent India was formed by the establishment of a democratic republic with a federal system whose form was formed by constitution in 1950 and had a strong unitary bias. Although the distribution of power between the Union and the states was done constitutionally, strategic areas like the defence, foreign affairs, currency, and emergency provision were under strong control of central government. This was a framework aimed at guaranteeing political cohesion and territorial integrity of a new country that was independent with a socially heterogeneous nation.

The linguistic restructuring of states in 1956 was another step that enhanced nation-building to balance cultural and linguistic differences in a single federal system. The Indian state sought to boost political integration and minimize the pressure of secession by accepting that boundaries of the states should rely upon language (Brass, 1994). This restructuring explains the role that constitutional flexibility played in ensuring democratic legitimacy and stability.<sup>9</sup>

---

<sup>7</sup> Stein, B. 1980. *Medieval South Indian Peasant State and Society*. Delhi: Oxford University Press.

<sup>8</sup> Cohn, Bernard S. 1996. *Colonialism and Its Forms of Knowledge- the British in India*. Princeton: Princeton University Press.

<sup>9</sup> Brass, P. R. 1994. *The Politics of India Since Independence*. 2 nd edition. Cambridge: Cambridge University Press.

## 6.2 Planned Development and Welfare Orientation

This was the time when planned economic development became a key event in the formation of the state. The Indian state took a forefront position in resource distribution, industrialization and social development through consecutive Five-Year Plans (1951-1990). The most notable is the investment in the public sector which was close to 45-50 percent of the total plan outlay in the Second and Third Five-Year Plans and is an indicator of the state commitment to a socialist-oriented development plan (Planning Commission, 1992). The broadening of state intervention was in terms of public enterprises, infrastructural building and welfare programs in health, education and food security. This orientation of development contributed to the growth of the state power and consolidation of its legitimacy based on the association of the political power with economic growth and social justice.<sup>10</sup>

## 6.3 Political Integration and Democratic Legitimacy

Democratic legitimacy was cemented using mass politics and regular electoral politics. India has had nine general elections between 1952 and 1989 with the voter turnout rising to over 62 percent in 1989, as compared to 45 percent in 1952 (Election Commission of India, 1996). These elections incorporated various groups of people in the political process.<sup>11</sup>

The relations between the centre states, however, were a disputed aspect of state building. The common articles 356 and central intervention in state governments brought in conflicts between the federal principles and the central power (Sarkaria Commission, 1988). However, both the electoral democracy and the constitutional mechanisms preserved the political integration and consolidated the legitimacy of the Indian state in the post-independence era.<sup>12</sup>

## 7. Changing Basis of State Formation in Contemporary India (Post-1991)

The beginning of the economic reform in 1991 was the turning point in the foundation of state formation in India. The post-1991 stage is a shift to a market-based system of governance and economic integration in the world, unlike the previous model of development, which was state-oriented and based on the dominance of the state. This has transformed the relations between the state, economy and society thereby changing the bases of state legitimacy and the forms of governance.

### 7.1 Economic Liberalization and Market-Led Governance

The liberalization of the economy was an indication of the developmental state relinquishing direct production and control of economic matters. The deregulation, privatization and trade liberalization diminished the role of the state as a producer and increased its regulatory and facilitative role. Economic growth took the center stage in private capital, foreign direct investment and the forces of the global market. Therefore, state legitimacy was more and more linked to economic performance, investment climate, and competitiveness, and no longer with welfare provisioning as such.

### 7.2 Identity Politics and Cultural Nationalism

Alongside economic changes, identity politics and cultural nationalism have become prominent elements of contemporary state formation. Religion, ethnicity, and language have emerged as powerful tools of political mobilization, influencing policy priorities and notions of citizenship

---

<sup>10</sup> Planning Commission. (1992). Eighth Five Year Plan (1992–1997). New Delhi: Indian Government.

<sup>11</sup> Election Commission of India. 1996. Statistical Report on General Elections to the Lok Sabha (1952-1991). New Delhi: Government of India.

<sup>12</sup> Sarkaria Commission. 1988. Centre-State Relations Commission Report. New Delhi: Government of India.

(Jaffrelot, 2007). The politics of inclusion and exclusion—visible in debates around citizenship, minority rights, and national identity—have reshaped the ideological foundations of the Indian state. These developments indicate a shift from pluralist nationalism towards a more assertive cultural definition of the nation, affecting democratic norms and social cohesion.<sup>13</sup>

### **7.3 Decentralization and Local Governance**

Identity politics, and cultural nationalism are also some of the aspects of modern state building alongside the economic changes. Religion, ethnicity, and language have become mighty instruments of political mobilization that affect the priorities of the policies and concepts of citizenship (Jaffrelot, 2007). The Indian state has been redefined on ideological level by the politics of inclusion and exclusion that manifested themselves in the discussion of citizenship, right of minority and national identity. These trends show the movement of the pluralist nationalism to the more aggressive cultural definition of the nation, which influences the democratic standards and the social unity.

### **7.4 Digital State and Technocratic Governance**

A digital state has been introduced in recent years and has completely changed how governance is conducted in India. Programs like Aadhaar, Direct Benefit Transfer (DBT), and e-governance services have significantly enhanced the efficiency of the administration, minimized leakages, and expanded the state reach (Masieri, 2019). However, the growing implementation of digital surveillance and data-based governance is raising acute issues of privacy, accountability, and civil liberties. As a result, the modern state formation is growing increasingly dependent on technocratic legitimacy, where efficiency and technological capability are accompanied with the discussion of the democratic control.<sup>14</sup>

## **8. Political Economy of the Changing Indian State**

### **Shift from Welfare to Workfare**

Since 1990s, India has moved out of the welfare state into a workfare state. An example of such a change is the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) that focuses on the employment guarantees and conditional benefits instead of the universal welfare (Dreze and Khera, 2017). Such a change indicates a wider revision of state legitimacy as social support is correlated with labour productivity and economic participation.<sup>15</sup>

### **Corporate Influence and State Capacity**

The liberalisation period has increased the role played by corporate actors in determining economic policy. The privatization, the collaboration between the state and the business, and the reforms in the regulatory field made the state more dependent on market forces to achieve developmental results. Although these measures have led to better infrastructure and inflows of investment, they have also created the problem of having to balance corporate interests with social equity and ability of the state to regulate in an effective manner.

### **Informalization and Labour Governance**

Informalisation is also becoming a growing issue in labour governance, and an increasing percentage of workers employed in the informal sectors do not have access to sufficient social protection (Anand & Thampi, 2016). The state has reacted through specific schemes and social

---

<sup>13</sup> Jaffrelot, Christophe. 2007. *Hindu Nationalism: A Reader*. Princeton: Princeton University Press.

<sup>14</sup> Masiero, S. (2019). Aadhaar and the shifting politics of social protection in India. *Oxford Development Studies*, 47(1), 91–105.

<sup>15</sup> Drèze, J., & Khera, R. (2017). Understanding MGNREGA. *Economic & Political Weekly*, 52(15), 45–55. ISSN: 0012-9976. Sameeksha Trust. Mumbai, India.

security reforms, but failures to deal with precarity and inequality remain apparent, indicating that the contemporary Indian state is not up to the task of intermediating capital and labour.<sup>16</sup>

## 9. Methodology

### 9.1 Research Objectives

#### Objectives:

- To analyze the historical trajectories of state formation in India, including decentralized pre-colonial polities, colonial centralization, and post-independence developmental planning .
- To examine the impact of economic liberalization, globalization, and digital governance on contemporary state authority and legitimacy .
- To investigate the influence of identity politics, cultural nationalism, and regional mobilization on political integration and federal.

By integrating these objectives, the study provides a multi-layered understanding of Indian state formation, accounting for both historical continuities and contemporary transformations.

### 9.2 Research Gap

Despite extensive research on Indian state formation, several gaps remain:

- **Fragmented Literature:** Most studies treat historical and contemporary transformations separately. There is a lack of integrated analysis that bridges pre-colonial, colonial, post-independence, and contemporary periods (Chatterjee, 1997; Kohli, 2004).
- **Limited Political Economy Focus:** While economic reforms and welfare transitions have been studied, their interplay with corporate influence, informal labor, and social legitimacy remains underexplored (Anand & Thampi, 2016).
- **Identity Politics:** The role of religion, caste, and ethnicity in shaping state authority and federal relations has not been systematically quantified (Jaffrelot, 2007).
- **Digital Governance:** The impact of Aadhaar, DBT, and e-governance on efficiency, accountability, and inclusion is under-researched (Masiero, 2019).
- **Comparative Analysis:** Limited studies compare India's post-colonial trajectory with other democracies, leaving a gap in understanding India's unique continuity and adaptability.

This study addresses these gaps through an integrated historical-political-economic analysis, combining qualitative insights with quantitative data.

### 9.3 Hypotheses

H1: The Indian state has shifted from a welfare-oriented model to a workfare-oriented system, focusing on employment-linked social provisions.

H2: Identity politics--including religion, caste, and regional mobilization--significantly influences state legitimacy and federal dynamics.

H3: Decentralization and digital governance improve administrative efficiency and citizen participation, though challenges of equity and implementation persist.

H4: Economic liberalization and globalization have transformed the state's role from direct production to regulation and facilitation, increasing corporate influence.

This study adopts a **mixed-methods research design**, combining **qualitative and quantitative approaches** for a comprehensive analysis.

---

<sup>16</sup> Anand, S., & Thampi, B. V. (2016). Employment trends and informalization in India. *Economic & Political Weekly*, 51(33), 25–32.

**Qualitative Methods:**

- **Content Analysis:** Historical literature, policy reports, provisions of the constitution and academic literature.
- **Case Studies:** Case Study on MGNREGA, Panchayati Raj institutions, DBT and e-governance programmes.
- **Historical Analysis:** Historical continuity and change Tracing pre-colonial to modern periods.

**Quantitative Methods:**

- **Secondary Data Analysis:** Government sources such as census of India, NSSO, Economic surveys and labour reports.
- **Trend and Descriptive Analysis:** Measuring the shift in employment patterns, welfare coverage, and administrative coverage.
- **Correlation Analysis:** The analysis of the correlation between decentralisation, digital governance, labour informalisation and policy outcomes.

**Research Design:**

- **Type:** Descriptive, explanatory and exploratory.
- **Scope** National level analysis with a few states to study in depth.
- **Sampling:** Case studies based on purposive sampling in terms of regional, economic, and political diversity.
- **Triangulation:** The combination of qualitative and quantitative results to prove findings.

**11. Data Analysis**

The analysis combines **qualitative thematic interpretation** with **quantitative data trends**, including illustrative tables.

**Table 1: Trends in Public Sector Employment and Welfare Spending in India (1970–2020)**

Year	Public Sector Employment (millions)	Social Welfare Expenditure (% of GDP)	Key Policy Initiative
1970	3.2	2.1	Early Five-Year Plans
1980	4.5	2.8	Expansion of public sector
1990	5.0	3.2	Pre-liberalization welfare programs
2000	4.8	3.0	Post-liberalization reforms begin
2010	4.2	3.5	MGNREGA implementation
2020	3.9	3.8	Digital governance and targeted welfare

**Source:** Ministry of Finance, Government of India (Economic Survey 2021); Drèze & Khera (2017).

**Table 2: Growth of Informal Employment and Workfare Programs (1990–2020)**

Year	Informal Employment (% of total workforce)	MGNREGA Employment (million person-days)	Other Workfare Initiatives
1990	85	N/A	Food-for-Work schemes
2000	88	N/A	Sampoorna Grameen Rozgar Yojana

2010	90	2,500	Rural Employment Guarantee
2020	92	3,200	MGNREGA, Urban Employment Programs

**Source:** NSSO, Ministry of Labour & Employment, Government of India (2021); Anand & Thampi (2016).

**Table 3: Panchayati Raj and Urban Governance (2000–2020)**

Year	Rural PR Institutions Coverage (%)	Urban Local Bodies Coverage (%)	Fund Allocation (₹ crores)
2000	85	70	15,000
2005	90	75	18,500
2010	95	80	22,000
2015	97	85	30,000
2020	98	90	38,000

**Source:** Ministry of Panchayati Raj, Government of India (2021); World Bank Report on Local Governance, 2020.

**Table 4: Digital Governance Adoption (2010–2020)**

Year	Aadhaar Coverage (% population)	DBT Beneficiaries (millions)	E-Governance Initiatives
2010	12	50	Early pilot projects
2012	25	80	National e-Governance Plan
2015	55	200	DBT expansion
2018	85	400	Digital portals expansion
2020	95	600	Integration with schemes

**Source:** UIDAI (2020); Ministry of Electronics & IT, Government of India (2020); Masiero (2019).

## 12. Discussion

The data analysis reveals **multi-dimensional transformations in Indian state formation:**

- 1. Historical Continuity:** Pre-colonial decentralisation, colonial centralisation and developmental states post-independence legacy of institutions are experienced to date (Stein, 1980; Weber, 1978; Kohli, 2004).
- 2. Economic Transition:** Liberalisation minimised the role of state intervention but maximised regulatory and facilitative functions. Welfare programmes became work based welfare programs like MGNREGA where social provisioning is attached to work (Dreze and Khera, 2017).
- 3. Identity Politics:** Legitimacy and federal balance is affected by identity (religion, caste, and region), which proves the ideological multi-layeredness of modern governance (Jaffrelot, 2007; Chhibber and Verma, 2018).
- 4. Decentralisation and Digital Governance:** Panchayati Raj, urban local bodies, and digital platforms (Aadhaar, DBT) have increased participation, efficiency, and accountability, although there is still an inequality in their implementation (Manor, 1999; Masieri, 2019).
- 5. Political Economy:** The changing relationship between the state and society is manifested in corporate influence, informalisation of labour, and targeted social programmes, which emphasize the change in the universal welfare to selective, employment-linked interventions (Anand & Thampi, 2016; Kohli, 2012).

### Implications:

- Regional mobilisation and gaps in decentralisation are challenges to federalism.

- Identity politics and online governance affect democracy.
- Social cohesion is based on market, welfare and cultural needs balance.

### **13. Challenges to Contemporary State Formation**

#### **Regional Disparities**

The situation of economic and social inequality between states persists, and northern and eastern regions are lower in terms of developmental indicators compared to the southern and western states (Ahluwalia, 2019). These differences are a problem to the equalization of state power and legitimacy.

#### **Centre–State Tensions**

There are still federal tensions connected with the distribution of resources, legislative authority and execution of central plans. The regular resort to Article 356 and the political opposition to the GST adoption is the manifestation of the persistence of the centre-state problems (Sarkaria Commission, 1988).

#### **Democratic Backsliding and Institutional Autonomy**

The issues that are related to the autonomy of constitutional institutions, media freedom, and the independence of judicial bodies show that the burdens on the democratic standards are increasing (Chhibber and Verma, 2018). The undermining of checks and balances can be a destruction of the trust of the citizens and the state legitimacy.<sup>17</sup>

#### **Social Cohesion and Citizenship Debates**

The cultural nationalism, the discussion of the citizenship law and politics based on identity, asks the important questions of inclusion and social cohesion. The issue of diversity management is the key to the Indian state legitimacy and operability.

### **14. Comparative Perspective**

The experience of India, in terms of the continuity of democracy, is unique compared to the experience of other post-colonial states. Although a number of South Asian and African countries have undergone coups, civil wars, and dictatorships, India has had the capability of having an electoral democracy, constitutional federalism, and institutional pluralism. This durability offers a desirable guide to the interaction of democratic resilience with the socioeconomic change.

### **15. Conclusion**

The process of state formation in India has been marked by an outstanding combination of continuity and dynamism. Starting with pre-colonial polities that were characterised by a divided authority, local political system and social institution, the Indian state saw the colonial rule transition into a centralised and bureaucracy-effective system that had the major role to play in revenue collection and ensuring order. Developmental and welfare oriented orientation of state formation was followed after independence with constitutional democracy, planned economic development and increasing public sector strengthening legitimacy and social integration. The Nehruvian model made the state the central player in economic change, social justice and nation-building and the establishment of institutions that have the capacity to govern a highly diverse and large population.

The basic principles of the state formation changed significantly since the beginning of 1990s. India has been guided by economic liberalisation and globalisation towards a model characterized by a market-oriented economic system in which efficiency and regulatory control alongside

---

<sup>17</sup> Chhibber, P., & Verma, R. (2018). *Ideology and identity: The changing Indian party system*. Oxford University Press. New Delhi, India.

corporate involvement in development are the major focuses. The welfare programmes have been gradually replaced by workfare-based programmes wherein social support is conditional on work and productivity. At the same time, politics has been transformed by identity politics, cultural nationalism, and regionalism, highlighting the multifaceted relationship between the social bond and political mobilisation. The informalisation of labour, the decentralisation of labour in the form of Panchayati Raj, reforms of urban governance in the form of Aadhaar and Direct Benefit Transfer represent the changing instruments with which the state implements its powers and provides services.

These changes have serious consequences to the federalism, democratic responsibility, and social integrity of India. Although the efficiency has been enhanced by decentralisation and technocratic innovations, regional inequalities, centre- state tensions and emerging challenges to institutional autonomy highlight the current vulnerabilities. In the future, these processes should be subject to research on their attachment to global economic pressure, technological change, and systematic social inequalities. Such a subtle perception of this balance between continuity and change is required in assessing the resilience and adaptability of the state in India as well as in predicting future curves of governance, democracy and citizenship in a complicated post-colonial society (Ahluwalia, 2002)<sup>18</sup>.

---

<sup>18</sup> Ahluwalia, M. S. (2002). Economic reforms in India since 1991: Has gradualism worked? *Journal of Economic Perspectives*, 16(3), 67–88.