

Provided for non-commercial research and education use.
Not for reproduction, distribution or commercial use.



This article appeared in a journal published by Elsevier. The attached copy is furnished to the author for internal non-commercial research and education use, including for instruction at the authors institution and sharing with colleagues.

Other uses, including reproduction and distribution, or selling or licensing copies, or posting to personal, institutional or third party websites are prohibited.

In most cases authors are permitted to post their version of the article (e.g. in Word or Tex form) to their personal website or institutional repository. Authors requiring further information regarding Elsevier's archiving and manuscript policies are encouraged to visit:

<http://www.elsevier.com/authorsrights>



Contents lists available at SciVerse ScienceDirect

The Journal of Socio-Economics

journal homepage: www.elsevier.com/locate/soceco

The role of ideological change in India's economic liberalization

Nimish Adhia*

Manhattanville College, Purchase, NY 10577, USA

ARTICLE INFO

Article history:

Received 14 September 2011
 Received in revised form 4 February 2013
 Accepted 9 February 2013

JEL classification:

N45
 O24
 O53

Keywords:

Economic policy
 Ideology
 Liberalization
 Culture
 India

ABSTRACT

The paper describes the role of ideological change in India's economic liberalization and provides evidence for it. Since the 1980s the most prevalent ideology has changed from condemning commerce and profit as anti-social, to tolerating—even applauding—commercial success. The paper reports on a content analysis of the most popular Hindi film each year since 1955, and finds that characters of rich merchants have changed from being portrayed as villains to being portrayed as heroes.

© 2013 Elsevier Inc. All rights reserved.

1. A serious omission

The economists and several other social scientists who have written about the causes India's economic liberalization have focused exclusively on explanations based on wealth maximization. The role of IMF, class interests, political incentives, and the end of cold war in the liberalization that saw a dramatic reduction in tariffs, taxes and the 'License Raj' have been thoroughly analyzed.¹ What has been ignored has been the big ideological change, a culture-wide favorable turn in the ethical evaluation of businessmen and commerce that took place in the decade leading up to the reforms. According to the socio-economic perspective, people's choices arise from the confluence of self interest and other considerations—the so called "proposition of multiple causation."² The purpose here is to argue that the explanations of India's liberalization based on wealth maximization are incomplete without taking into account the ideological change. Using the character portrayals in popular Hindi films this paper provides evidence that the ideology prior to the 1980s that condemned the pursuit of private gain as anti-social was supplanted by an individualist ideology in the 1980s that was more conducive to liberal policies.

The omission of ideological change in academic literature on the topic is surprising given that some of the most renowned economists have emphasized the fundamental role that 'ideas' play in human behavior and institutional change. Adam Smith, J.S. Mill, John Maynard Keynes, Albert Hirschman, Herbert Simon, F.A. Hayek, Douglass North, Deirdre McCloskey, Amartya Sen have talked about ideas as being at least as important as incentives in shaping the economic outcomes of societies.³ So by complementing the existing interests-based scholarly accounts with an account of ideological change, the paper fills out the gaps in the explanation of an episode of major policy change.

2. IMF's clout is weak

Since the liberalization episode began during a balance of payments crisis when the government had approached the IMF for a loan, several economists credit the reforms to the conditions imposed by the IMF.⁴ If it was indeed the case, then it would quite remarkable, because empirical studies have found that, in general, compliance with IMF conditionality is rather low, rarely exceeding 40% of the episodes studied.⁵ In India the reforms continued even after the crisis passed, and are ongoing. Something more than

* Corresponding author.

E-mail address: nimishadhia@hotmail.com¹ For example, see Bardhan (1998), Jenkins (1999), and Lal (1999).² Stern, "The Socio-Economic Perspective and Its Institutional Prospects," 1993.³ See Smith (1750), Keynes (1936), Hirschman (1986), Simon (1997), North and Denzau (1994), and McCloskey (2010).⁴ For example Sachs et al. (1999).⁵ Dehler, 2008. "IMF Conditionality: Theory and Evidence."

outside pressure seems to have been at play. Hayek has noted “if the politician or statesman has no choice but to adopt a certain course of action (or if his action is regarded as inevitable by the historian), this is because his or other people’s opinion, not objective facts, allow him no alternative.”⁶ The ‘opinion’ that conditioned India’s response to the 1991 crisis is therefore crucial.

2.1. Disappointing growth is not sufficient to spur change

Others write that the Indian government pursued reforms out of disappointment with past economic performance. Writes T.N. Srinivasan, “there was no significant political support for reforms until 1991, when a serious macroeconomic and balance of payment crisis forced a rethinking of the development strategy.”⁷ Similarly, Cassen and Joshi of Oxford University note, “By the beginning of 1980s it began to be recognized that the system of controls, with the heavy dependence on public sector and a highly protected inward-oriented type of industrialization, could not deliver growth in an increasingly competitive world environment.”⁸

But in general, policymakers do not regularly change their minds in face of lackluster economic growth, as economic policy is invested with political, social and ethical significance. The economist Brunner has noted that “economic policy does not occur in a socio-political vacuum. It forms an essential component of an ongoing fundamental conflict about the future social order.”⁹ It is not surprising because bad economic outcomes rarely lend themselves to unambiguous explanations and policy prescriptions. A re-orientation toward liberal policies, as happened in India, is therefore needs an additional explanation, such as a change in the prevalent ideology.

Even if Indian policymakers had come around to a growth-centered view, it is not necessary that their preferences would have translated into policy changes. In a democracy after all, policymakers must defer to the wishes of voters, powerful political supporters, and organized interests that may not be aligned with policies that promote aggregate growth.

2.2. Special interests did not uniquely determine policies

Some scholars posit the liberalization as an outcome of struggle among class or special interests. For example, the economist Pranab Bardhan describes the nature of pre-1991 policies as resulting from “a system of political gridlock . . . originating in the collective action problems of a large, heterogeneous coalition of dominant interest groups with multiple veto powers, and with no interest group powerful enough to hijack the state by itself; the system thus settled for short-run particularistic compromises in the form of sharing the spoils through an elaborate network of subsidies and patronage distribution, to the detriment of long-run investment and growth.”¹⁰ The liberalization in 1991 occurred because “there has certainly been an increase [in the lead up to the liberalization] in the diversity, fluidity, and fragmentation in the coalition of dominant interest groups. The industrial scene is less dominated today by a few big business houses, with the rise of the medium-sized and regional business groups providing competition and conflict. The rich farmer families are diversifying their investments and often branching out into private trade and commerce, real estate, transport and small industry, and as such are not averse to expansion of

opportunities and easing of government regulations in the urban sector.”¹¹ As he tells it, group material interests were the driving force of India’s economic policies.

In similar vein, Rob Jenkins, a political scientist at the University of London, says that “the great majority of India’s elites, including the Prime-Minister who initiated reform, were not ‘converted’ to the neoliberal faith. Indeed, they were not even committed politically to liberalization until they perceived the possibilities of responding to illicit incentives.” He points to the many opportunities opened up “to profiteer personally or to build networks of patronage by steering benefits to political supporters.” “The basic point,” he says, “is well worth contemplating: that state elites enter into the adjustment [liberalization] process believing that they can steer it toward its own ends. This perhaps explains why they decide to adjust at all.”¹²

But in absence of empirical evidence, such explanations of policymaking exclusively in terms of economic interests are problematic. The political scientist Jalal Alamgir argues that social groups in India are based on complex considerations that those of material interests alone. Therefore it is difficult for an observer to “translate in straightforward way a group’s imputed material position into consistent policy preference.”¹³

What is missing from the materialist explanations of policy making is the commitment to certain normative beliefs, which frequently propels policy. Sen warns that “just as it is necessary to avoid the high-minded sentimentalism of assuming that all human beings (and public servants in particular) try constantly to promote some selfless ‘social good,’ it is also important to escape what may be called the ‘low minded sentimentalism’ of assuming that everyone is constantly motivated by personal self-interest.”¹⁴ He points out that people often act out of a commitment to certain principles, and such actions cannot be adequately captured within the framework of rational self-interest.

3. Does ideology matter, in theory?

The focus on interests to the exclusion of ideology is very common, particularly in economics. As Gary Becker puts it: “The economic approach to political behavior assumes that actual political choices are determined by the efforts and groups to further their own interests.”¹⁵ Because an attempt to expand the definition of “interest” to include several considerations renders it tautological, Hirschman has pointed out that, in economics, ‘interest’ can fruitfully refer to one’s material advantage only.¹⁶ An ‘economic man,’ so pursuing his material advantage, has little use for any ideology—those “collectively held normative and reputedly factual ideas and beliefs.”¹⁷

But several economists have found the conception of economic man to be unsatisfactory. One form of departure from such a conception is to allow for other motivations in addition to self-interest. ‘Fellow-feeling’ or sympathy, which Adam Smith talked about at length, can be one.¹⁸ Behavioral economists now routinely talk about people as having “bounded-selfishness.”¹⁹ To insist that all

¹¹ See Bardhan (1998, p. 131).

¹² Jenkins, R., *Democratic Politics and Economic Reform in India*, p. 47.

¹³ Alamgir, J., p. 7.

¹⁴ Sen, A., *Rationality and Freedom*, p. 285.

¹⁵ Becker, G., 1983. *A Theory of Competition Among Pressure Groups for Political Influence*.

¹⁶ Hirschman, A., 1986. The concept of interest. In: *Rival Views of the Market Society*, p. 36.

¹⁷ The definition of ideology is due to Hamilton, M.B., 1987. The elements of the concept of ideology, *Political Studies*, XXXV.

¹⁸ Smith, A. 1759. *Theory of Moral Sentiments*.

¹⁹ For example see Jolls, Sustain and Thaler, *A Behavioral Approach to Economics*, 1998.

⁶ Hayek, F.A., 1960. *Constitution of Liberty*. Chicago University of Chicago Press, 112.

⁷ Srinivasan, T.N., “Indian Economic Reforms: A Stocktaking.”

⁸ Cassen and Joshi, 1995. *India: The Future of Economic Reform*.

⁹ Brunner, K., *Economic Analysis and Political Ideology*, p. 74.

¹⁰ Bardhan, P., *The Political Economy of Development in India*, p. 131.

actions are self-interested, as most conventional theory implicitly tends to do, is to deny people moral agency, points out Amartya Sen. “A person is not only an entity that can enjoy one’s own consumption, experience and appreciate one’s welfare, and have one’s goals, but also an entity that can examine one’s values and objectives,” he says.²⁰ “Because we are reflective,” philosopher Schmidtz says, “it is conducive to our survival to have a variety of preferences in addition to a preference for survival, preferences the satisfaction of which gives significance and value to our survival that it otherwise would not have.”²¹

Sympathy, however, cannot fully explain why people depart from self-interest in ways that are relevant to political action. Sympathy arises from proximity and interaction. As Smith noted in the *Theory of Moral Sentiments*, if it is only sympathy that motivates other-regarding behavior, then a person will be bothered more by the amputation of his little figure than the destruction of the whole Chinese race.²² “It takes a sense of abstract justice,” McCloskey writes, “a virtue separate from love and not translatable into it, to care for people care for a strange people you have never seen and can never love.”²³

The departure from self-interest in such case is captured by Amartya Sen’s concept of ‘commitment’: “If the knowledge of torture of others makes you sick, it is the case of sympathy, if it does not make you personally worse off, but you think it is wrong and you are ready to do something to stop it, it is a case of commitment.”²⁴ It is the case of acting in a certain rule-bound manner, argues the economist Vanberg. “Moral preferences are, if anything, preferences over actions as such, not preferences over outcomes,” he says.²⁵

Commitment to certain moral principles, and not self-interest alone, is also what sustains the market system. Similarly much of the opposition to the market system also comes from commitment to different moral principles. “Historically, the greatest obstacle to the market system is not a failure to understand its workings,” writes the economic theologian Nelson. “People have objected to the market for moral and ethical reasons—that is to say they have strong religious (or quasi-religious) objections of one form or another to the wide scope for the expression of self-interest as found in the market.”²⁶ A change in ethical principles can therefore have revolutionary implications for the kind of economic policies people endorse. McCloskey attributes the industrial revolution to a change in people’s ethical views. “Ethical talk runs the world,” she says.²⁷ In northwestern Europe around 1700, she finds, “the general opinion shifted. . . people stopped sneering at market innovation and other bourgeois virtues.”²⁸ The resulting institutional change led to the industrial revolution.

3.1. Ideology guides in an uncertain world

Behavioral economists since Simon have talked about bounded rationality—in the presence of uncertainty and the complexity of the socio-economic world, heuristics such as those provided by ideology or religion play an important role.²⁹ New institutional

economics such as Douglass North emphasize the role of “mental models” which are “internal representations that individual cognitive systems create to interpret the environment.”³⁰ In other words they are “mental constructions of real life causalities and restrictions. They are theories about the way the world works.”³¹

People may not have enough opportunities to observe events and obtain feedback to update their mental models. Beliefs can therefore be very tenacious. Douglass North says, “The rationality assumption of neo-classical theory would suggest that political entrepreneurs of stagnating economies could simply alter the rules and change the direction of failed economies. . . the difficulty of turning economies around is a function of the nature of political markets and, underlying that, the belief systems of the actors.”³² Understanding the decisions people make in a world characterized by complexity and uncertainty, therefore, requires a study of their ideology.

3.2. The ideology that changed

According to Francine Frankel—a preeminent scholar of Indian Political Economy—the active role of the Indian state in economic matters after independence reflected what is termed as the “Nehruvian consensus.”³³ The consensus was a compromise between those who sought radical redistribution of assets from the rich to the poor and those who opposed it. Though most leaders of the time (most prominent of them—Nehru) were sympathetic to the cause of redistribution, they were unwilling to support a direct confrontation with the property holders. Influenced by Gandhi, the leaders had little appetite for violence. They were also worried that a large-scale conflict would lead to disintegration of the country they had fought so hard to free. The masses were weak and uneducated, the leaders believed, lacking in class consciousness and tending to rally around their religion and language. The bloody separation with Pakistan was fresh in memory. So instead the leaders sought a predominant role for the state as a central planner and regulator so that the benefits of *future* economic growth could be appropriated for the poor. India would thus be spared violent revolutions that had taken place in Russia and China. Those who were opposed to radical redistribution for reasons of ideology or personal interest were relieved that immediate expropriation was off the table and joined in the consensus.

Implementing the consensus, however, extracted sacrifices. Resources available for consumption were reduced as the central planners pursued import substitution and massive public investment in heavy industries. The government resorted to deficit financing as the taxation was not sufficient to finance outlays for the 5-year plans. For example, of the 430 million rupees budgeted for the second 5-year plan (1956–1961) the planners estimated that only 70 million rupees could be raised from existing sources of taxation.³⁴ The resulting inflation was the cause for much public discontent. The government also extracted savings from the agricultural sector in the form of profits from state trading of food-grains. Under government’s monopoly of whole trade, grain was procured from farmers below market price. And of course, the

²⁰ Sen, A., *Rationality and Freedom*, p. 36.

²¹ Schmidtz, D., *Rational Choice and Moral Agency*, 1995.

²² Smith, A., 1759. *Theory of Moral Sentiments*, part III.I.46.

²³ McCloskey, *Bourgeois Virtues*, p. 106.

²⁴ Sen, A., 1977. “Rational Fools: A Critique of the Behavioral Foundations of Economic Theory,” *Philosophy and Public Affairs* 6, no. 4.

²⁵ Vanberg, 2008. “On the Economics of Moral Preferences,” *The American Journal of Economics and Sociology* 67, no. 4, pp. 605–624.

²⁶ Nelson, R., 2001. *Economics as Religion*, p. 56.

²⁷ McCloskey, D., 2010. *Bourgeois Dignity: Why Economics Cannot Explain the Industrial Revolution*, University of Chicago Press.

²⁸ See footnote 27.

²⁹ Simon, H., 1982. *Models of Bonded Rationality*, vols. 1 and 2.

³⁰ North and Denzau, 1994. “Shared Mental Models: Ideologies and Institutions,” *Kyklos*.

³¹ Slembeck, Tilman, ideologies, beliefs, and economic advice—a cognitive-evolutionary view on policy-making. In: *The Evolutionary Analysis of Economic Policy*, ed. Pavel Pelikan, p. 135.

³² North, Nobel Price Lecture, http://nobelprize.org/nobel_prizes/economics/laureates/1993/north-lecture.html.

³³ Frankel, 2005. Growth and democratic social transformation: multiple goals of economic planning. In: *India’s Political Economy*.

³⁴ Frankel, p. 123.

landholders and industrialists had to contend with greatly circumscribed freedom in their commercial activities.

Because such sacrifices had to be extracted within a democratic setup, the Nehruvian consensus relied for its legitimacy on certain prevalent ideological beliefs. Foremost among them was the suspicion of businessmen and markets that has a long tradition in Indian thought. Along with the traditional cultural emphasis on performing one's duty rather than fulfilling individual desires, the beliefs made it possible for the state to sustain a strong role in the economic affairs within a democratic setup. This paper argues that the beliefs weakened in the 1980s, and therefore the ideological edifice supporting the implementation of the Nehruvian consensus crumbled.

The Indian antipathy toward trade and businessmen has roots in the caste system. The system placed the religious scholars (the *Brahmans*) at the top of the social hierarchy, followed by soldiers (the *Kshatriyas*), merchants (the *Baniyas*) and peasants (the *Shudras*) in that order.³⁵ As a consequence of the introduction of English education during the Raj, there emerged an educated and progressive class of Indian professionals, mostly drawn but not exclusively from the upper castes, who came to occupy positions of political and social leadership after independence. Their influence on the economic and political landscape of the new nation was therefore unparalleled and often decisive. People often wept as they gave speeches.³⁶

It therefore mattered that such leaders looked down upon trade and making of profit. Gandhi wrote that "there is nothing more disgraceful to man than the principle 'buy in the cheapest market and sell in the dearest.'" ³⁷ Nehru once famously said, "Don't talk to me about profit. Profit is a dirty word."³⁸ Several scholars have commented that the distaste for profit was a result of ancient caste prejudice. According to Kochanek "[The Professionals'] dominance was facilitated by the fact that intellectual pursuit had traditionally commanded high status in Indian Society. But it was also based on their relative homogeneity and high caste origins. Ironically, although the personal life styles of the educated elite were relatively uninhibited by caste residues, they were able to legitimize their position by drawing on Hindu tradition. For them, the traditional hostility and suspicion of the business function survived, so that the emergent culture was to be as hostile to business as the old had been."³⁹

The anti-trade caste prejudice therefore attracted them to socialist ideas that also held the bourgeoisie in contempt.⁴⁰ The attraction is seen most clearly in Nehru's writing:

Right through history the old Indian ideal did not glorify political or military triumph, and it looked down upon money and the professional money-making class. Honour and wealth did not go together, and honour was meant to go, at least in theory, to the men who served the community with little in the shape of financial reward. Today (the old culture) is fighting silently and desperately against all-powerful opponent—the *bania* [merchant] civilization of the West. It will succumb to the newcomer. But the West also brings an antidote to the evils of this cut-throat civilization—the principles of socialism, of co-operation, and service to the community for the common good. This is not so unlike the old Brahmin ideal of service, but it means

the brahminization—not in the religious sense, of course—of all classes and groups and the abolition of class distinctions.⁴¹

Indian leaders used the distrust of businessmen to justify its interventionist economic policies.⁴² "A crucial feature of our government's license-permit raj was to denounce the business community for every economic problem" writes a prominent Indian economist in his memoirs. "Politicians and bureaucrats and journalists, street leaders and films almost invariably portrayed businessmen as criminals and anti-social elements, and got away with it."⁴³ A CEO of one of India's successful IT companies, recently invited to the Prime Minister's cabinet to run the Country's new ID card Program, writes of businessmen earlier having "an image whiplashed, tarred and feathered by the whimsy of politicians."⁴⁴

The central planners also relied for their legitimacy on the emphasis traditionally placed on the interests of the group over that of the individual. One's allegiance to religion, caste and clan has commanded primacy in one's decisions. The central planners appropriated such communitarian impulse and sought to re-direct it toward the nation-state. It can be seen most clearly in Nehru's rhetoric, who used religious metaphors to describe centrally-planned projects. "As I walked around the [dam] site I thought that these days the biggest temple and mosque and *gurdwara* is the place where man works for the good of mankind. What place is greater than this, this *Bhakra-Nangal*, where thousands and *lakhs* [hundreds of thousands] of men have worked, have shed their blood and their sweat and laid down their lives as well? Where can be a greater and holier place than this, which we can regard as higher?" The communitarian ethic could no longer be called upon in service of central planning when a liberal and individualistic ethic emerged.

Such a change in the mindset needs to be discerned and appreciated more thoroughly. After independence the *Swadeshi* impulse lived through India's import substitution policy. The policy survived long after its failures were clear, and after Korea and Singapore had shown an alternative path to prosperity. The move away from *Swadeshi* had to wait for an ideological change.

4. Evidence of ideational change

Since the early 1980s the Indian antipathy to profit-making is on the wane. More people see profit-seeking as a legitimate pursuit and compatible with a virtuous life. Several journalists have taken note of the change in their accounts.

Luce—an Indian correspondent for the *Financial Times*, reflects upon interviewing a successful Indian dot-com entrepreneur Alok:

Twenty years ago Alok's overt pursuit of money, and his honest admission of it, would have marked him as tasteless or unusual, even in Mumbai, which has been India's financial capital since the Victorian era, and is home to the oldest stock market in Asia. But India has changed, in some respects quite radically. "You know, I have some friends from Tamil Nadu [India's southernmost state] where the culture still frowns on you if you talk about money," said Alok. "But they are the unusual ones nowadays."⁴⁵

In *The Great Indian Middle Class*, Varma laments that "today, the hesitation in pursuing the good things in life has been completely

³⁵ Lal, *Unfinished Business*; Kochanek, *Business and Politics in India*, pp. 198–199.

³⁶ Ramchandra Guha vividly describes the audience reaction to Nehru's speeches in *Indian After Gandhi*, pp. 142–143.

³⁷ Iyer, *The Moral and Political writings of Mahatma Gandhi*, vol. 2, p. 423.

³⁸ As quoted in Das, 2000. *India Unbound*.

³⁹ Kochanek, *Business and Politics in India*, p. 49.

⁴⁰ Weiner, M., *Two Cultures*, p. 142.

⁴¹ Nehru, *An Autobiography*, pp. 431–432.

⁴² With a history of more than 2500 years and no unifying authority, Hindu religious thought is actually equivocal in its attitude toward commerce. For more on this, see A.K. Dasgupta (1964).

⁴³ Pendse, *Beyond the Giant*, p. 23.

⁴⁴ Nandan Nilekani in Introduction to *India's New Capitalists* by Damodaran, 2007.

⁴⁵ Luce, Edward, *Inspite of the Gods: The Rise of Modern India*, 2008, p. 37.

shed. Consumerism is no longer a dirty word, and any notions of Gandhian austerity and Nehruvian socialism have been definitely disowned.”

4.1. Films reflect the changing ideology

Indian cinema is rich in ideological content. Two film scholars note that Indian films “belong to the popular tradition of filmmaking and can be described as morality plays, where the forces of good and bad vie for supremacy. Plots are simple and little effort is made to portray complex human characters. In the contest between justice and injustice, light and darkness, wisdom and ignorance, the forces of justice, wisdom and light win out.”⁴⁶

The films permeate the lives of people very thoroughly. Indian film industry is the world’s most prolific, producing over 1000 films a year with a daily global viewership of over 12 million—second only to that of Hollywood.⁴⁷ Steve Drene, a sociologist who has performed an ethnographic study of movie going audiences in India, describes:

Throughout most cities, huge printed or hand-printed hoardings advertise films that are currently playing, and crude posters advertising films are attached to every available wall space. Hindi film music blares from radios and cassette players in homes, shops, restaurants and tea stalls. In Banaras in 1987 Hindi-film music was such a common part of Indian wedding celebrations that an American photographer whom I met assumed that one film song was a traditional wedding song. Film dialogues are so well known that they are repeated in everyday talk. Clothing, rickshaws and auto rickshaws are decorated with the names of favorite films and film stars.⁴⁸

So Indian films can be fruitfully used to trace out the ideological thinking prevalent at large. “No other art genre mirrors the psyche of Indians, as does the popular film; the cinema hall is the temple, a psychiatric clinic, a parliament and a court of law,” writes a scholar of Indian cinema.⁴⁹ Films in India are made in several languages in several different regions, but the Hindi Films made in Mumbai (the so-called Bollywood films) have the largest following. The films chosen for study here are winners of Filmfare Best Film award that is given to one Hindi film every year. The Filmfare awards have equal prestige and popularity in Hindi Cinema as the Oscars do in Hollywood. One film every year since 1954 has been awarded as the Best Film. Winners are chosen through viewer polls and a panel of experts, so they reflect a mixture of elite and popular approval and therefore provide a representative sample of widely held sentiments. There are total of 52 films, one for each year from 1954 to 2007 (there were no awards in 1987 and 1988).

In contrast, the films to be nominated for the Filmfare awards in India are chosen by votes solicited from people at large through a mail-in ballot published in several newspapers and magazines. The movies so selected would reflect the ideological leanings of only those people who read newspapers and magazines, and such people would form only a subset of the electorate given that the literacy rate in India is only 60%. But such subset of people is the one that is most informed and interested enough to influence the general orientation of policies. Thus it is reasonable to assume that the films nominated for Filmfare Awards by and large reflects the

values and ideals of that subset of the public that is most vocal and influential in the determination of policy.

Biskind—a former editor of the periodical *American Film*—writes that “to understand the ideology of films, it is essential to ask who lives happily ever after and who dies, who falls ill and who recovers, who strikes it rich and who loses everything, who benefits and who pays—and why?”⁵⁰ Such textual and content analysis of films here reveals two noteworthy patterns.

4.1.1. Films are celebrating individualism

The dilemma of performing one’s duty vs. fulfilling one’s desire is a recurring one in Indian stories. The holy Bhagvad Gita is nothing but a sermon on duty by the Lord Krishna to the warrior-prince Arjuna, who is in doubt about the righteousness of his actions as he prepares for a war against his step-brothers who have usurped of his kingdom. “I cannot see how any good can come from killing my own,” Arjuna despairs, “nor can I desire any subsequent victory, kingdom or happiness. . . Of what avail to us are a kingdom or even life itself when all those for whom we may desire them are now arrayed on this battlefield? Why should I kill them, even though they might otherwise kill me. I am not prepared to fight with them even in exchange for the three worlds, let alone this earth. What pleasure will I derive from killing [them]?”⁵¹

The Lord counsels, “If you do not perform your religious duty of fighting as a *Kshatriya*, then you will certainly commit the sin of neglecting your duties and thus lose your reputation as fighter. . . for a respectable person, dishonor is worse than death. . . What could be more painful for you? . . . Do fight for the sake of fighting, without considering happiness or distress, loss or gain, victory or defeat—and by doing so your will never incur sin.”⁵² The injunction of performing one’s duty without regard to outcomes has been the basis of much of the Indian philosophical and religious discourse.⁵³

The dilemma is recurrent in Indian films. In the climax of *Mother India* (1959) a mother is called upon to take a stand on her wayward son. In *Deewar* (Barrier, 1976), a police officer finds that his job requires him to put cuffs on his beloved older brother. In *Upkaar* (Obligation, 1968), two brothers debate the choice between tilling their family farm and moving to the city for better opportunities. The hero in *Guide* (1967) is put in a bind when the superstitious villagers who have mistaken him as a holy man and given him refuge now expect him to undertake fasting to appease the rain Gods. In *Ram Teri Ganga Maili* (The Ganges has been sullied, 1986), *Qayamat Se Qayamat tak* (Doomsday to Doomsday, 1989), *Maine Pyar Kiya* (I have fallen in love, 1990), young lovers find their plans for marriage run up against their families’ plans. How the dilemmas are resolved offers a peek into the prevalent values of the times.

From the 1950s to the 1980s, the dilemmas invariably resolve in favor of duty. The mother in *Mother India* (1956) shoots and kills her wayward son as he attempts to kidnap a woman—an action that would have been shameful for the village. “I am the mother of the entire village,” she says as she picks up the gun. As the son collapses to the ground, she wails and rushes to his side, and is shown to lament his death for the rest of her life, but the film valorizes her as “Mother India.”

Bandini (Prisoner, 1964) ends with Kalyani (Nutan) walking away from a handsome rich doctor, her suitor and benefactor, to care for her destitute and sick ex-fiancé who had once jilted her. Jabla in *Sahib Bibi aur Ghulam* (Man, Wife and Knave) leaves her

⁴⁶ Gokulsing and Dissanayke, *Indian Popular Cinema: A Narrative of Cultural Change*, p. 61.

⁴⁷ Corliss, R., 2003. “That Old Feeling: Bollywood Fever,” *Time*.

⁴⁸ Derne, S., *Movies, Masculinity, and Modernity: An Ethnography of Men’s Filmgoing in India*, p. 1.

⁴⁹ Nagraj, D.R. “The Collapse of the Comic Authority,” p. 87.

⁵⁰ Peter Bisking, *Seeing is Believing: How Hollywood Taught us to Stop Worrying and Love the Fifties*, p. 3.

⁵¹ Bhagvad-Gita, 1: 31–35, translation of A.C. Bhaktivedanta Swami Prabhupada.

⁵² Bhagvad-Gita, 2: 33–39, translation of A.C. Bhaktivedanta Swami Prabhupada.

⁵³ The significance of this episode from *Mahabharata* in Indian thought is discussed by Amartya Sen in *The Argumentative Indian* (2005), pp. 4–5.

lover to marry the man of her father's choice. The young doctor in *Himalya Ki God Mein* (In the Lap of the Himalayas, 1966) gives up a lucrative career in the city to serve the masses in the countryside, as do the two farmer brothers in *Upkaar* (Obligation, 1968). The argument made by one brother that "if everyone moves to the city, who will feed the people?" eventually carries the day. Never mind that the Indian countryside has perhaps too many peasants carrying on uneconomic cultivation, and that the 'masses' would benefit if the brothers moved to the city and relieved the pressure on land. The films emphasize the considerations of duty and identity, not prudence.

Similarly the *faux* holy man in *Guide* (1967) in spite of not sharing the villagers' superstition fasts himself to death. With his hands shaking the cop in *Deewar* (Barrier, 1975) shoots his brother as he attempts to flee the police. The mother is distraught and grief-stricken, but endorses the action. The films hold up duty, sacrifice, and deference to the interests of the larger community as heroic.

But then starting with *Ram Teri Ganga Maili* (1986) there is a spate of films that celebrate the assertion of one's desire. The assertion commonly takes the form of falling in love—an audacious act in a society where the sexual mores are conservative and a majority of marriages are arranged on basis of familial and community criteria. The young lovers in the big hit *Qayamat se Qayamat tak* (Doomsday to Doomsday, 1988) elope and endure enormous hardships on account of their families' opposition. The families had a falling out in the past when they were neighboring landlords in the country. The demands of familial loyalty, shown to arise in this way from a feudal setup and concluding in the death of the young lovers, are condemned by the film as savage and outdated. "We are not the property of our parents," the young man once counsels his beloved. "We need not be carriers of their legacy of hate."

Similarly in *Ram Teri Ganga Maili* (The Ganges has been Sullied, 1985), *Maine Pyaar Kiya* (I am in Love, 1989), *Hum Hain Rahi Pyaar ke* (We are on the path of love, 1993) the opposition to the love relationship is shown to arise from the families' narrow concerns of class, status and language. But in the end the lovers prevail. The implication is that the curbs on individuals' desires are flimsy and indefensible. If the demands of the Nehruvian Consensus on people had been rendered acceptable by appealing to their sense of obligation and duty, the demands were now on a shaky foundation. The anthropologist Harvey has noted, "Values of individual freedom and social justice are not necessarily compatible. Pursuit of social justice presupposes social solidarities and a willingness to submerge individual wants, needs and desires in the cause of some more general struggle."⁵⁴ In India of 1980s the pursuit of individual wants, needs and desires was gaining legitimacy.

Jo Jeeta Wohi Sikander (The One Who Wins is Alexander The Great, 1994) Sanju (Aamit Khan)—who is initially the black sheep of his family—gains the esteem of his family members and town-folk by winning a cycling race. The choice of bicycle race as the occasion for his redemption is revealing because the race embodies qualities such as individual effort, competition, and self-discipline. While characters of earlier films had attained heroism through sacrifice to the interests of family, village or nation, now the path to heroism lies in individual achievement.

4.1.2. Films are valorizing businessmen

Hum Apke Hain Kaun (Who am I to you? 1994) is perhaps the most successful film of Hindi Cinema, earning an unprecedented 650 million rupees.⁵⁵ The film opens with the scene of a family playing cricket on the lush lawn of its outsized house. In watching them play we learn that the family is extended, with grandparents,

women, and children (even pets) all graciously occupying their positions and gracefully ceding them when they are 'bowled out.' The initial impression of the family harmony is borne out as the film proceeds. All members pull together in the spirit of duty to fill in a void when one of its members passes away. The film is itself not remarkable, one critic has dismissed it as "two weddings and a funeral, peppered with fourteen songs."⁵⁶ But it is remarkable in that it glorifies a wealthy industrialist family and thus signifies a turn in the discourse about wealth.

Watching Hindi films from the 1950s, one would get the impression that wealth is something that people simply have, as a manna from heaven. Either you have it or you do not—rarely are the characters shown earning it. The wealthy in *Do Bhiga Zameen* (Two Acres of Land, 1954), *Jagruti* (Awakening, 1956), *Mother India* (1958) and *Madhumati* (1959), *Sahib Bibi aur Ghulam* (Man, Wife and Knave, 1963) are landlords who have inherited their estates. They are shown to while their time away smoking (*Jagruti*), hunting (*Madhumati*) or drinking and womanizing (*Sahib Bibi Aur Ghulam*).

In such films only the poor are shown to work, and more than anything it serves to emphasize their wretchedness, as in *Mother India* (1957) and *Do Bhiga Zameen* (Two acres of land, 1954). Work does not pay and people improve their condition in the films only through the generosity of the fortunate. *Boot Polish* (1955) is Dickensian tale of two street children whose attempts to improve their lot through work and saving is thwarted at every turn until they are adapted by a wealthy family. The source of the family's wealth is never indicated, it is simply there, to the good fortune of the children. The peasant family's travails of drought and debt in *Mother India* (1958) end only when the government brings irrigation to the village. The movies of the 1950s therefore portray a world in which work does not pay, and the only way out seems out is being co-opted by the wealthy—directly or through the state. In such a world there is little scope for creating wealth—only of redistributing it.

Bandini (Prisoner, 1964) is the earliest film in the sample in which the rich are shown to work. Deven the car-owning doctor works hard, as when he attends to his patients in the middle of the night. In *Guide* (1967) the car-owning archeologist works long hours at excavation sites and as a result his wife leaves him. The implication, recurrent in films from this decade on, is that wealth is acquired through sacrifice. In *Dosti* (Friendship, 1964) a destitute 15-year old boy catches his big break by working hard at his studies and winning a scholarship. In the films of the 1960s work begins to pay.

Though the characters of films are shown to earn their wealth, their lives are often shown to be marred by personal unhappiness and immorality. The two-careers couple in *Rajnigandha* (Tuberose, 1975) are living the good life in an upscale flat in Bombay, but are too busy to have children, as the wife bitterly notes. In a pronatalist society as India, childlessness would strike the audience as a major tragedy. The protagonist in *Bhumika* (Role, 1977) achieves professional success only by compromising her chastity and enduring scorn and separation from her family. The wealthy father in *Ram Teri Ganga Maili* (1985) makes his fortune by skimming money from government contracts to clean up the sacred river Ganges. The father of Vijay (Amitabh Bachchan) in *Shakti* (1982) exhorts his son to not accept employment from in a particular businessman because his activities "seemed dirty." Amitabh Bachchan replies matter-of-factly, "well, all businesses are dirty."

The films from 1964 to 1985 thus display an ambivalence. Wealth is shown to arise from work, and is thus legitimate, but is shown as bad for the soul. The ambivalence is best articulated in *Deewar* (Barrier, 1975) in which two brothers—a mafia don and a

⁵⁴ Harvey, D., 2005. *A Brief History of Neoliberalism*, p. 41.

⁵⁵ Kazmi, *The Politics of India's Conventional Cinema*, p. 138.

⁵⁶ See footnote 55.

upright police officer—are pitted against each other for the affection of their mother. Though it is the don who has pulled the family from rags to riches, avenged his mother's humiliations, and made possible for his younger brother to get an education and become an officer, the mother—embodiment of all that is good and sweet in the world—sides with the officer. "I've got wealth, a house, a car, what have you got?" the don challenges the officer in a tense moment. The officer replies "I've got mom." It is perhaps the most repeated line of Hindi cinema, immortalized on caps, T-shirts, and bumper stickers.

The ambivalence is shed beginning in the late 1980s. The Best Film award winning films show businessmen as extraordinarily moral. For example, Ashok Mehra (Raj Babbar) in *Ghayal* (Wounded, 1990), who is the older brother of the film's hero, dies while trying to protect his business from being used as a cover for anti-social activities. *Maine Pyaar Kiya* (I have loved, 1989) and *Hum Aapke Hain Kaun* (Who am I to you, 1994) both revolve around families headed by benevolent patriarchs who are self-made industrialists. In contrast to the rich of the 1950s, who were unfailingly wicked, the wealthy are now solicitous of their family members (including women) and magnanimous toward their servants with whom they are shown singing, dancing, and praying. In the plots of the films from the 1980s and 1990s, problems do not arise from actions related to the pursuit of wealth, but extraneous factors such as untimely deaths and envious outsiders. Wealth has become unproblematic.

To measure systematically the portrayal of the rich and the businessmen in my sample, I construct a dataset of all male characters who are integral to the storylines of the films. A character is considered integral to the story if his actions in some way advances the plot toward a resolution. The analysis is restricted to male characters who are shown to have a vocation. Female characters are excluded because they are rarely shown to pursuing a vocation, let alone run a business. Each integral male character is coded for the following three variables:

- (1) businessman/non-businessmen
- (2) positive/negative
- (3) rich/middle class/poor

The positive characters are further coded as hero/non-hero. The negative characters are coded as villain/non-villain. As an instance of coding, the hero of *Maine Pyaar kiya*, Prem (Salman Khan), who is the heir to his father's vast industrial empire, is coded as businessman, positive, hero, and rich. His father is coded as businessman, positive, non-hero and rich. The complete criteria are listed in the codebook used, which is attached as [Appendix A. Table 1](#) shows the percentages of characters that are businessmen portrayed as positive and negative, by decade.

[Table 2](#) gives the number of heroes as businessmen, by decade also. To note are: (1) the increase in the percentage of businessmen characters that are portrayed positively and (2) the uptick in the number of films toward the end of the 1980s and the early 1990s in which the occupation of the hero is that of a trader or business owner.

Table 1
Frequency of positive and negative portrayal of businessmen, by decade.

	Positive	Negative	Row total
1950s	1 (83.33)	5 (16.67)	6
1960s	2 (60)	3 (40)	5
1970s	2 (66.67)	4 (33.33)	6
1980s	8 (27.27)	3 (72.73)	11
1990s	25 (33.33)	4 (86.21)	29

Figures in parentheses indicate percentage of row total.

Table 2
Frequency of heroes that are businessmen, by decade.

	Businessman	Non businessman	Row total
1950s	1 (83.33)	7 (16.67)	8
1960s	0 (60)	14 (40)	14
1970s	2 (66.67)	9 (33.33)	11
1980s	4 (27.27)	5 (72.73)	9
1990s	11 (33.33)	3 (86.21)	14

Figures in parentheses indicate percentage of row total.

Gone are the days when the hero was a vagabond (as in *Jis desh mein Ganga behti hain*, 1962), a dutiful servant (*Sahib, bibi aur Ghulam*, 1963), a street urchin (Boot Polish, 1955; *Dosti*, 1965) or running an orphanage (*Brahmachari*, 1969). Now the heroes are unmistakably bourgeois—they manufacture cars (*Hum aapke hain kaun*, 1995), shirts (*Hum hain rahi pyaar ke*, 1994), sell bikes (*Jo Jeeta wahi sikander*, 1993). They tend to be exporters (*Kuch kuch hota hain*, 1999) or are successful expatriate businessmen living in the West (*Lamhe*, 1992; *Dilwale dulhainya le jayenge*, 1996). They are also fabulously rich—they holiday abroad (*Lamhe*, 1992; *Dil to pagal hai*, 1997) and live in palatial homes (*Maine Pyaar Kiya*, 1989; *Lamhe*, 1992; *Dilwale Dulhainya le Jayenge*, 1995; and *Dil to pagal hai*, 1997).

What the analysis says

That the films have been immensely popular suggests that a greater number of viewers have come to cherish enterprise and wealth, and see no contradiction between being rich and a good person. If the License *Raj* was an outgrowth of the belief that making money via private enterprise was anti-social, then such basis of the *Raj* was greatly diminished.

5. The films were harbingers

Economists, ever vigilant to the possibility of endogenous causation, may point out the possibility that the ideological change reflected in Hindi films might be a consequence of liberalization rather than the cause. Films are celebrating wealth and profit because, only after the liberalization has the possibility of wealth and profit become real.

But it is to be noted that the ideological change is visible in the films of the 1980s, preceding the wave of liberalization starting in 1991. It lends support to the notion that the ideological change, reflected in the films as early as 1980, was a cause rather than a consequence of liberalization. Surely once the liberalization got under way and people were making money, austerity and self-denial must have gone out of style, making liberalization even more acceptable. Policy and Ideology in this case reinforce each other.

Films are only one reflection of the changing ideology. To verify the change, further research needs to confirm the change in other cultural products such as literature, theater, and educational curriculum. The study of prevalent ideas around the time of liberalization in other countries would also provide further evidence for the connection between ideology and policy.

Acknowledgement

I would like to thank Deirdre McCloskey for guidance and Divyanshi Chugh for research assistance. Part of this project was completed under a fellowship granted by the Institute for Humane Studies.

Appendix A. Codebook used for the analysis of film characters

Unit of data collection: Each male character in the film who (a) is integral to the story, and (b) is shown or implied as having a present or future occupation.

Film name: Fill in the name of the film along with its English translation in parenthesis.

Character name (description, if no name): Businessman: Indicate whether the character is a businessman or not

- Businessman:* If the character is
 - an industrialist or entrepreneur
 - a trader or shopkeeper
 - an accountant, manager or salesman
 - a landlord or estate-owner that is actively involved in the management of his farm/estate
 - a money lender
 - an adult heir of an industrialist, or estate owner, unless shown to pursue another vocation
- Not businessman:* All others, including
 - self-employed professionals such as artists, doctors etc.
 - absentee landlords that merely collect rents
 - poor street peddlers or anyone operating in the informal sector out of destitution

Note: If a character changes avocation in a way that crosses the line between “Business” and “Non-Business,” select the occupation in retained the happy ending. If there is no happy ending, select the one where the character was shown the happiest.

If a character has more than one occupation, choose the one which is his primary source of income, or the one is shown to be practicing the most.

Character portrayal: Indicate if the character is shown to be basically positive/negative

- Positive:* If he does one or more of the following:
 - is the film's hero
 - assists the hero in his pursuits
 - engages in altruistic acts such as donating money, helping a woman in distress, sacrificing his life for a cause or another person
 - dutifully performs his role as a police officer, servant, manager, father, husband, etc.
- Negative:* If he
 - is the film's villain
 - is criminal, malicious or negligent
 - thwarts the hero in the pursuit of his goal (e.g. refuses to give his daughter in marriage)
 - is unkind to his social inferiors (servants, employees, students, etc.)
- Ambiguous:* If a character falls in neither of the above categories, or both

Hero: Indicate if the positive character is the hero of the film

- Hero:* One or more of the following
 - his name appears first in the list of credits
 - he romances beautiful women in numerous songs
 - kills or banishes the villains in the end
- Non-hero:* An positive character who do not meet the criteria of the hero

Villain: Indicate if the positive character is the villain of the film

- Villain:* If both of the following apply
 - is criminal or malicious
 - dies or is sent to jail in the end
- Non-villain:* All other negative characters who do not meet the criteria of a villain

Economic status: Estimate the economic status

- Rich:* If shown to engage in one of the following: own a car, travel abroad, live in a bungalow, employs multiple servants, explicitly referred to as rich
- Poor:* If shown to have difficulty in obtaining basic wants such food, shelter or schooling for children
- Middle class:* If he works for a living, has all the necessities and some luxuries, but is dependent on working for his or her livelihood⁵⁷

Note: If a character changes his socio-economic status over the film, indicate the one in the resolution of the story.

References

- Alamgir, J., 2009. *India's Open-Economy Policy: Globalism, Rivalry and Continuity*. Routledge, New York.
- Bardhan, P., 1998. *The Political Economy of Development in India*. Expanded Edition. Oxford University Press, New Delhi.
- Becker, G., 1983. A theory of competition among pressure groups for political influence. *The Quarterly Journal of Economics* 98 (3), 371–400.
- Biskind, P., 1983. *Seeing is Believing: How Hollywood Taught us to Stop Worrying and Love the Fifties*. Pantheon Books, New York.
- Brunner, K., 1996. *Economic Analysis and Political Ideology*. Edward Elgar, Cheltenham, UK and Brookfield, VT.
- Cassen, R., Joshi, V., 1995. *India: The Future of Economic Reform*. Oxford University Press, Oxford and New York.
- Corliss, R., 2003. That old feeling: bollywood fever. *Time*. June 19.
- Dasgupta, A.K., 1964. India's Cultural Values and Economic Development: A Comment. *Economic Development and Cultural Change* 13 (1), 100–102.
- Dehler, A., 2008. *IMF conditionality: theory and evidence*. Working Paper, Swiss Federal Institute of Technology, Zurich.
- Derne, S., 2000. *Movies, Masculinity and Modernity: An Ethnography of Men's Film-going in India*. Greenvision Press, Westport, CT and London.
- Gandhi, M.K., 1993. In: Mukherjee, R. (Ed.), *The Penguin Gandhi Reader*. Penguin Books India, New Delhi.
- Moti Gokulsing, K., Dissanayake, W., 2004. *Indian Popular Cinema: A Narrative of Cultural Change*. Tretham Books Limited, Oakhill, UK.
- Guha, R., 2007. *India after Gandhi: The History of the World's Largest Democracy*. HarperCollins, New York.
- Hamilton, M.B., 1987. The elements of the concept of ideology. *Political Studies* XXXV, 18–38.
- Harvey, D., 2005. *A Brief History of Neoliberalism*. Oxford University Press, New York.
- Hayek, F.A., 1949. *Intellectuals and Socialism*. University of Chicago Law Review 16, Chicago.
- Hayek, F.A., 1960. *The Constitution of Liberty*. University of Chicago Press, Chicago.
- Hirschman, A.O., 1977. *Passions and Interests: Political Arguments for Capitalism before its Triumph*. Princeton University Press, Princeton, NJ.
- Hirschman, A.O., 1986. *Rival Views of the Market Society and Other Recent Essays*. Viking Penguin, New York.
- Jenkins, R., 1999. *Democratic Politics and Economic Reform in India*. Cambridge University Press, Cambridge.
- Kazmi, F., 1999. *The Politics of India's Conventional Cinema*. Sage Publications, New Delhi.
- Keynes, J.M., 1936. *The General Theory of Employment, Interest and Money*. Harcourt Brace, New York.
- Kochanek, S.A., 1974. *Business and Politics in India*. University of California Press, Berkeley and Los Angeles.
- Lal, D., 1999. *Unfinished Business: India in the World Economy*. Oxford University Press, Oxford.
- Luce, E., 2007. *In Spite of the Gods: The Rise of Modern India*. Random House, New York.
- Nagraj, D.R., 2006. The collapse of the comic authority. In: Lal, V., Nandy, A. (Eds.), *Fingerprinting Popular Culture: The Mythic and the Iconic in Indian Cinema*. Oxford University Press, New Delhi.
- Nehru, J., 1989. *An Autobiography (1936)*. Centenary Edition. Oxford University Press, New Delhi.

⁵⁷ The definition is due to Neuendorf, K., “The Content Analysis Codebook,” p. 121.

- Neuendorf, K.A., 2002. *The Content Analysis Guidebook*. Sage Publications, Thousand Oaks, CA.
- McCloskey, D.N., 2007. *Bourgeois Virtues: Ethics for an Age of Commerce*. University of Chicago Press, Chicago.
- McCloskey, D.N., 2010. *Bourgeois Dignity: Why Economics can't Explain the Industrial Revolution*. University of Chicago Press, Chicago.
- Nelson, R., 2001. *Economics as Religion: From Samuelson to Chicago and Beyond*. Pennsylvania State University Press, University Park.
- North, D., Denzau, 1994. *Shared mental models: ideologies and institutions*. *Kyklos*.
- Pendse, D.R., 2008. *Beyond the Giant: Personal Insight into the Life of J.R.D. Tata*. National Book Trust, New Delhi.
- Bhaktivedanta Swami Prabhupada, A.C., 1986. *Bhagavad-Gita as It is*. The Bhaktivedanta Book Trust, Mumbai.
- Sachs, Jeffery, Ashutosh Varshney, Nirupam Bajpai (Eds.), 1999. *India in the Era of Economic Reform*. Oxford University Press, New Delhi.
- Schmidtz, D., 1995. *Rational Choice and Moral Agency*. Princeton University Press, Princeton.
- Sen, A., 1987. *On Ethics and Economics*. Basil Blackwell, Oxford and New York.
- Simon, H., 2002. *Rationality and Freedom*. Harvard University Press, Cambridge and London.
- Simon, H., 1997. *Models of Bounded Rationality: Empirically bounded Economic Reason*, vol. 3. MIT Press, Cambridge, MA.
- Smith, A., 1750, 1790. *The Theory of Moral Sentiments*, Glasgow ed. In: Raphael, D.D., Macfie, A.L. (Eds.). *Liberty Classics*, Indianapolis (1976, 1982).
- Srinivasan, T.N., 2003. *Indian economic reforms: a stocktaking*. Paper Presented at the CREDPR Annual Conference on Indian Economic Policy Reform, Stanford, June 5–7. www.econ.yale.edu/~srinivas/Indian%20Economic%20Reforms%20A%20Stocktaking.pdf
- Stern, P., 1993. *The socio-economic perspective and its institutional prospects*. *Journal of Socio-Economics* 22 (1), 1–11.
- Vanberg, V., 2008. *On the economics of moral preferences*. *American Journal of Economics and Sociology* 67 (4), 605–628.
- Varma, P.K., 1998. *The Great Indian Middle Class*. Penguin, New Delhi.