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**Voters, Institutions and Governance:  
A Theory and Evidence from the Indian Elections  
in 2004**

By

Prakash Sarangi

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PRAKASH SARANGI

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# **Voters, Institutions and Governance: A Theory and Evidence from the Indian Elections in 2004**

PRAKASH SARANGI

*Professor of Political Science<sup>1</sup>*

This paper is a preliminary attempt to understand a simple puzzle about the Indian voter: *Why* does a voter vote for party X or Y in an election? What parameters does s/he use to evaluate parties and their policies? Or, does s/he look at the parties through the lenses of other cultural institutions? How does s/he calculate the payoff to the society and/or to herself/himself in this momentous action? This author was amazed by the absence any substantive studies on the subject.

Though there are hardly any studies on the Indian voter, there have been several electoral studies.<sup>2</sup> Most of the studies centre on ‘the verdict’, i.e., why does a party win or lose in an election? The explanations generally given are: change in a party’s leadership or ideology; cultural factors like change in caste or ethnic equations; promises of welfare goodies, anti-incumbency factor, etc. None of these explanations provide any space to the role of the voter, who actually elects or rejects a party. That a voter has her/his calculations while taking the momentous decision is ignored.<sup>3</sup> At best, the surveys take note of the socio-economic background of a voter, her/his expectations from a government,

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<sup>1</sup> University of Hyderabad, Hyderabad 500046 (India), Email: pcsss@uohyd.ernet.in:

<sup>2</sup> A review of all the research till the elections of 1971-72 is found in Narain (1978). Among the recent studies, there are two special issues of *Economic and Political Weekly*, Vol. XXXIV No. 34-35, August 21-28, 1999 and Vol.XXXIX, No.51, December 18-24, 2004; and Mitra and Singh (1999).

<sup>3</sup> V.M. Sirsikar, one of the early pioneers of electoral studies in India observes dismissively, “An Inquiry into the process of elections indicates factors other than rationality.” (1966: 61)

her/his preferences of public policies. However, the voter is never asked whether the voter uses any or all of these in her/his evaluation of a party. For example, if most of the Dalit voters vote for a party, the conclusion is drawn that it is the Dalit identity of the voter, which made her/him to vote for that party. It could be that a Dalit votes for that party, not because s/he is a Dalit, but because s/he likes a candidate or party's policies or that her/his payoff will be more if that party wins. This is not to under-emphasize the impact of the context on the voter. It is important for us to understand that every contextual factor may not have influence on the voter. In fact, a voter is flooded with an amazing range of information. S/he may have neither time nor inclination to understand these. Very often, though, s/he takes note of information filtered through cultural and political institutions. In the next section we will present an approach to understand the voting behaviour in India.

### A Neo-institutional Approach<sup>4</sup> to Voting Behaviour

An Indian voter's behaviour is a function of three parameters: the voter him/herself as a human agency; the role of the informal cultural institutions like a caste or a religious group; and the role of the formal institutions like a political party. It is a triangular relationship between the individual and the formal and informal institutions.

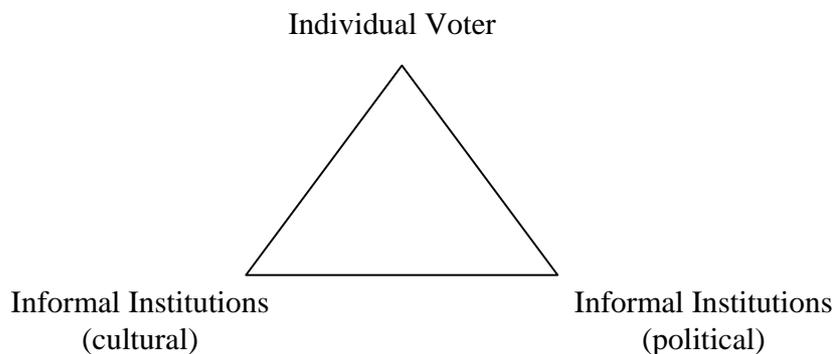


Figure – 1: VOTERS AND INSTITUTIONS

First, the voters' actions are to be seen as intentional or purposeful. They are seen as agents with certain freedom to deliberate and to choose in accordance with individual psychology.<sup>5</sup> These deliberations, however, take shape in a

<sup>4</sup> A few important works in this area are: Hall and Taylor 1996; March and Olson 1984; Nielsen 2001; North 1990; and Powell and DiMaggio 1991.

<sup>5</sup> There is an occasional skepticism about the deliberative capacities of many Indian voters who are uneducated. Deliberation has no relationship with literacy. Every individual's horizon of thinking has a limit. A farmer in rural India will not be expected to evaluate India's role in WTO; nor a stockbroker in Mumbai be interested in local irrigation policy. Given a voter's context, if s/he is able to analyze the information and decide, s/he is a rational calculating being. Our experience tells us that Indian voters in rural areas are far more sophisticated in their political calculations compared to educated urban dwellers.

specific political and cultural context. Thus the voters are not always maximizing 'economic men'. Their utility functions are not the sole guiding factors.<sup>6</sup> Their behaviours are guided by the rules of informal and formal institutions. Actors follow habits and rules, not because of calculated costs and benefits, but because it is sensible and necessary to do so. The transaction costs (North 1991) get reduced. The transaction costs may take many forms: presence of extensive information or lack thereof, complexity and uncertainty of issues, problems of cognition, learning and communication, language of political interaction, etc.<sup>7</sup>

Voting mechanically -- according to one's ideology or caste identity -- is sometimes regarded as different from a rational voting behaviour. However, to vote according to one's cultural affiliation or according to what seems to be appropriate or reasonable may seem to be a rational response to a specific situation. One's payoff in terms of friendship or community obligations may be more than an electoral pay-off. Sometimes present behaviour may be linked to the past behaviour. Legitimizing past action is neither inappropriate nor irrational. Social interaction is necessary to make sense of uncertain future and to develop reasonable expectations.<sup>8</sup> Rationality is not independent of specific situational context. Institutions do not act as constraints, but rather enable the actors to define the contours of rationality.

Voting behaviour is mediated by formal or informal institutions. Institutions have an inherent agenda-setting role. "Institutions are the structure that humans impose on human interaction and therefore define the incentives that ... determine the choices that individuals make." (North 1994) Institutions determine the nature of transactions and the payoffs to the transacting parties. They also help individuals to take decisions by reducing transaction costs. Cultural context generates informal institutions. The examples of such institutions may be a religious group, caste solidarity or a tribal identity.<sup>9</sup> Culturally embedded institutions provide frames of meaning that determine how problems are defined and how possible solutions are identified and evaluated. (Scott 1996)

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<sup>6</sup> In the Indian context we know that an individual may get greater pleasure by sacrificing interests rather than by maximizing them. There may be satisfaction while helping someone, be it a candidate in the election.

<sup>7</sup> Transaction costs for an Indian voter are very high. In a huge multi-ethnic country, even the local issues are fairly complex. Political languages (not in linguistic sense) may vary. Ethnic groups, kinship ties or political organizations simplify this jigsaw puzzle for the voters.

<sup>8</sup> In India, a vote – perhaps like any other commodity – does not enjoy a purely private space. It may be exchanged for past friendship or future loyalty. It is sometimes owned as a collective good and used for the solidarity of the community. It is wrong to suggest that voting as an act of exchange is irrational. Perhaps an individual derives more payoffs from such an exchange.

<sup>9</sup> In India, the smallest social institution, which may be influencing voting decision, is the family. Occasionally the scholars are puzzled by the fact that a whole family votes for the same candidate or that a wife simply follows the husband's decision. These actions will not sound irrational, if we accept the transaction cost theory of institutional analysis.

Formal institutions in the political process carry out the role of interest articulation and aggregation. Political parties and interest groups are the typical examples of such institutions. Traditional rational choice literature views them as supply side institutions analogous to the firms in a market. They present their policies before the voters, who exchange their votes with the promised policies. A voter's decision is presumed to be autonomous. A political party is seen simply as the aggregation of the preferences of individuals.<sup>10</sup> Such a model ignores the institution's autonomy and resilience. It also ignores the linkages between the political institutions and the cultural institutions. Both the types of institutions not only influence the voters, they also influence each other. There may be formal and informal contracts between the two to support each other. In some cases the identity of the two types of institutions may become indistinguishable from each other.<sup>11</sup>

### Political Change

The sources of change in political institutions are the opportunities and costs perceived by the political entrepreneurs<sup>12</sup> in altering the framework. The entrepreneur assesses the gains to be derived from a new contract within the existing institutional framework compared to the gains from devoting resources to changing that framework. The entrepreneurs who perceive themselves and their organizations as relative losers in the political market can turn to other political units for a renegotiation of a contract and alter the rules of the game. In political games most of the changes happen informally: by changing the norms, conventions, etc. Changes occur gradually and quite often subconsciously as individuals evolve alternative patterns of behaviour consistent with their newly perceived evaluation of costs and benefits. The change is largely incremental, since accepted norms and social conventions change slowly.<sup>13</sup> The critical actors in the times of change are the political entrepreneurs whose payoffs are likely to increase in creating new organizations or transforming the existing ones. They create a new support base or gently persuade the existing supporters to view the issues differently because of anticipated higher payoffs. The

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<sup>10</sup> For the most part of India's political history since independence, examples of such political parties are hard to find. Political parties have been supply-driven, rather than demand-driven. The opinions or values of members – or, of voters -- have rarely been translated as the policy of a party.

<sup>11</sup> In the context of the interaction between caste and political institutions in India, Rajni Kothari described the process as a democratic incarnation of caste system. More recently, Seth has explained this as secularization of caste system. The process has reached a culmination in the emergence of political parties depending on the support from one or a few caste groups. (Kothari 1970; Sheth 1999; Chandra 2004)

<sup>12</sup> There have been many such entrepreneurs in Indian politics. One example of a very successful entrepreneur is Indira Gandhi who was instrumental in transforming the Congress party in 1969. An example of unsuccessful entrepreneur is Jaiprakash Narayan, who failed to translate the massive anti-Congress sentiment to a resilient political formation.

<sup>13</sup> When Indira Gandhi moved away from the notion of a party of consensus and generated her rainbow coalition, it took quite a while for people to realize the potential of payoff based on social welfare.

political entrepreneurs reduce transaction costs of their supporters by providing adequate information on alternatives and a promise of better payoff in future.<sup>14</sup>

It is thus a symbiotic relation between the individuals and the institutions in politics. Institutions exist because of the support they derive from individuals. Institutions help the individuals to deliberate by providing the structured information. Individual's use of information for the sake of voting behaviour may be a routinised or a strategic behaviour. It is routinised when s/he is guided by the values, norms or ideologies derived from the cultural or political institutions with which s/he is associated. Very little calculation of payoff takes place. Culture is so much a part of an individual that s/he may not sometimes be aware that her/his actions are influenced by the information provided by the cultural institutions. An individual may be close to the values or ideology of a political party or interest group and may uncritically accept their opinion.<sup>15</sup> Transaction cost is minimal in such cases. These are incremental path dependent models of decision-making.<sup>16</sup> The individuals may have no incentive to make additional investment in gathering information, since their expected payoffs from the political system are not likely to increase.

The second type of behaviour – strategic behaviour – may be discernible when the individual exercises autonomy in decision-making. S/he gathers information and analyses them before taking a decision. S/he may be getting clues from institutions; but accepts or rejects them only after an objective analysis.<sup>17</sup> This is an empowering process for the individual. S/he takes a decision only after calculating payoffs, both to her/himself as well as to the collective. At this stage the institutions, instead of taking the individuals for granted, would like to woo them at the latter's own terms.

It is the political parties who seek the support from individuals during elections. A party may appeal directly to the individuals or may create linkages through

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<sup>14</sup> The cost of transacting arises because information is costly and asymmetrically held by parties to exchange. The instrumental rationality postulate assumes that the actors possess information necessary to evaluate the alternatives. Such a postulate is not sustainable in the political market, which is never a perfect market. Hence, the need for allowance for the cost of transaction in a political exchange. Institutional innovators have often absorbed the transaction cost of the individuals as a part of their payoffs.

<sup>15</sup> Uncritical acceptance of a party in India's history has happened for several decades after independence. The Congress party continued to get support for quite some time as a party, which led the nationalist movement, and later on as a party which can remove poverty. Several such examples can be found at the State level: CPM in West Bengal, NTR's TDP in Andhra Pradesh, RJD in Bihar or BJP in Gujarat.

<sup>16</sup> It is not simply ideology that simplifies the decision-making. Sometimes it is the historical continuity in support because of the charisma of a leader or a family or simply the continuity of caste equation with a party.

<sup>17</sup> Such a discerning voter has emerged in the Indian politics during the last couple of decades. This is evident from the fact that voters are asking questions about the policies on offer, throwing out nonperforming parties and have been sophisticated enough to vote for one party for the State and for another party for the Centre.

social and cultural institutions. Such linkages could be integrated or differentiated. When political and cultural institutions become so indistinguishable that each risks losing its autonomy in decision-making they may be said to be integrated.<sup>18</sup> On the other hand, they are differentiated when maintain a clear separation, while influencing each other for electoral purposes.

### **Pay-off to the Voter: Fair Governance**

The pay-off to the Indian voter comes in the form of what we may call 'fair governance'. Broadly, governance implies process in which a political system operates.<sup>19</sup> It is the flip side of politics. When a set of individuals with conflicting demands and values come together and take decisions in reasonable manners that are considered binding for the collective, there is said to be politics. The expectation is to have a stable order and not chaos. When collective decisions are translated into practice through institutional mechanisms as defined in the decision, the issue of governance comes to the picture. Governance, therefore, does not simply mean 'governing'; but whether governing has happened in a reasonable manner as expected in the collective decision. If election in a representative democracy were to be seen as an instrument of collective decision making for a country, expectations of outcomes from the policies of an elected government would constitute what is called 'governance'. The achievement needs to match reasonably with the expectation. It is this comparison that defines the pay-off for the voters, at least for the majority that elected a government.

If governance, broadly defined, means translating electoral promises into effective public policies in a representative democracy, most of countries would be categorized as *governance-less*. No winning party can keep all its electoral promises. Therefore, a voter needs to assess broad themes of performance of a government, a minimal payoff, without which the democratic regime may lose its legitimacy. This minimal payoff may be characterized as 'fair' governance, a level of governance, which may be considered as reasonably fair. Within any single democratic country the meaning of what constitutes fairness may vary from time to time. In fact, each historical regime may be defined by a theme of fair governance.

Electoral history in India (1952-2004) can be divided into three such regimes of fair governance. During 1952-1967, the dominant theme and minimal payoff for Indian voters was to generate a stable political order. Nationalist sentiment

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<sup>18</sup> The negotiation of a 'contract' between the political parties and cultural and ethnic institution has been there for some time. In the absence of any associational groups, they have been convenient modes of political mobilization. However, a caste or ethnic group does not always accept a party uncritically, especially in the recent past. Examples of negotiation and bargaining on payoff have become quite common.

<sup>19</sup> Different meanings of governance and operationalization of the concept can be found in Mitra 2006.

was the binding force and an elected government was expected to provide a feeling of national integration. Gradually, the differentiated political parties made promises of welfare to their own supporters rather than for the whole country. Dispensing competitive welfare became the new rule of the electoral game during 1967-1989. 1990s witnessed a period of participatory upsurge leading to a politics of recognition of ethnic identities. Effective participation in power sharing game was the primary payoff.

If payoffs or anticipated payoffs are used to elect a party to power, then 2004 elections seems to call for a discussion on the regime change. It broke away from the phase of empowering governance. Though it is premature to capture a trend, one may suggest that it has entered into a phase of Responsive Governance, where a party may assess the needs of the people and respond by means of its public policies. Whereas initiative for welfare comes from a party or the state, in case of responsive governance the initiative comes from the people. The voters behave strategically to punish the parties if they do not deliver according to their wishes, even if the party may be otherwise acceptable to the people. (Figure 2)

Cultural and Political Institutions

		<i>Integrated</i>	<i>Differentiated</i>
<b>INDIVIDUALS</b>	<i>Routinised Behaviour</i>	Stabilising Governance (1952-67)	Welfarist Governance (1967-89)
	<i>Strategic Behaviour</i>	Empowering Governance (1989-2004)	Responsive Governance (2004 -

Figure 2: VOTERS, INSTITUTIONS AND GOVERNANCE

### 2004 Election and Responsive Governance

Yogendra Yadav (2004) describes the results of 2004 election as a ‘puzzle’ and a ‘paradox’. He writes, “The puzzle relates to apparent disconnect of the final outcome not just with the pre-poll expectations, but also with the popular perception of the central government, the popularity of the then prime minister, the undoubted strength of the BJP’s electoral and organizational machine when compared to the Congress.” (Yadav 2004: 5383) The mandate did not appear to be dramatic since the election “was in no way a ‘critical’ election that changed the long-term patterns of political alignment and the structure of political competition in the country.” (Yadav 2004: 5397) Yadav finds the results

paradoxical because the traditional explanatory variables of a verdict – leadership, party organization, ideology, caste or religious identities – do not seem to be electorally salient. The main fallacy in this conclusion is to rely too much on the supply-side variables. Yadav does not take into account the changes in the voters' criteria to evaluate the performance of the parties. Perhaps the expectations of the voter from the government are changing.

One may argue that 2004 election is the beginning of a new era for a voter's calculations of her/his payoff by deciding strategically at a time when political parties are moving beyond mobilization of votes based on cultural or ethnic identities. It is wrong to call this phase as one of secular mobilization, since the proclaimed secular parties try to use religion for electoral purposes. Calculations of payoff shift from the Empowering Governance to Responsive Governance because of the following reasons. The three famous M's of 1990s – Mandal, Mandir and Market – began to disintegrate.<sup>20</sup> There has been a realization that securing support from one or a few caste groups are not adequate for electoral purposes. A caste-group will not give unstinted support forever, as has been seen in case of BSP. Performance matters for continued support. Similarly, BJP realized that radical Hindutva could alienate moderate Hindus. If it has to get full support at national level, it has to accommodate the needs of other religious groups. Other political parties also realized that they couldn't alienate all the Hindus, which constitutes the majority of the population. Hindutva, for or against, no longer became an electoral plank. BJP had to indulge in 'India shining' campaign, which unfortunately failed to impress voters. Liberalization of economic market is not BJP's baby, in any case. Now there is a consensus about the existence of economic reform in India. BJP being the ruling party got trapped and received all the flak for that India which is not shining. The debate on market turned to an assessment of performance of BJP.

Political parties in 2004 tell a story of gradual withdrawal from linkages with cultural groups and display of one's performance and capabilities. The Congress party did not lose any chance to recall its good performance in earlier decades. Smaller parties cited their experience of being in the government at the state or the local levels. Reports from campaigns at local levels tell us that, local issues – be it roads, electricity or water – became electorally salient issues. Thus, there are strong reasons to believe that issues of governance – primarily, performance – were being assessed by the individual voters. The political parties were responding to this development.

Our hypothesis is that individual voters in 2004 assessed responsiveness of BJP towards the needs of governance. We will test this hypothesis in two steps. First, we will show that the traditional explanatory variables like caste, religion, leadership, and perception of overall performance do not explain BJP's defeat.

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<sup>20</sup> For a succinct summary of issues before the Indian democracy, see Kothari 2004.

The second step is to assess the calculations that might have gone in the minds of voters regarding BJP's response to the needs of governance. Ideally this step should be tested with both qualitative and quantitative data. In the absence of the former we will rely on the variables, which are operationalized by voter's satisfaction in financial matters. All the data used for testing the hypothesis are from National Election Study 2004 conducted by Lokniti of the Centre for the Study of Developing Societies, Delhi.<sup>21</sup>

### Traditional Explanatory Variables

In the Indian electoral studies, caste identity has often been used to explain voting decisions. There is reason to believe that there is a change in that trend. In 2004, only 9.5% of those interviewed by CSDS said that caste/community is the most important consideration while voting, whereas in 1996, 29% gave importance to caste.

Table – 1: One Should Vote in the Same Way as Caste/Community

	Agree (%)	Disagree (%)
UPA voters	36.3	36.3
NDA voters	33.7	38.3
Others	29.9	25.4
N	8806	11072

Source: NES 2004 of CSDS

Those who agree that one should vote in the same way as caste/community are almost evenly distributed among the UPA and NDA voters. This is true about those who disagree as well. (Table – 1) Caste identity may have an instrumental value as in the case of reservation of jobs. We find in Table - 2 that opinion on this is evenly divided between both the UPA and NDA voters. This implies that caste identity of the voters has very little impact on the final verdict of the election.

Table – 2: There should not be Caste-based Reservation in Jobs

	Agree (%)	Disagree (%)
UPA voters	35.2	38.2
NDA voters	38.2	34.9
Others	26.6	26.9
N	10063	8761

Source: NES 2004 of CSDS

<sup>21</sup> The author is grateful to Mr. Sanjay Kumar and Mr. Himansu Bhattacharya for their help in providing the data on behalf the CSDS.

It is the same story when we use religious identity as an explanatory variable. We used two indicators: a voter's attitude towards each community having separate civil code (Table – 3) and opinion on the government's responsibility in protecting the minorities (Table – 4). A religious minded person (especially one belonging to minority religions) is expected to answer in the affirmative. In the whole population, substantially more numbers of people agree compared to those who disagree, implying that there are more religious-minded than secular-minded people. However, both religious-minded and secular-minded almost evenly distributed among the UPA and NDA voters. This implies that religious identity may not be an important explanatory variable.

Table – 3: Every Community Should be Allowed to have its Own Laws to Govern Marriage and Property Rights

	Agree (%)	Disagree (%)
UPA voters	36.0	37.1
NDA voters	34.7	39.0
Others	29.3	23.9
N	12229	6140

Source: NES 2004 of CSDS

Table – 4: Protecting the Interests of the Minorities is the Responsibility of the Govt

	Agree (%)	Disagree (%)
UPA voters	37.5	32.6
NDA voters	35.4	40.1
Others	27.1	27.3
N	14370	2908

Source: NES 2004 of CSDS

In the voters' evaluation of the Congress and the BJP (Table – 5), the BJP seems to have a slight edge. One need to pay a special attention to the perception BJP has good leaders. Even at the end of his term as the Prime Minister, Vajpayee's ratings as a leader were high and invariably higher than Sonia Gandhi.

Table – 5: Which Party is better?

	Congress	BJP	No Difference	No Opinion	N
For Curbing Corruption	30.0	32.3	20.4	17.3	22549
For Good	33.9	36.2	14.4	15.4	22551

Governance/ administration					
For Good Leaders	31.7	38.3	13.8	16.3	22548
For Eradicating Terrorism	26.0	35.2	15.7	23.0	22548

Source: NES 2004 of CSDS

The NDA government (1999-2004) is the first coalition government in India which completed its full five-year term. Voters' evaluation of NDA government on five important parameters is given in Table-6. About two-thirds of the respondents thought that the condition of India remained the same or has improved in curbing corruption, security of the country, maintaining her image in the world, ensuring Hindu-Muslim brotherhood and in overall development of the country. Only about 29% of the respondents were dissatisfied or fully dissatisfied with the NDA government (Table – 7). Surprisingly, 49% of UPA voters were satisfied or fully satisfied with NDA government.

Table – 6: Evaluation of NDA Govt

	Deteriorated	Same as before	Improved	No Opinion	N
Curbing Corruption	22.4	30.3	30.4	16.9	22551
Security of the Country	13.5	24.5	43.1	18.9	22548
Image of India in the World	13.6	24.3	43.2	18.9	22549
Hindu- Muslim Brotherhood	18.5	28.1	33.4	20.0	22549
Development of the Country	13.1	23.3	44.8	18.8	22549

Source: NES 2004 of CSDS

Table – 7: Satisfaction with NDA Govt (in %)

	All Voters	UPA Voters	NDA Voters	Others
Fully Satisfied	21	11	37	13
Satisfied	37	38	38	35
Dissatisfied	11	14	7	11
Totally Dissatisfied	18	24	6	25
Can't say	14	14	11	16
N	22568	8537	8402	5629

Source: NES 2004 of CSDS as reported in EPW, 2004, p.5395.

### Can there a Different Explanation?

The question is: why did NDA lose in 2004? How to explain the voting behaviour of those who voted for UPA and against NDA? Our hunch is that the traditional explanatory variables of voting behaviour are no longer relevant. One has to go beyond the explanations based on socio-cultural context or evaluation of party and the leader. Perhaps the voter is calculating her/his own payoff while voting for a party. It is difficult to test this proposition in the absence of individual level data on the subject. We have tried to use a proxy variable in the form of economic gains from the policies from NDA government. This is a poor substitute of the individual's calculation of payoffs; but will give us some idea whether our hunch is in the right direction or not.

Table – 8 contains the perception of voters on two important issues: economic condition and employment opportunities after five years of NDA government. Among those who thought that economic conditions have deteriorated 42% have voted for UPA and 26% voted for NDA. Among those who thought that the economic condition has improved, 30% voted for UPA and 45% voted for NDA. One can see a similar pattern among those who thought that employment opportunities have deteriorated or improved. Though payoffs to voters need not always be in the form of economic gains, the economic variables are the easiest to capture the mood of the voters. Table – 8 gives us enough indication that payoff to the voter could be an important determinant of the decision to vote for a party.

Table – 8: Perception of Voters on the Economic Conditions (in %)

	UPA Voters	NDA Voters	Others	N
<i>Economic Conditions</i>				
Deteriorated	42	26	32	4213
Same as before	38	35	27	11586
Improved	30	45	25	6032
No Opinion	35	28	37	719

<i>Employment Opportunities</i>				
Deteriorated	42	29	29	9344
Same as before	36	37	27	6154
Improved	26	52	22	3920
No opinion	36	32	32	3131

Source: NES 2004 of CSDS, as reported in EPW, 2004, p.5407

## Conclusion

Electoral studies in India have neglected the role of ‘the voter’ while analyzing political change. Scholarly interest centres on the electoral verdict with a host of cultural, structural or functional explanations. On the other hand, a rational actor model may not explain enough, since several socio-cultural institutions play a mediating role for the Indian voter. Hence, a neo-institutional approach to voting behaviour is presented in this paper. A three-dimensional relationship is suggested: a voter’s relationship with cultural and political institutions; a cultural institution’s relationship with voters and with political institutions; and a political institution’s relationship with voters and with cultural institutions. Each player has some autonomy to influence the others, but each one is dependent on others for a payoff. Therefore, no relationship is constant. It changes whenever there is an anticipation of a higher payoff from a different relationship. This results in political change.

We have argued that a voter evaluates her/his payoff in the form of governance, i.e., translation of electoral promises into effective public policies. A minimal payoff, without which a regime loses its legitimacy, is characterized as fair governance. Each democratic regime has its notion of fair governance, depending on the triangular relationship between individuals, cultural entities and political institutions. We have argued that there have been three such regimes in India with different emphases on governance: Stabilizing governance (1952-67), Welfarist governance (1967-89) and Empowering governance (1989-2004). There is considerable overlapping among the phases and geographic variations; but it tells us a story of political change based on the expected payoff to the voters.

We hypothesized that 2004 election may be showing the symptoms of a regime change, which we tentatively described as Responsive governance. Voters are perhaps calculating their own payoffs while voting strategically, rather than routinely aligning with cultural and political institutions. On the other hand, political parties are showing signs of moving beyond mobilization of votes based on cultural and ethnic identities. This was tested with survey data collected by CSDS in 2004. First, we found that the earlier explanatory variables like caste, religion, performance and incumbency do not hold good. Second, a voter’s evaluation of her/his personal well being in the form of economic benefits has made a difference to the final choice. Though this is not

a conclusive proof of a regime change, there seems to be some indication that voters are moving away from caste or religious considerations and are analyzing their own payoffs. Any generalization needs to be further substantiated by qualitative data that could evaluate the changing psyche of the voters in India.

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