



De Jure Rules Meet De Facto Deals: The Political Economy of Business-State Relations in Indian States



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2 p.m., Tuesday 28th November
Headley Lecture Theatre,
Ashmolean Museum

India has historically performed badly in the World Bank's *Doing Business Indicators* and a key objective of the current Indian government is about improving de jure rules around investment decisions so as to facilitate economic growth. Using a novel methodology, I show that de facto deals rather than de jure rules characterise the business-state relationship in Indian states and more deal making is prevalent in states with weak capacity. I argue that reforms initiatives to increase the ease of doing business in India is unlikely to succeed when deals rather than rules characterise investment decisions and when state capacity is weak and prone to capture by the business sector.

Kunal Sen is Professor of Development Economics in the Global Development Institute, University of Manchester, UK, and Joint Research Director of the DFID-UK funded Effective States and Inclusive Development (ESID) Research Centre. He was past President of the British Association for South Asian Studies, one of the world's largest learned societies on South Asian Studies. His current research is on the political economy of development. Professor Sen's recent authored books are *The Political Economy of India's Growth Episodes*, London: Palgrave Macmillan and *Out of the Shadows? The Informal Sector in Post-Reform India*, Delhi: Oxford University Press, 2016. He has also published over 90 articles in journals including *Labour Economics*, *Journal of Comparative Economics*, *Public Choice*, *Review of Income and Wealth*, *Journal of Development Economics*, *Journal of Development Studies*, and *World Development*. He won the Sanjaya Lall Prize in 2006 and Dudley Seers Prize in 2003 for his publications.

All are welcome

Convenors: Matthew McCartney, Mallica Kumbera Landrus and Rosalind O'Hanlon.

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The South Asia Seminar is co-funded by the Ashmolean Museum, the Asian Studies Centre of St Antony's College, the Contemporary South Asian Studies Programme at the School of Interdisciplinary Area Studies, the Department for International Development and Faculty of History and the Faculty of Oriental Studies. Picture: Prime Minister's Office, all rights reserved.

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