

Positive sum and Zero sum Relationship between state and society

Question During the course we have encountered readings that suggest the relationship between society and state is zero-sum (when the state gets stronger, society necessarily gets weaker, and vice versa) and readings that suggest the relationship is positive sum. Which version of state society interaction, zero-sum or positive sum, do you find most compelling, and why?

1. On basis of the readings encountered on the 'zero sum game' in the relationship of state and society and the readings on the 'positive-sum game', I find the 'positive sum game' version more compelling for reasons stated herewith.
2. 'Zero sum' and 'Positive-sum' are concepts of statistics widely used to describe various empirical situations where the net effect of two or more factors or processes is either 'nil' or the net result is equal to +1. It is a 'zero sum' when the gains get nullified by the losses or expenditure incurred makes the final sum 'zero'. It is equal to +1 or 'positive sum' when gains exceed losses or expenditure incurred.
3. In the relationship between state and society, the positive sum in the equation is needed if development is to occur through an interaction of the **three components** of a modern State, namely, state, economy and society.
 - 3.1 **STATE and SOCIETY:** According to **Chandhoke**, the power of a state is the power of its society. It is its own brand of power, codified, constructed and produced. It is the state that imparts to society a modicum of stability. But this power of the State is always drawn from its society, while the society exists within the parameters laid down by the state.
 - 3.2 The specificity of the state lies in the fact that it possesses the exclusive ability to select, classify, crystallize and arrange society in formal codes and institutions that may be political, social, and economic. Through this capacity to define its society the state possesses immense power to control and develop.
 - 3.3 The wealth so created is then re-distributed to the various components of the society on basis of priorities determined by the state. Thereby, the **state constitutes the limits of its society**, and in turn, is itself limited by the prevailing conditions and capacities of its society.

- 3.4 Moreover, the society has its own component and hierarchy of power centres, and is not free from power-play even at the unit level of a household.
4. Chandhoke further enumerates that the state is an indispensable agent. (Walzer). State not only lays down agenda but also employs a variety of means to garner acceptance and legitimacy for these agendas. (Gramsci) Conflict, mediation, compromise are the stuff of politics, while competition over scarce resources is the stuff that comprises economy. But the power of the state includes the power to channel the financial and economically productive capacities of the society for further development and progress, thereby enhancing its own power at the global level.
5. In sum, an indivisible and interdependent relationship exists between a state and its society. The question that arises is "[how to understand the state and its relationship with society](#)"? Factors to be considered for distinguishing the nature of state include questions such as:
- 'How capable is the state in dealing with corruption and rent seeking?'
 - 'What is the nature of the bureaucracy and its capacity to lead?'
 - 'Whether state penetrates deeply into society and has clear developmental priorities?'

6. [The state-society exploitative relationship:](#)

- 6.1 One way to understand the state-society relationship is the role of [the incumbents in public offices](#), namely the bureaucracy and the politicians. These incumbents are members of the society as well as of the state. The neo-liberal or neo institutional theories of public administration, assume them to be 'rational' individuals. These theories view public officials as humans who are rational beings. Rational being are those who maximize their own gain or 'utility'. Therefore, both are seekers of personal gains through contracts and rents. The concept of rent was created from the inability of human to create more land. Land being a scarce resource created 'rents' for its use.
- 6.2 [The 'rent' concept in the context of the State:](#) scarcity of various resources is artificially created by politicians and bureaucrats through policies and additional regulations, such as licenses and permissions. This enhances the importance of public officials. To provide access to the controlled resource, an 'economic rent' is charged for supply of the 'scarce' resource. [The 'rent' here is not a tax](#), but an invisible [addition to tax](#). As rent seekers, the 'rational' incumbents in public offices, enhance their own importance, to obtain that extra rent. [Bureaucracy](#), by its very nature, is [believed to gravitate towards rent seeking](#).

6.3 Such a view of the state-society exploitative relationship is similar to the extractive states of pre-modern era, and they leads on to the 'zero sum' notion with respect to development. The same result is achieved by states categorized as 'predatory' by Peter Evans.

7. The 'positive sum' and the 'negative sum' can also be seen as two sides of the same coin. The development state examples of the East Asian miracle states provides a 'positive sum' relationship between state and society for the purpose of development, but has a 'negative sum' result from the perspective of individual freedom.
8. [Adrain Leftwich \(1994\)](#) analyzes the 'late development' states in the context of the World Bank's call for conditional aid on basis of 'good governance'. He argues that if the state-society relationship is to be a positive sum game of development, it cannot be on the notions of good governance spelled out by the World Bank.

The character, structure, and purposes of the state alone can provide the 'developmental will' needed for harnessing the energies of the society towards rapid growth. If the question is 'what kind of state is it to be for providing a more effective form of development?', then the World Bank's call for good governance, misses the point

This is because development is not about transparency and accountability relationship between state and society. It is rather about the state's capacity to mobilize resources for speedy development.

9. The [three major forms of state-society relationships](#) that have brought about a 'positive sum' from development perspective include
 - a) The Bureaucratic polity structure of Thailand and Botswana;
 - b) The East Asian model of Indonesia where society was controlled.
 - c) The Corporate Leadership model of State as in Taiwan.

9.1 [Bureaucratic Polity Structure: has been](#) studied by Fred Riggs. He explains the structure of the Thai state as having intimate linkage between political leaders and top bureaucracy. The solidity of the elites was enhanced by the 'dense traffic' between the top levels of the civil and military bureaucracy and high political office. For example in 1984 in Botswana almost half of the cabinet members were former civil servants.

9.2 [The East Asian Model of Effective Developmental State](#): Nature of politics and the character of the states that is common to the group of

eight states from South East Asia that have achieved a 4% growth since 1965, is marked by the following features:

- 9.2.1. Suharto's Indonesia was corrupt and yet managed to achieve a high growth rate, because the political and bureaucratic elites were united by a determined national developmental objective. They were always motivated by varying combinations of political, ideological, and nationalist considerations, and by internal and external security threats.
- 9.2.2. Another critical feature was *the relative autonomy the state institutions* which they commanded. This gave them relative independence from the demands of special interests. The combined political strength and continuity in growth of these developmental states, has clearly differentiated them from others states such as India, Sri Lanka, Nigeria, or Jamaica that have had lower GDP growth rates during the same period.
- 9.2.3. *In all* these fast developmental states, the *society was controlled* and trade union militancy was suppressed to pursue the national agenda of rapid development. They succeeded in raising the standard of living throughout the society. This is very evident in the harsher authoritarian states of China and Indonesia. This *control of the society by the strong state* was seen to enhance the power of the state.
- 9.2.4. Whether democratic or not, these developmental states *have all been de facto and de jure one-party states*. The effect has been to concentrate very considerable and unchallenged political power at the top in these states, thus usually enhancing *political stability* and *continuity in policy*. These two factors are identified as essential for rapid development. This was also been true of Singapore, also described as an 'administrative states'

9.3 *The Corporate Leadership model of the State:* The power, authority and relative autonomy of these 'developmental states', were established well before national or foreign capital became important or potentially influential for rapid growth. The power of the state to determine the role of national and foreign capital in the developmental process was selective and clear. For example, the Korean state assembled to bend national and foreign capital to its developmental purposes.

- 9.3.1 In respect of Taiwan, Robert Wade has pointed out that this led these societies to be described as '*corporatist*' in which the *leadership role* of the state in economic matters has been *more important* than its 'followership' role. Moreover, these states

have frowned on dissent, handed out rough treatment to students, labour unions, political and religious organizations and have used a variety of internal security measures to suppress, banish and eliminate any internal opposition.

9.4 **Conclusion:** From the society's point of view, the rapid growth relationship **nearly** becomes a **zero sum game**. Nearly not entirely, because the society does reap the overall beneficial effect of rapid growth as per indicators measured by the Human Development Index. Rapid development '**positive sum**' does involve the component of a strong state and a weaker society, but the overall gains remain positive.

Here, a question is also raised whether fast developing states are **their own 'gravediggers'** because as development raises the standard of living, society starts getting increasingly restive for civil rights and liberties. Metaphors such as 'embedded autonomy' capture this dilemma vividly.

In sum, the ratio and proportion between the strong state-weak societies, within the positive sum notion, needs to be calibrated and fine-tuned to prevent it from turning sour in to a zero sum.

10 **Development State Structure:** that **gives a positive sum result only:** **Johnson's study on Japan (1982)** distinguished the 'developmental orientation' of such a state-society relationship of the Soviet-type command economy state from the 'regulatory orientation' of the typical liberal-democratic state. Dedicated to the market economy, the Japanese developmental state was '*settingsubstantive social and economic goals*' for market agents. The Japanese state also sought and maintained intimate relations with major actors in the private sector and sought their cooperation. Japan's elite bureaucracy also concentrated the power and autonomy in certain key ministries, notably the Ministry of International Trade and Industry

10.1 The state was also dominant in setting and gaining favourable agreements from the industry with respect to long term national policy goals and these were largely determined by the bureaucratic elite. The Japanese developmental state also needs to be understood *politically*. The provenance of Japan lay essentially in the urgent political and nationalist objectives concerned to protect and promote itself in a hostile world. "It arises from a desire to assume full human status by taking part in an industrial civilization participation which *alone* enables a nation or an individual to compel others to treat it as an equal." Japan's development

story is the most successful example of a positive sum game of state society relationship.

White and Robinson.(1998) study on democratic society:

11 Situations of positive sum of development can also arise through a growth oriented democratic society as considered by White and Robinson.(1998). They have propounded **four views** in response to their question whether development can result in a liberal democratic relationship of state and society:

- a) **The optimistic view** has a market led development basis. But is it possible in the liberal democratic variant such as India?
- b) **Pessimist view** gives the example of Singapore where the strong state smothers civil society and democracy.
- c) The third view sees **no link** between the nature of state and development because democracy can also be legitimized by procedures and formality and be a mere guise for authoritarian form.
- d) Fourth view is that **the nature of state is not the issue**. What matters is good governance and developmental policies. How compatible are these in accelerating development in democracies such as India also needs to be seen.

Atul Kohli's study of India's growth story:

12 **Atul Kohli** has shown that India's growth rate picked up in the 1980s and accelerated post 1991 at an average of 6% within the framework of liberal democracy, while for the previous twenty five years this average had been 3% to 4%. This is because India prioritized growth from 1980 onwards and the state consciously adopted a pro-business growth strategy with adverse distributional and political consequences.

12.1 Reasons for this are seen in:

- a) the cumulative benefits of post- independence planned development that began paying off in 1980s.
- b) Shifts in global context of India.
- c) The changing role of the state with in India due of neo-liberal policies and the complex but identifiable pattern of state

intervention through which the Indian entrepreneurs have been 'un-caged' and capital accumulation and efficiency of the economy has improved.

12.2 The post 1991 economic liberalization process has been focused on a pro-market strategy. India seemed to have the entire positive sum advantageous for developing the software sector. In other words, India's story seen as a negative sum game from the development front, is likely to become a positive sum, from both perspectives of the state as well as the society.

13 In conclusion, it is said that the state- society relationship positive-sum game is seen not merely in the rapid industrial development stories. It is also to be viewed in making a promising emergence in the state-society-synergy concepts. These concepts have been worked out in areas studied by Peter Evans, Judith Tandler and others.

14 However, for retaining the relationship as a positive sum, it is essential for the state to keep in view the fact that its power is always drawn from its society. Therefore, society cannot be held under constraint for an indefinite period or ad infinitum. This brings in the need to calibrate and fine tune the relationship between state and society, to keep it as a win-win zone for both.