This is the published version:


Available from Deakin Research Online:

http://hdl.handle.net/10536/DRO/DU:30080144

Reproduced with the kind permission of the copyright owner.

Copyright : 2012, American Marketing Association
Conflicts at the Bottom of the Pyramid: Profitability, Poverty Alleviation, and Neoliberal Governmentality

Rohit Varman, Per Skålén, and Russell W. Belk

This article adopts the concept of neoliberal governmentality to critically analyze public policy failures in a bottom-of-the-pyramid (BOP) marketing initiative. This research shows that e-Choupal, an Indian BOP initiative, is hampered by a divide between poverty alleviation and profit seeking, which is inadequately reconciled by the neoliberal government policies that dominate contemporary India. The initiative sounds good, even noble, but becomes mired in divergent discourses and practices that ultimately fail to help the poor whom it targets. This research helps explicate the problems with BOP policy interventions that encourage profit seeking as a way to alleviate poverty.

Keywords: public policy, governmentality, bottom of the pyramid, neoliberalism, poverty alleviation

Eradication of poverty, social justice, and economic development are important areas of public policy scholarship in marketing (Bertrand, Mullainathan, and Shafir 2006; Bloom 2009; Hill and Adrangi 1999; Viswanathan et al. 2009). The bottom-of-the-pyramid (BOP) theorization in management and marketing theory engages this concern through its emphasis on poverty alleviation (Pitta, Guesalaga, and Marshall 2008; Prahalad 2005; Rashid and Rahman 2009). Advocates of BOP argue that appropriate marketing interventions can help businesses make profits and potentially transform the BOP markets through poverty alleviation (e.g., Prahalad 2005; Prahalad and Hammond 2002). Here, the BOP discourse alludes to two distinct goals, profit seeking and poverty alleviation, which can potentially be in conflict (Karnani 2007). The opening quotation from an e-farmer created by the Indian agribusiness firm ITC through an information technology initiative is situated in a similar discourse. ITC claims that it has brought about a socioeconomic transformation in agricultural markets in India by using innovative marketing technology and increasing supply chain efficiency. Ironically, the firm makes this claim when nearly 200,000 Indian farmers have committed suicide in the past 12 years because of economic hardships (Sainath 2010). In this research, we apply Foucault’s notion of neoliberal governmentality (Dean 1999; Foucault 2007, 2008; Rose 1999) to the BOP marketing and public policy domain to explain this conflict and to show the limitations of a profit-seeking initiative to alleviate poverty.

We conducted a case study of e-Choupal, a BOP information technology initiative in agricultural markets in rural India created by ITC, a large private corporation. E-Choupals, or electronically enabled village gathering places, are information centers created in rural areas by providing computers connected to the Internet. E-Choupals function as e-commerce hubs as well as places for social gathering and information dissemination (Prahalad 2005). We conducted the case study in two villages in the state of Uttar Pradesh (UP) to understand the functioning of e-Choupals in the region. On the basis of our study of these e-Choupals, we argue that the public policy framework is unable to provide guidance for reducing the gulf between poverty alleviation and private gains inherent in the BOP initiative. We suggest that the reason for this failure is that the neoliberal governmentality that provides a framework for the current policy prescriptions is based on faulty assumptions about actors, markets, and the role of the state. We show that, on the one hand, the e-Choupal initiative makes the relatively wealthy

Before ITC introduced us to e-Choupal, we were restricted to selling our produce in the local mandi [small market]. We had to go through middlemen and prices were low. ITC trained me to manage the Internet kiosk and I became the e-Choupal sanchalak [coordinator] in my village. Today we are a community of e-farmers with access to daily prices of a variety of crops in India and abroad—this helps us to get the best price. We can also find out about many other important things—weather forecasts, the latest farming techniques, crop insurance, etc. e-Choupal has not only changed the quality of our lives, but our entire outlook.

—Abhishek Jain, a farmer

© 2012, American Marketing Association
ISSN: 0743-9156 (print), 1547-7207 (electronic)
or privileged more active and entrepreneurial, thus including them in the neoliberal society. On the other hand, socioeconomically underprivileged or subaltern groups are excluded from the opportunities generated by the neoliberal regime that has characterized India for the past two decades. Thus, our research questions assumptions of poverty alleviation that are associated with profit-seeking initiatives at the BOP.

**Theoretical Considerations**

**Understanding Neoliberal Governmentality**

The concept of governmentality was developed by the historian and philosopher Michel Foucault in his lectures at Collège de France at the end of the 1970s (see Foucault 2007, 2008). Social theory has elaborated and drawn on this notion (Dean 1999; Rose 1999); although it has been recently imported to marketing (Skålén, Fougère, and Fellesson 2008), it has not yet been applied to public policy in marketing. In public policy, a governmentality serves as a framework aiming to bridge the gulf between competing goals inherent in conflicting policy concerns and initiatives. In a BOP market, the role of a governmentality should be to serve as a policy framework to resolve the conflicts between poverty alleviation and profit seeking.

Semantically, governmentality (see the Appendix) is a neologism composed of the terms “government,” “mental- ity,” and “rationality” (Dean 1999; Townley 1994). Governmentalities are discourses that promote certain rationalities (ways of knowing) and further specific mentalities (ways of thinking) that inform particular types of governing (Dean 1999; Foucault 1981, 2007; Rose 1999). Foucault (2007) defines government as the “conduct of conduct.” With the first “conduct,” which comes from the verb “to conduct,” Foucault implies that government is about leading, directing, guiding, and so on, in a more or less deliberate way. With the second “conduct,” the noun, Foucault refers to people’s thinking, actions, and emotions—the object of government. Thus, conduct of conduct means giving a deliberate direction to people’s behaviors.

The notion of governmentality rests on Foucault’s general discussion of power. Foucault (1977) argues that governmentality is different from the traditional form of power or sovereign power that resides in specific locations and involves certain actors or institutions that can use their power to force people to do things against their will. Governmentality is instead associated with a discursive view assuming that power is embedded in discourse (Foucault 1977, 1981). A key proposition of this view is that discourse regulates relationships between human beings and that power does not belong only to certain agents or institutions. More specifically, discourses prescribe subject positions or specific forms of human conduct. Accordingly, governmentality is associated with a particular kind of regulation of human behavior enforced through the diverse discourses of psychology, sexuality, health, and marketing, to name a few. Foucault makes explicit the governmental nature of these discourses and argues that power is present in discursive spaces and operates in ways that seem to be devoid of power.

In this study, we offer an understanding of governmentality in a BOP market: BOP marketing for businesses comprises two distinct goals that often can and do conflict, at least in the short run. The first goal in BOP markets and marketing is poverty alleviation (Elaydi and Harrison 2010; Hill 2010; Viswanathan, Sridharan, and Ritchie 2010). This goal creates discourses of socioeconomic transformation, empowerment, social responsibility, and inclusivity. The other concern in BOP marketing is of profitability, which is structurally inherent to businesses (Prahalad and Hammond 2002; Rashid and Rahman 2009). The goal of profitability is aligned with discourses of economic efficiency, incentives, returns on investments, and monetary risks. Although some scholars have raised questions about the compatibility of these two conflicting goals (e.g., Karnani 2007; Zwick, Bonsu, and Darmody 2008), many others believe that a long-term socially beneficial relationship can be forged between these contradictory aspects of BOP markets (e.g., London 2009). From the perspective of our study, the contradictory goals in BOP markets present a chasm of conflicting rationalities of profits and poverty alleviation that must be bridged through policy frameworks. These policy-framing processes and interventions are embedded in governmentalities (Foucault 2007). In this particular inquiry, we focus our attention on neoliberal governmentality, through which we frame the current conflicts in BOP markets and marketing in the context of our study.

Centering on the notion of freedom, neoliberalism at first glance may appear to grant every person free choice and liberty. However, a more thorough examination reveals that the freedom it espouses is of a specific form. According to the neoliberal discourse, people are free as long as they are working, are psychologically healthy, stay on the right side of the law, and so on. If people are unable to fulfill these fundamental neoliberal obligations, they become a threat, and the discourse holds that individual freedom can be rightfully restricted though sheltered employment, imprisonment, hospitalization, and similar institutions of confinement. Thus, neoliberalism can be perceived as a form of governmentality that envisions people as active and entrepreneurial in relation to both themselves and the surrounding society. Moreover, neoliberalism presupposes that marketing, markets, and society must be composed of agents with such abilities (Dean 1999; Rose 1999; Skålén, Fougère, and Fellesson 2008).

As a bridge between the conflicting goals of poverty alleviation and economic profitability constituting BOP marketing, neoliberal governmentality makes some key assumptions about the realization of these goals. First, it presupposes that poverty alleviation and economic profitability are best accomplished through private initiatives. It assumes the state’s limited direct intervention in BOP markets and marketing initiatives: The state is given the role of setting up a regulatory framework for the markets to operate. It builds on the belief that the spontaneous creation of “free” markets and the privatization of risk taking will effectively combat poverty and economic underdevelopment. Second, neoliberal governmentality assumes that private entrepreneurship is a key to the success of BOP marketing initiatives. It assumes that poverty alleviation and economic profitability are accomplished by active people...
who have the economic, social, cultural, and educational means of taking initiative and caring for themselves (Dean 1999; Harvey 2005; Miller and Rose 1990; O’Malley 1992; Rose 1999; Skålén, Fougère, and Féllesson 2008).

In summary, governmentality is a framework through which policies are created. In a BOP market, the framework is expected to create a policy bridge between the conflicting aspects of profit seeking and poverty alleviation. In the context of our study, neoliberal governmentality is critical to resolve the conflict. In the following section, we briefly describe its role in India and its influence on public policies.

Neoliberalism in India

Scholars have argued that in the past two decades of neoliberal governance in India, the state has reduced its role as an agent of common welfare (Patnaik 2006; Patnaik 2007b). Although the neoliberal agenda in India has resulted in an increase in growth rate in the past few years, in line with our preceding conceptual analysis, it has also been criticized for primarily benefiting a small section of the Indian population and ultimately increasing the inequality levels in the country (Sen and Himanshu 2004). The state has increasingly become an instrument of profit generation for large private corporations. Using a direct method of poverty estimation, Patnaik (2010) reports that the urban population below the poverty line has increased from 57% in 1993–1994 to 65.5% in 2004–2005. In the rural population, the percentage below the poverty line has risen from 74.5% in 1993–1994 to 87% in 2004–2005 (Patnaik 2007a). Some theorists have further argued that rural poverty levels have increased with a decline in the pace of employment generation in the country (Chandrashekhar and Ghosh 2000; Chossudovsky 1997; Kurien 1995; Patnaik 2002, 2007a). It can be observed that in rural India, individual entitlement, which Sen (1984, p. 497) defines as “the set of alternative commodity bundles that a person can command in a society using the totality of rights and opportunities that he or she faces,” has decreased due to a reduction in endowments that are shaped by policy measures. Research indicates that faulty policies have resulted in a decline in per capita consumption of food grains in the country (Patel 2007; Patnaik 2007b; Swaminathan 2000). The decline in food grain consumption has been accompanied by the government’s concerted attempt to reduce the role of the state in food procurement and distribution (see also Aspects of India’s Economy 2006; Swaminathan 2000).

The issue of public policies in agriculture in India is particularly critical because agriculture contributes 20% of the gross domestic product of the country. The role of the state policies has historically been important in determining the positions of the various stakeholders in Indian agriculture. For example, state policies have not only played a role in strengthening the position of rich landlords but have also been instruments of some redistribution through land reforms. Similarly, the state policies continue to play an important part in agricultural markets by setting minimum support prices, issuing licenses to private traders, framing laws and enforcement mechanisms through which markets are coordinated, and being a large buyer of several agricultural commodities, including wheat. The past two decades in India have been marked by neoliberal policies of increased integration with First World agricultural markets. This integration has been characterized by large volumes of export and import of food grains (Patnaik 2007b; Sharma 2005) and a decline in public investments in agriculture (Patel 2007; Sharma 1997, 2009). Researchers report that these policies have had a detrimental impact on farmers’ incomes and contributed to the further impoverishment of the rural population with a decline in per capita consumption of food grain from 174 to 153 kilograms in the past two decades (Chopra 2009; Patnaik 2007a Sen 1984). The decline in food grain intake in this period has happened when the per capita expenditures on food have remained at more than 50% of total income (Government of India, Ministry of Statistics and Programme Implementation 2008). Sainath (2009) attributes the 200,000 farmer suicides in the past 12 years to such economic hardships. This period has also been characterized by a slowing of the increase in food grain production from 2.85% in the 1980s to 1.2% in the recent years (Singh 2008). According to a state report (cited by Singh 2008, p. 63) on agriculture, “the low investments in irrigation, power, R&D, extension, marketing, insurance and post harvest handling, storage and processing are main causes of agrarian distress.” In addition, the data show that the number of marginal/small landholdings has increased significantly from 35.68 million in 1971 to 76.12 million in 2001, signaling a decline in the available endowments or resources (Sen 1984; Singh 2008). As Sainath (2009) observes,

As India entered the brave new world of neoliberalism, that of the largest body of small holder farmers in the planet fell apart. Every policy measure went against them. Investment fell, in one estimate by Rs. 30,000 crore each year (USD 6000 Million) in rural India. The few protections [for] small farmers had vanished. And whole new class of predators appeared in the countryside.

The entry of the private corporation ITC into the wheat market of UP, the largest wheat-producing state, is a part of the neoliberal governmentality in India (Sharma 2005, 2009). Until 1991, the state was the largest procurer of wheat in the region. However, as a result of the structural adjustment program and subsequent neoliberal shift, the state has systematically allowed private traders to dominate the procurement of wheat by changing its laws and licensing policies. An important policy shift occurred in 2002 in certain states (e.g., UP) that allowed large corporations such as ITC to procure wheat directly from farmers through a change in the Agricultural Produce and Marketing Cooperatives (APMC) Act, which was originally promulgated to restrict large-scale private traders and corporations from controlling the food market. Shiva (2006) alleges that the change in the APMC Act ensures that small-scale traders are still controlled by the government but large corporations are free to determine their terms of trade. The policy shifts reaffirm Fligstein’s (1996, p. 662) observation that “laws and accepted practices often reflect the interests of the most organized forces in society.” The entry of ITC and other private corporations has been accompanied by a governmental discourse of modernity and progress (The Financial Express 2004). Furthermore, it draws on the creation of neoliberal governmental discourse that emphasizes benefits
associated with privatization and markets. The e-Choupal initiative of ITC, a replication of its procurement process of several agricultural commodities in other states, is a further attempt to draw on and strengthen the neoliberal governmental discourse.

In summary, governmentality prescribes appropriate conduct of institutions, policies, and subjects. Currently, neoliberalism defines governance in Indian agricultural marketing systems. In the subsequent sections, we highlight the problems associated with these governmental shifts and further elaborate on this theme in the context of a BOP initiative.

Research Context and Methodology

In this research, through a case study of the food grain market and with a specific focus on e-Choupals in UP, we offer insights into the conflicts between the discourses of profit seeking and poverty alleviation in a BOP initiative. In India, food grains occupy the most dominant position in agriculture and cover more than 65% of gross cropped area (Sharma 1997). Wheat accounts for nearly 35% of the total food grains produced in the country, and since 1951, this crop category has witnessed the highest production growth rate (Gandhi, Zhou, and Mullen 2004), due largely to the green revolution. Wheat, a temperate crop requiring low temperatures, is mainly grown in North India. The state of UP is the largest producer of wheat, with 36% of the total crop yield in the country. The wheat yield in India averages approximately 2582 kg/ha (kilograms per hectare), and in UP, it is 2498 kg/ha. These figures compare favorably with the international yields of 2907 kg/ha in the United States and 1907 kg/ha in Australia (Gandhi, Zhou, and Mullen 2004).

The e-Choupal information technology initiative was created in 2000 by ITC. The ITC group of companies has a yearly turnover of Rs. 7.5 billion (US$162 million), and its activities include tobacco and cigarettes, paper and packaging, paperboard, hotels and tourism, information technology, and agricultural exports (Upton and Fuller 2004). E-Choupal involves setting up an Internet-connected computer in the house of a sanchalak, or coordinator, who is a farmer. In a cluster of villages in a region, ITC selects a sanchalak, whose job is to procure wheat from the farmers in his or her area and to organize activities on the behalf of the firm. ITC provides a computer free of charge and gives the sanchalak an incentive of 0.5% on the total wheat procured for the company. A sanchalak is chosen by the firm in close association with sanyojaks, or organizers, who are rich traders in the region and have functioned as distributors or traders for ITC in the past. ITC collects the food grain through a network of hubs, which are weighing and storage centers managed by the firm officials.

To understand the e-Choupal initiative, we began our research by examining the discourse about the initiative over a two-year period. We employed a research assistant to help in the data collection process. One researcher and the research assistant are Indians who have lived close to the e-Choupal sites for several years. (Although the complete team of researchers analyzed the data, the local researcher collected data with the help of the research assistant. For the sake of simplicity, we use the collective term “we” in this and subsequent sections.) We began the process by collecting and analyzing media articles and websites offering news and information about e-Choupal. We also analyzed academic and state writings on the initiative to understand the governmental discourse. This helped us understand the emphasis put on poverty alleviation, which ITC claimed to achieve through an efficient and technologically enabled supply chain system. To further our understanding, we visited and observed e-Choupals in two villages in eastern UP so we could better comprehend the working of the information technology initiative in the region. Apart from the issue of access, we chose these villages for two key reasons. First, we purposefully chose villages that had sanchalaks from high- and low-caste groups to understand different possibilities of including subalterns (see Gramsci 1971; Guha 1982; Spivak 1988; Sundar 1997). Second, we chose villages that were geographically separated but were typical in terms of land ownership in the region. In these villages, at the time of data collection, e-Choupal had been operational for more than two years. We also visited five state wheat procurement centers in three districts and observed the procurement process over several days. In addition, we accompanied state officials in their door-to-door wheat procurement and observed the process.

Our primary method of data collection was in-depth interviews with ITC e-Choupal officials, farmers, traders, and state functionaries in the food grain market. We conducted 28 interviews with these participants. We used purposive sampling and looked for variance in the extent of participant immersion in the wheat marketing system (Thompson and Troester 2002). Although we focused on small-scale farmers because of their relevance for the BOP initiative, we purposefully made attempts to include large- and medium-scale farmers in our sample to understand their experiences with e-Choupal. Small-, medium-, and large-scale farmers are defined on the basis of landownership, which is, on average, less than or equal to 1.41, 5.57, and 15.12 hectares, respectively (Centre for Monitoring Indian Economy). We also purposefully included ITC officials, traders, and state government functionaries to get a more holistic view of e-Choupal in the region. Table 1 presents a participant profile. We broadly questioned the ITC e-Choupal officials about the information technology initiative and its impact on their villages. We talked to farmers about their farming practices, sales of their produce, and their understanding of e-Choupal. Traders were broadly questioned about their buying practices and about the impact of large corporations on the wheat market of the region. We asked the state officials about their wheat procurement process, their policies, and the impact of large corporations on the wheat market of the region. All interviews were in Hindi and then translated into English. The length of the interviews varied from 20 minutes to two hours.

The data analysis was ongoing and iterative, with simultaneous analyses of secondary data, interviews, and field notes in a process consistent with emergent design and the constant comparative method (Strauss and Corbin 1990). We continued to simultaneously collect and analyze data until we achieved saturation. We informed participants about our roles as researchers and obtained their consent for
collecting data. We maintained respondents’ anonymity by using pseudonyms for participants and village names.

Our database comprises media articles, material downloaded from ITC and state websites, academic writings, field notes, and verbatim interview transcripts. These multiple sources of data helped us understand the governmental discourse created by e-Choupals (Arnould and Wallendorf 1994) and achieve methodological triangulation and referential adequacy, thus increasing the trustworthiness of our findings.

**Findings**

We found that two broad themes emerged in our analysis of e-Choupal: (1) increasing prosperity and the bottom line and (2) increasing subaltern dissent. The first theme emerged from our discursive analysis of the data collected from ITC websites, state and academic writings, and media articles. The second theme is based on the data generated from farmers, traders, e-Choupal functionaries, and state officials. The first theme illuminates the neoliberal resolution of conflicting discourses of social transformation and profit seeking through an emphasis on efficient markets created using e-Choupal. The second theme emphasizes that e-Choupal is associated with subaltern marginalization, contradictory practices, ambivalent states, and divergence between private gains and poverty alleviation in our case study. These themes indicate how the neoliberal governmentality inherent to the BOP initiative of e-Choupal fails to create a policy framework to bridge the chasm that exists between profit seeking and poverty alleviation.

<table>
<thead>
<tr>
<th>Key Participants</th>
<th>Gender</th>
<th>Age (Approximate, in Years)</th>
<th>Occupation</th>
<th>Interview Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashok</td>
<td>Male</td>
<td>50</td>
<td>ITC e-Choupal sanchalak</td>
<td>90 minutes</td>
</tr>
<tr>
<td>Jafri</td>
<td>Male</td>
<td>30</td>
<td>Small-scale farmer</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Basant</td>
<td>Male</td>
<td>35</td>
<td>Medium-scale farmer</td>
<td>20 minutes</td>
</tr>
<tr>
<td>Aminudeen</td>
<td>Male</td>
<td>40</td>
<td>Small-scale farmer</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Rajendra</td>
<td>Male</td>
<td>25</td>
<td>Landless farmer</td>
<td>20 minutes</td>
</tr>
<tr>
<td>Moin</td>
<td>Male</td>
<td>30</td>
<td>Trader</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Ravi</td>
<td>Male</td>
<td>60</td>
<td>Medium-scale farmer</td>
<td>60 minutes</td>
</tr>
<tr>
<td>Maiku</td>
<td>Male</td>
<td>60</td>
<td>Large-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Ravinder</td>
<td>Male</td>
<td>25</td>
<td>Medium-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Ajay</td>
<td>Male</td>
<td>30</td>
<td>Small-scale farmer</td>
<td>60 minutes</td>
</tr>
<tr>
<td>Rathore</td>
<td>Male</td>
<td>35</td>
<td>ITC e-Choupal sanchalak</td>
<td>20 minutes</td>
</tr>
<tr>
<td>Kavinder</td>
<td>Male</td>
<td>40</td>
<td>ITC hub-in-charge</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Raju</td>
<td>Male</td>
<td>35</td>
<td>Medium-scale farmer</td>
<td>60 minutes</td>
</tr>
<tr>
<td>Sameer</td>
<td>Male</td>
<td>40</td>
<td>Small-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Ranjan</td>
<td>Male</td>
<td>30</td>
<td>Small-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Alok</td>
<td>Male</td>
<td>50</td>
<td>Small-scale farmer</td>
<td>60 minutes</td>
</tr>
<tr>
<td>Kirti</td>
<td>Male</td>
<td>60</td>
<td>Large-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Ranbir</td>
<td>Male</td>
<td>35</td>
<td>FCI official</td>
<td>120 minutes</td>
</tr>
<tr>
<td>Mahmood</td>
<td>Male</td>
<td>45</td>
<td>RFC official</td>
<td>60 minutes</td>
</tr>
<tr>
<td>Rishi</td>
<td>Male</td>
<td>50</td>
<td>RFC official</td>
<td>120 minutes</td>
</tr>
<tr>
<td>Raman</td>
<td>Male</td>
<td>40</td>
<td>Trader</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Rahman</td>
<td>Male</td>
<td>35</td>
<td>Trader</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Rakshit</td>
<td>Male</td>
<td>25</td>
<td>Trader</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Rohan</td>
<td>Male</td>
<td>35</td>
<td>Small-scale farmer</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Praveen</td>
<td>Male</td>
<td>30</td>
<td>Small-scale farmer</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Kundu</td>
<td>Male</td>
<td>40</td>
<td>Small-scale farmer</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Mohan</td>
<td>Male</td>
<td>50</td>
<td>FCI official</td>
<td>120 minutes</td>
</tr>
<tr>
<td>Sohail</td>
<td>Male</td>
<td>60</td>
<td>FCI official</td>
<td>120 minutes</td>
</tr>
</tbody>
</table>

**Increasing Prosperity and the Bottom Line: Neoliberal Resolution of Conflicting Rationalities**

In India, popular media and state discourses celebrate the structural adjustment program under the rubric of neoliberalism. Privatization, increased wealth for a section of the population, and higher growth rates are important elements of these discourses. These discourses support the resulting policy programs and consider neoliberalism a way to create greater private wealth and social transformation (see Table 2). In this section, we present themes of the e-farmer as an agent of socioeconomic change and privileging markets, privatization, and entrepreneurialism; these themes emerged from our discursive analysis of the data collected from ITC websites, state and academic writings, and media articles.

**E-Farmer as an Agent of Socioeconomic Change**

In the contemporary discourse of Indian agriculture, information technology is increasingly given a privileged status. Apart from the spread of mobile phones, the penetration of information and communication technology has been low in the Indian context: Of the total population, only 3% own a computer and 5.2% use Internet (Business World 2010). It is argued that improved access to information technology can potentially transform agriculture and lead to rural prosperity (Sharma 2005). Others have criticized such optimism as technological utopianism and point to the similar early utopian expectations that greeted innovations such as electricity, radio, and the telephone (e.g., Mosco 2004; Stivers 2001). ITC launched e-Choupal as an information technol-
Table 2. Conflicting Discourses of Profit Seeking and Poverty Alleviation in e-Choupal

<table>
<thead>
<tr>
<th>Discourse of Profit Seeking</th>
<th>Discourse of Poverty Alleviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficient supply chain for ITC</td>
<td>Effective procurement process that includes small-scale farmers</td>
</tr>
<tr>
<td>Incentives for selling to ITC</td>
<td>Need for concrete support in the domain of production in terms of land, capital, and other farm inputs</td>
</tr>
<tr>
<td>Access to best prevailing prices and creation of markets for large private players</td>
<td>Strengthen the current market of small-scale traders who provide good prices, are supportive, and are effective in creating an alternate supply chain</td>
</tr>
<tr>
<td>Creation of individual entrepreneurial farmer</td>
<td>Small-scale farmers need support in the form of a welfare state</td>
</tr>
<tr>
<td>Dissemination of best practices for increased productivity</td>
<td>Low productivity, not because of lack of knowledge but because of problems in accessing land, water, credit, and agricultural inputs that are often exacerbated due to traditional caste-based social structures</td>
</tr>
</tbody>
</table>

ogy initiative in 2000 in central India, and the firm claims that it is present in ten states, has 6500 e-Choupals, and has “empowered” 4 million farmers across the country. Its website bears the slogan “Let’s put India first.” The following testimonial by Laxminaryana, a farmer listed on the ITC website, is illustrative of this attempt:

Despite being a farmer for over 50 years, I have never been able to save much. I joined an ITC-supported forestry group and my fortunes changed. My 4.6 acres of barren wasteland is now a flourishing pulpwood plantation. My first harvest yielded enough to repay my loan, as well as purchase a motor pump and an acre of paddy land. I have also been able to put something away for the future—a fixed deposit and an LIC (insurance) policy.

In this narrative, e-Choupal is able to create an alternate vision in which the reality of poverty of Indian farmers is inverted. This narrative becomes a part of the governmental discourse in which the alternate vision of neoliberalism claims to offer opportunities for freedom, growth, and progress to Indian farmers. In this rhetoric, neoliberalism is represented as a beneficial system of governance that is dependent on the deployment of e-Choupal as a device. The ITC website further claims,

A powerful illustration of corporate strategy linking business purpose to larger societal purpose, e-Choupal leverages the Internet to empower small and marginal farmers—who constitute a majority of the 75% of the population below the poverty line.

The firm realizes that for the governmentality to be effective, it must include subaltern groups in its discourse. Thus, in the preceding narrative, e-Choupal is represented as a device that transforms the lives of small-scale and marginal farmers. This rhetoric of governance is further supported by

Bownder, Gupta, and Singh (no date, p. 1), whose paper is available on the website of the Indian Planning Commission, a top state planning body in the country:

The success of e-Choupal has heralded a new era in the Indian agro-sector. The work needs to be carried forward and replicated in the other untapped areas. Creating business channels that can create a win-win situation [for] both business and farming community has enormous economies of scope. Once a channel is created it could be used for many products and services as shown in this case study. The main reasons for the success of the platform have been the involvement of local farmers and maintenance of the rural IT network by the corporate entity.

The preceding narrative repeats the discursive approach ITC has adopted and adds to its legitimacy. This governmentality illustrates the working of the current neoliberal Indian state that has supported privatization as a panacea for the problems of governance in the country. Similarly, Prahalad (2005, p. 331) cites a case study of Soy a e-Choupals in Madhya Pradesh, in support of his claims of business opportunities at the BOP:

The social agenda is an integral part of ITC’s philosophy. ITC is widely recognized as dedicated to the cause of nation-building…. This vibrant view of social conscience allowed ITC to recognize the unique opportunity of blending shareholder value creation with social development.

ITC realizes the benefits associated with such support for the program and highlights it on its website: “e-Choupal has been specially cited in the Government of India’s Economic Survey of 2006–07, for its transformational impact on rural lives.” In this discourse of transformation, a backward Third World society must use advanced technology and follow the path taken by the West to development (see also Gupta 1998; Nandy 1981). Highlighting this discursive argument, the ITC website also claims:

Appreciating the imperative of intermediaries in the Indian context, “e-Choupal” leverages Information Technology to virtually cluster all the value chain participants, delivering the same benefits as vertical integration does in mature agricultural economies like the USA.

It is evident from this narrative that mimicking the West is an important element of the neoliberal discourse to paint a picture of progress and transformation (Gupta 1998). Moreover, e-Choupal is transformational and thus inverts the flows of poverty that characterize the rest of rural India. In his representation of e-Choupal, Prahalad (2005, p. 345) further contributes to the discourse:

One of the most exciting aspects about the e-Choupal model is that it profitably provides an inaccessible village with a window to the world. The e-Choupal computer is the first and only PC in most of these villages. This, coupled with higher remuneration, is causing several shifts in the social fabric. These changes can be categorized into the following broad areas: Improved agriculture; Better Lifestyle; Brighter Futures.

According to Prahalad, the e-Choupal space combines the otherwise contradictory local and global elements in such a way that it benefits farmers and transforms the social fabric of rural India. The dimension of globalization inherent in neoliberalism is further evident in Prahalad’s (2005, p. 351) observation that through e-Choupal, “villagers
access global resources to learn about agriculture in other parts of the world and take action to compete in the world outside, not merely at the local mandi [market].”

In summary, e-Choupal is discursively represented as a device of poverty alleviation. The discourse of poverty alleviation hinges on a rhetoric of modern technology, inclusivity, social transformation, international linkages, and following the West.

Privileging Markets, Privatization, and Entrepreneurialism

An important element of neoliberalism is the emphasis placed on efficiencies associated with private corporations and markets. We found that ITC made no reference to profit making in its public discourse. The entire discourse was framed around the potential gains for farmers from the deployment of e-Choupal. ITC referred to improvements in supply chain efficiencies and information availability in the context of the benefits to individual farmers. ITC’s silence on the issue of corporate profit seeking should be understood as a problem of legitimately presenting discourse in the context of the claims of poverty alleviation and thus requires further deconstruction (Derrida 1982). The silence on the creation of wealth for the corporation does not imply its absence but rather a tacit acknowledgment of the contradiction that remains between the discourses of social transformation and profit seeking. The neoliberal discourse is used as a bridge to reduce the divide, but it can only be used explicitly at the level of farmers’ potential gains. Thus, we found that ITC, the media, and state representations emphasized greater efficiency for small-scale farmers, while remaining silent on the wealth-generation opportunities for ITC from the initiative.

It is common for the ITC website to display farmer testimonials, such as the one provided in Abhishek Jain’s opening quote, that laud e-Choupal as a transformative experience. In this narrative, it is claimed that e-Choupal as a device is able to equip e-farmers with the latest market information and agricultural knowledge. Thus, the subject position of the e-farmer presupposes an active and entrepreneurial subjectivity and is informed by neoliberal rationality. Moreover, the emphasis on price-related information supports neoliberal governmentality, in which markets are assumed to be efficient and dependent on the dissemination of pricing signals. E-Choupal is an essential device in this discourse, as is evident in ITC’s claim on its website:

Real-time information and customised knowledge provided by “e-Choupal” enhance the ability of farmers to take decisions and align their farm output with market demand and secure quality & productivity. The aggregation of the demand for farm inputs from individual farmers gives them access to high-quality inputs from established and reputed manufacturers at fair prices. As a direct marketing channel, virtually linked to the “mandi” (small market) system for price discovery, “e-Choupal” eliminates wasteful intermediation and multiple handling. Thereby it significantly reduces transaction costs.

In this narrative, the flow of information associated with e-Choupal as a device is closely associated with market efficiency. Furthermore, the preceding narrative claims that transaction costs associated with the marketing system are lower with the deployment of e-Choupal as a device. The discourse also claims greater fairness through e-Choupal. In particular, the assemblage is associated with the elimination of information asymmetry, as the following narrative from a video produced by University of Michigan (available on http://www.youtube.com/watch?v=Fx4gukMYTG) illustrates:

The first leg of the solution is e-Choupal - a web connected PC run by a local farmer called the sanchalak. Here, the farmers can access the IBD (International Business Division of ITC) rates along with the going rates in several nearby mandis [small markets]. Thus eliminating [sic] information asymmetry and allowing the farmer to make an empowered choice.

This narrative from the video unfolds as a voice-over with the image of a computer monitor in a farmer’s home. In this narrative, the device holds the key to neoliberal discourse because it helps overcome the problem of information flow in rural India. In this discourse, it is implicit that information asymmetry is a critical bottleneck that allows exploitation and hinders growth in Indian agriculture. This view is further ratified by the state (Bowonder, Gupta, and Singh, no date, p. 4):

The main disadvantage of conventional market is that information asymmetry is inherent in the market whereas e-Choupal provides for transparent transactions. This enables the participation of smaller as well as larger players. Elimination of some layers of intermediaries allows for larger share of profits to reach the lower end of value chain. The main attractiveness of e-Choupal is that it can be used for connecting large producers/smaller producers and small users/large users, thereby eliminating the need for hierarchy of brokers. Internet is used as a low transaction cost backbone for communication.

In this neoliberal discourse, it is assumed that e-Choupal can be a device that facilitates individual entrepreneurialism, inclusive growth, and development. Several academic representations of e-Choupal have uncritically accepted this view, as Upton and Fuller (2004, p. 9) illustrate:

By allowing real-time prices on the Web site, the farmers could decide when to sell…. [A] feature distinguishing the e-Choupal was its transparency. It is arguable that prices could be communicated to farmers by other means, such as telephone and radio broadcast. These methods, however, still relied upon spoken word. The ability to actually see prices being offered, in writing, on the computer screen (in spite of illiteracy of the farmers), was instrumental in establishing the trustworthiness that made e-Choupal effective.

It is evident that a great deal of emphasis is placed on not only the transfer of information but also the role of a computer as a device for transmitting information. It is expected that the active and entrepreneurial subjectivity the device presupposes is likely to be more effective and is legitimized by the trustworthiness associated with the deployment of information technology.

In summary, in the creation of neoliberal governmental discourse in the agricultural markets in India, e-Choupal is presented as a device that offers greater gains to farmers, while the issue of ITC’s profit-making opportunities is not addressed. The rhetoric about the device is created by relating it to the role of markets, entrepreneurialism, and creating greater efficiency.
Increasing Subaltern Dissent: The Widening Chasm of Privileges

In this section, we show that e-Choupal, contrary to its rhetoric, is becoming an initiative that is contributing to a marginalization of subaltern stakeholders (see Table 3). We organize this section under the themes of excluding the subaltern, flawed discourse and contradictory practices of transformation, emphasizing private gains over transformation, and ambivalent state in policy and practice, which help explain the divergence between the discourses and practices associated with e-Choupal.

Excluding the Subaltern

In the two e-Choupal sites examined in this research, we found that the device was situated in relatively elite households of these villages. The ITC sanchalaks were people who wielded local power through their caste affiliations and access to land. In Moria, we found that the sanchalak was a thakur, or a high-caste rich farmer. Most of the land in the village was owned by the sanchalak and his relatives. In Choupur, the sanchalak was a yadav, or a lower-caste Hindu and a smaller-scale farmer than the sanchalak of Moria. However, the Choupur sanchalak is affiliated with a powerful caste group because this group owns a large part of the land in the village. The two villages are situated in a poor and underdeveloped part of the state, and the majority of people in these villages are small-scale or landless farmers. Although the rhetoric used by ITC and the state is that of inclusivity, Ashok, the sanchalak in Moria, notes the following:

The farmers who come to us are primarily large farmers. The small farmers produce just about enough to feed themselves. If they produce any surplus of 50–100 kgs, then they sell to the local traders.

Table 3. Conflicting Discourses and Social Practices in e-Choupal

<table>
<thead>
<tr>
<th>Discourse of e-Choupal</th>
<th>Social Practices of e-Choupal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty alleviation for small-scale farmers</td>
<td>Small-scale farmers excluded from the initiative, and with the reduction in the state’s role, small-scale farmers feel even more economically marginalized and living in a crisis</td>
</tr>
<tr>
<td>Emphasizing availability of information and production support for farmers</td>
<td>The key focus of ITC is on procurement and not on other transformational measures</td>
</tr>
<tr>
<td>Sanchalaks fairly distribute benefits received from ITC</td>
<td>Sanchalaks restrict the benefits to their social networks</td>
</tr>
<tr>
<td>Price information is actively disseminated through e-Choupal</td>
<td>Prices are rarely accessed and the device is of little benefit to sanchalaks as well</td>
</tr>
<tr>
<td>The state emphasizes poverty alleviation through market making and by allowing large corporations to create efficient linkages with retailers</td>
<td>The state is ambivalent, with contradictory practices at different levels, and is also perceived as corrupt and aligned with the rich</td>
</tr>
</tbody>
</table>

The exclusivity of actual ITC practices is evident in this account. In practice, rich farmers are the ones affected by the neoliberal active and entrepreneurial rationality inherent to the e-Choupal. In contrast, small-scale farmers are outside the scope of this information technology device and ITC’s wheat procurement initiatives. As Basant, a medium-scale farmer in this village, noted, “ITC does not accept wheat if it is less than a trolley or tractor.” Such procurement practices imply that small-scale farmers cannot benefit from ITC’s institutional arrangement. This marginalization is glaring because small-scale farmers, who make up 91% of the total population of farmers, constitute the largest part of this BOP segment (Centre for Monitoring Indian Economy 2011). Such marginalization is particularly alarming because an estimate of poverty based on National Sample Survey shows that the percentage of rural population below the poverty line in the state increased from 65.5% to 72.5% in the first decade of neoliberal policies in the country (Patnaik 2007a).

The problem with the information technology is not limited to the procurement practices and a production of surplus but also includes very relevance of the computer itself for small-scale farmers. As Aminudeen, a small-scale farmer living a few yards away from an e-Choupal reported:

I don’t have much surplus to sell to ITC. I sell my produce to a local trader. I’ve not attended an e-Choupal in the last few years. I attended it once some years back. I have not used their seeds or fertilizer either.

Similarly, as Jafri, another small-scale farmer living in the neighborhood of a sanchalak, said, “I have not gained anything from e-Choupal. There are no benefits from e-Choupal.” These narratives show the limitations of the ability of the assemblage to provide benefits to small-scale farmers. However, several small-scale farmers provide a starker reflection on the device: They were not even aware of it. Even after two years of its presence in his village, Rajendra, a dhanuk, or landless farmer belonging to the lowest caste in the village who makes his living as an agricultural worker, reported the following:

I do not know anything about e-Choupal…. I get Rs. 30–50 for 10 hours of agriculture work every day…. We are untouchables and others will not eat with us or allow us to enter their houses.

When we interviewed Rajendra, he was feeding pigs that he sells to supplement his income. During the course of the interview, Rajendra refused to sit at the same level as us. Moreover, the two higher-caste informants also present maintained a distance from him. It is evident from the preceding narrative that rural India and agriculture suffer from deeper structural problems that cannot be reduced to that of institution of markets and information asymmetry, as the neoliberal governmental discourse suggests. This narrative also implies that poor and low-caste members are governed by traditional forms of sovereign power such as the caste system and not merely by the governmentality of neoliberalism.

In summary, we found that subaltern groups find themselves excluded from the e-Choupal initiative. This exclusion is sustained by traditional forms of power prevalent in the social and economic domains of the villages we examined.
Flawed Discourse and Contradictory Practices of Transformation

In the discourse created by ITC, the state, and several academic writers (e.g., Prahalad 2005; Upton and Fuller 2004), e-Choupal is celebrated as a device that enables farmers to overcome the problem of information asymmetry. In this discourse, e-Choupal is able to transform the underdeveloped spaces of rural India into a more modern environment. However, the following interview excerpt from Ashok, an e-Choupal sanchalak, suggests otherwise:

I don’t check prices on the net. My Internet is not working for the last 6–7 months. I have lodged several complaints about it to ITC. We wait for the sanyojak to inform us about the price. We have been told the price has been fixed at Rs. 880/quintal this year.

As Ashok notes, the device has not even been operational recently. We interviewed him in the middle of a wheat procurement season, so ITC’s lack of interest in repairing the device seems to be a glaring anomaly. In the light of the emphasis on information flow and market efficiency in the neoliberal governmental discourse created by the firm, Ashok’s narrative points to practices that are far removed from this discourse. The following interview excerpt with Ravi, the father of the sanchalak in Choupur, further alludes to a limitation of the discourse:

We switch on the computer for 10–15 minutes in a day…. Family members listen to music on it or use it to watch films. Not much happens in the village. Once or twice in a year meeting is called by ITC in the village to inform farmers about its activities.

This narrative shows that despite the neoliberal governmental discourse about the benefits of e-Choupal, in practice, the device is irrelevant as an information technology device, even for the large-scale farmers in the region. Instead, it has become a source of entertainment. Furthermore, ITC claims that e-Choupal is a gathering place for farmers to access information and to learn about best farming practices. However, in the preceding narrative, Ravi shows that such activities are rarely undertaken. Highlighting these issues, Moin, a small-scale Muslim trader told us the following:

I buy [100 kilograms of wheat] for Rs. 800 and sell it for Rs. 850. It costs me Rs. 30 to transport. I do not have much of money and I’ve taken a loan of Rs. 20,000 as my working capital. I have to quickly sell in the local market. There are no buses or trains to take me to larger markets…. I do not know about e-Choupal.

Moin was sitting barely 30 feet away from an e-Choupal when he shared his ignorance of the facility. He was carrying a sack of wheat on a bicycle and was heading for a local market to sell this procurement. This was necessary for him to generate the required working capital to enter into another transaction and to earn his 2.5% margin by selling that sack for approximately Rs. 850 (US$45). The preceding narrative also shows that the information about national and international market prices is only marginally relevant to Moin, who must sell his produce on that very day in a small local market. He further alludes to the problems of working capital and expensive loans that hinder his ability to trade.

Moreover, we found that farmers perceived the claims of the elimination of intermediaries and improvement in the efficiency of the procurement process through e-Choupals to be rather exaggerated. Kavinder, a Hub-in-Charge near Moria, described the following process of procurement:

The farmer has to take his wheat to the upsanchalaks. The upsanchalaks inform sanchalaks about the possible sale of wheat by a farmer in his village. The sanchalaks brings the wheat to the hub…. The price of wheat on the previous day in mandi is taken as the price.

This account not only shows that ITC is using layers of intermediaries but also illustrates the limitations of the linkages created with the international markets through the information technology device. It is evident that the transactions are based on prices determined by the firm, which in turn are based on the prevailing local market prices. ITC also claims that unlike the procurement process of the state agencies and small-scale traders, its procurement process is faster, with immediate payments made in cash. Large-scale farmers agreed with this assessment of faster procurement and quick cash payment. Furthermore, they favored these ITC practices over the state procurement process, which they perceived as corrupt and fraught with the problem of delayed payments. However, this claim was qualified by Raju, a medium-scale farmer in Choupur:

I sell to a local trader. From ITC the payment is not immediate. They sometimes take 7–8 days to pay. Sometimes you can’t sell on the same day as well and farmers have to wait for a day or two.

Such claims show that some farmers do not perceive ITC’s e-Choupal initiative as superior to the services that the local traders provide. Small- and medium-scale farmers widely shared the following positive perception about the local traders, as expressed by Sameer, a small-scale farmer in Choupur:

I sell to a kacha adatiya [a small-scale local trader] in the village. I receive my money instantaneously. There are times when the trader does not have money, but he pays back within a day or two. I do not mind taking money in a day or two, as the trader is of my own village. Agr kauno kaam pad jayey to 2–3 din baad main bhee paisa de deta. Koi baat nahin [In case he has some work and he pays money in two to three days. It is not a problem.] I do not have to run behind the trader. It is the trader who comes to my house with the money.

Thus, Sameer believes that the current procurement process is efficient enough for him. Moreover, he reported that unlike ITC and the state, local traders have an effective system of reaching out to small- and medium-scale farmers to procure wheat. He also believes that his trader is considerate and able to offer satisfactory services. Ranjan, a farmer in Moria, also reported that the local market was equally efficient: “I sell in Manthana mandi. I have not faced any problem in the mandi. I receive the prevailing rate in the mandi and on the same day.” This interpretation is contrary to Prahalad’s (2005, p. 329) claim that the local markets were “not an optimal procurement channel.” These small- and medium-scale farmers were broadly satisfied with the existing marketing system. They believe that the primary problem is not in the domains of procurement channels and
information about prices, farming practices, or weather reports but rather in the domain of production, in which access to land, credit, water, fertilizers, implements, and seeds are highly skewed in favor of rich farmers.

In addition, farmers in the region complain that neoliberalism is closely associated with the presence of ITC and that e-Choupal has had a harmful impact on the rural economy. According to Alok, a small-scale farmer in Morial,

Most of the land in this village is owned by thakars [high caste]…. I’ve not heard about e-Choupal or ITC…. Five years back I could get some subsidized fertilizer from the state agencies, but now it only goes to thakars…. Most of the irrigation is through underground water for which I … pay Rs. 80 per hour. Earlier I used to get some water from the canal, but now there is no water in it.

Alok insists that access to land is one of the key problems for poorer farmers. He believes that higher-caste groups have privileged access to land, forcing smaller-scale farmers to live in poverty. Moreover, his comments hint at the failure of the state and its policies to bring about land reforms to alleviate the status of the poor in the region. Alok’s comments further support DN’s (2001) observation that land reforms are a necessary prerequisite for information and communication technologies to make an impact in rural India. Alok’s account highlights some other problems associated with the neoliberal policies the Indian state is pursuing. The state was previously associated with welfare safeguards, which have been gradually dismantled. These policy safeguards allowed small-scale farmers to access welfare measures. Furthermore, it is evident that the emphasises on markets and private corporations under the new institutional arrangement are benefiting the already better-endowed sections of the rural population. Thus, subaltern groups believe that a shift in favor of already richer population characterizes the current governance processes.

In summary, instead of interpreting the information technology initiative as a beneficial intervention, small-scale farmers believe that e-Choupal does not provide them with the claimed benefits. The device is considered a failure in these villages because it is perceived to be based on a wrong diagnosis of the ills that affect the local agriculture and a belief that the state has chosen to abdicate its responsibility for social justice.

**Emphasizing Private Gains over Transformation**

Our data show that, as a large profit-oriented firm, ITC stresses procurement in its practices. It is evident that transformational practices through dissemination of information, best practices, cheap loans, seeds, and fertilizers are marginal to the process. A Maiku, a large-scale farmer belonging to the family of the *sanchalak* in Moria, noted,

In the first year [of their setting up], ITC came and organized some events, but after that, they have not come [in the last two years]. ITC is primarily into buying wheat, not into other activities. They have become dysfunctional here. Earlier they organized some talks and came up with some schemes, but not anymore.

This firm’s emphasis on procurement is evident from the incentive mechanism that is in place for *sanchalaks*. According to Rathore, the *sanchalak* in Choupur,

I became a *sanchalak* in 2003 and in the first two years I did not procure much. Then I went for a meeting organized by ITC in Lucknow, where I realized that my village was right at the bottom in terms of wheat procurement. In this meeting *sanchalaks* who made large procurements for ITC were given awards. After that I informed farmers in my village about it and in 2006 I got an award for record procurement in the region by ITC.

The firm rewards *sanchalaks* who procure large amounts of wheat for ITC and not for bringing about a social transformation in their villages: As a practice, e-Choupal widens the gulf between the poor and rich, making the wealthier farmers better equipped to function in a global market. It is also evident that the use of e-Choupal as a device is marginal to ITC’s reward mechanism. In this neoliberal governmentality, greater benefits for a private corporation are equated with greater social gains. It is assumed that a more profitable ITC will translate into a happier farming community in the region. Thus, the actual practices are far removed from the firm’s claims. Here, e-Choupal becomes a device to create legitimacy in the setting and helps the firm make claims of social responsibility. The position of profit conflicts with that of social transformation, and the firm emphasizes procurement of wheat at a low price from farmers. As Ravinder, a high-caste, medium-scale farm owner in Moria reported:

In this village nothing has changed. It is completely under the control of one landlord. E-Choupal has not helped the village. It is just a superficial exercise. When they [ITC] organize something only *sanchalak’s* friends (cronies) come to attend such events. There is no intention to help the villagers and nothing is given to others by ITC. *Sanchalak* controls everything.

Ajay, a small-scale farmer in Choupur, echoes this:

ITC organizes meetings only at the time of procurement. They are not seen around otherwise. There is no training given by ITC and I’ve not seen any soil testing that has happened…. All the benefits from ITC only go to *yaar-pyaar* (friends) of the *sanchalak*. I’ve not seen any seed being given in the last four to five years.

It is evident in these farmers’ narratives that e-Choupal is essentially perceived as a device used to make false claims of social transformation. They allege that ITC is not sincere about passing the benefits to farmers and grossly overstates its attempts to support the farming community. Ajay and Ravinder also allude to the problems at the level of *sanchalaks*, who refuse to pass on the benefits the firm offers to the larger village communities. Accordingly, the benefits primarily stay within the privileged circles of family and friends. Moreover, Kirti, a large-scale farmer in Moria who is related to the *sanchalak* in the village, told us that ITC purchased his produce at a higher price and has been helpful in overcoming his dependence on the state for selling wheat. Thus, ITC’s presence as a buyer was perceived as beneficial by some farmers, but these benefits were primarily restricted to a group of medium- and large-scale farmers in the region. The sharing of benefits associated with e-Choupal within a small group illustrates a failure to create a unified entrepreneurial farmer who transcends the traditional ties of kinship. *Sanchalaks* are not anonymous market actors but rather are defined by their social and economic interests. These dispersed subjective positions are in
conflict with the principles of the neoliberal governmentality associated with e-Choupal.

In summary, our data show that the discursive silence on profit seeking is replaced by an emphasis on private gains in actual practice. ITC emphasizes its gains by encouraging and incentivizing procurement of wheat over transformational activities such as fair distribution of inputs to production or information. Sanchalaks add to the problems by further skewing the gains in the direction of individuals in their social networks. Thus, social transformation and poverty alleviation become distant goals in the actual practices of e-Choupal and neoliberalism in the rural villages.

**Ambivalent State in Policy and Practice**

Farmers in our study believe that the state takes multiple forms that are both benign and malignant. In its benign form, the state is viewed as a protector of individual interests through its pricing mechanisms and various forms of subsidies. The malignant side of the state is associated with benefits given to private corporations, slow bureaucratic procedures, and high levels of corruption. Scholars and policy analysts in India increasingly argue that the state has adopted a neoliberal agenda and has initiated several policy changes that affect our participants in multiple ways (see Table 4). An important part of the neoliberal shift has been a reduction in the state’s welfare policies that were aimed at supporting small-scale farmers (Gill and Singh 2006; Goswami 2009; Reddy and Galab 2006). For several decades leading up to the 1990s, state-owned banks were encouraged to open more branches in rural areas and to disburse loans to farmers to provide them with much-needed financial support. However, with the adoption of the neoliberal policies in 1990–1991, the state has reduced its emphasis on inclusivity and has encouraged private actors to provide credit (Chandra 2010). As a result, the number of rural branches of the public sector banks has decreased from 33,360 in 1993 to 30,561 in 2007 (Chandra 2010, p. 51). Furthermore, these policy changes have left 88% of the farmers with no access to bank loans, thus contributing to a resurgence of private money lenders (in 1991, 17.5% of total loans to farmers were from private money lenders, versus 26.8% in 2002), which charge usurious rates of interest (Chandra 2010). In addition, the deregulation of potash and phosphate fertilizers in 1992, which the fertilizer corporations encouraged, has affected the farmers in the region; the deregulation has led to widespread use of these chemical fertilizers, which has resulted in an increase in the costs of farming and is contributing to the deterioration of soil fertility (Narayanamoorthy 2007). Another factor that has contributed to a significant increase in costs of farming in the region is the price of irrigation. Our participants indicated that, on average, a wheat crop requires three rounds of watering; 15 years ago, they could get two rounds from the canals and other sources of surface water in the region. Canals were cheaper sources of water and were managed by the state, which increased the land under irrigation from 20.58 million hectares in 1951 to 53 million hectares in 1995. However, for the past 15 years, the state has encouraged individual farmers to use underground water by subsidizing bore wells, which are more expensive and energy intensive (Narayanamoorthy 2007; Pant 2004). According to the Indian Ministry of Agriculture, there has been a 23% decline in the area irrigated by canals since 1995 in the state of UP. This has shifted the burden of managing irrigation from the state to individual farmers, who are expected to entrepreneurially make use of water. We found that small-scale farmers could not afford to use bore wells and instead purchased water from large-scale farmers who had access to underground water extraction pumps. Our data show that the cost of water (Rs. 80/hour) contributed to 40% of the costs of producing wheat and has escalated the input prices substantially in the past few years without a commensurate increase in selling prices. Small- and medium-scale farmers indicated that they were getting paltry returns of approximately 5%–8% from their farm investments without accounting for their own labor costs. Their total costs include seeds (7%), fertilizers and pesticides (20%), contract labor (33%), and irrigation (40%). Moreover, respondents said that in the past five years, the cost of producing wheat had almost doubled, but the selling price increased only 35%.

Although the farmers in our study believe that the state is reducing welfare measures and argue that the current policy framework is unjust, they remain guarded in their celebration of the role of the state in any period because of its corrupt practices. The following excerpt from Kirti, a large-scale farmer in Moria, illustrates this belief:

> We don’t sell to the government. There are serious problems with the state procurement agencies. They create a lot of trouble. They are corrupt and always ask for extra money. They do not pay immediately either. We also have to pay an extra charge for getting our produce weighed by them. They also try to find faults with your produce and hassle you. Government gives nothing, it only takes from you.

---

**Table 4. Key Policy Changes in the Wheat Marketing System (Since 1991)**

<table>
<thead>
<tr>
<th>Policy Change Domains</th>
<th>Impact of Policy Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture produce marketing</td>
<td>Private traders are allowed to procure wheat and began replacing the state, which previously had done the bulk of procurement in the region. The private traders are regulated through a policy of licensing and small quotas. Large corporations are allowed entry into procurement. Corporations are issued licenses and large quotas.</td>
</tr>
<tr>
<td>Public sector bank credit</td>
<td>Public sector banks, which were previously encouraged to provide priority sector loans to farmers, are now greatly restricted and have been replaced by private lending initiatives.</td>
</tr>
<tr>
<td>Deregulation of chemical fertilizers</td>
<td>Proliferation in usage of chemical fertilizers, with detrimental effect on soil fertility and production costs.</td>
</tr>
<tr>
<td>Privatizing irrigation</td>
<td>Decline of surface water management and subsidies offered for water pumps lead to increased reliance on underground water, which has created problems of scarcity of water and depletion of aquifers.</td>
</tr>
</tbody>
</table>

We don’t sell to the government. There are serious problems with the state procurement agencies. They create a lot of trouble. They are corrupt and always ask for extra money. They do not pay immediately either. We also have to pay an extra charge for getting our produce weighed by them. They also try to find faults with your produce and harass you. Government gives nothing, it only takes from you.
Farmers openly talk about the corrupt practices of the state procurement agencies. They believe that the state has traditionally siphoned off resources from rural India to develop the urban centers in the country. For large-scale farmers such as Kirti, the presence of ITC as a buyer creates an opportunity to get better prices for produce without having to deal with the state, which is perceived as corrupt and inefficient. This perception is an important reason for the decline in the state’s ability to procure wheat from the farmers in the region. For the richer farmers, ITC’s intervention offers an opportunity to increase their profitability by selling at higher prices. The state officials we interviewed deny the allegations of corruption made against their agencies. As Ranbir, a district manager of Food Corporation of India (FCI) informed us,

We have opened up 45 procurement centers in the district. We have also publicized our rates in local dailies and printed handbills, posters and banners for information. Twenty officers have been posted to monitor the process.... We don’t trouble farmers and there is no bribe taken by our officers.... E-Choupal is nothing but a dalal [intermediary].

Ranbir is well aware of the problems associated with their procurement process. He realizes that with the neoliberal shift, the state agency does not singularly control the wheat marketing system. Moreover, unlike the planning commission and some other state agencies, Ranbir is critical of private firms’ role. He dismisses the e-Choupal initiative and denies its claims of social responsibility. Furthermore, Ranbir represented the FCI as a competent body. Despite these claims, we observed a different practice in our visits to the FCI procurement centers. For example, we visited two FCI centers in the vicinity of an ITC e-Choupal to understand the steps the state takes to compete with ITC to procure more wheat. However, we found that the centers had no official to interact with or procure from farmers. We repeated our visit after a few days and still found the same result.

The state, driven by neoliberal governmentality, has allowed large private corporations to procure wheat in the market through several policy changes. At the central level, the state’s response to the changes in the APMC Act has been supportive and celebratory of the information technology initiative, as described previously. According to the model APMC Act the Indian central government prepared in 2003,

An efficient agricultural marketing is essential for the development of the agriculture sector as it provides outlets and incentives for increased production, [and] the marketing system contribute[s] greatly to the commercialization of subsistence farmers. Worldwide Governments have recognized the importance of liberalized agriculture markets. Task Force on Agricultural Marketing reforms set up by the ministry [have] suggested promotion of new and competitive Agriculture Market in private and cooperative sectors to encourage direct marketing and contract farming programmes, facilitate industries and large trading companies to undertake procurement of agricultural commodities directly from the farmer’s fields and to establish effective linkages between the farm production and retail chains.

The neoliberal governmentality is evident in this policy document. The state emphasizes private initiative, markets, and marketing. The central government in this act encourages large firms to enter the wheat market to create effective linkages with large-scale retailing. Furthermore, it is assumed that commercialization, creation of markets, and entry of large corporations will be beneficial to subsistence farmers. However, at a local level, the response has varied from being facilitative to showing indifference. Mahmood, a procurement inspector in the office of Regional Food Controller (RFC), an important procurement agency of the state, informed us that “there is no effect of ITC in our region. Here ITC is not able to procure much.” He made this claim when ITC was procuring large amounts of wheat in the region and the state agencies were not able to meet their procurement quotas. However, Mahmood’s indifference could also be understood as a problem of the functioning of the state bureaucracy, which is largely perceived as corrupt and is constrained by poor infrastructure. During our visits to the RFC office, we found that it is housed in a run-down building that did not have electricity to even run a fan, despite peak summer heat. The officials looked distinctly unhappy with the state of affairs. We were further informed that the officer in charge who was posted to be in the city lived and operated from another city because his family was living there. He was not available at the RFC office most of the time. We found similar conditions in every office that we visited. Most of the mandi, or market offices controlled by the state, were in poor condition, and it was common to see plaster fallen from walls, broken chairs, and a lack of electricity in these buildings.

The state, despite its neoliberal commitments, has its own contradictions. More recently, we found that the state did not renew ITC’s license to procure wheat, and it raised its minimum support price to Rs. 1000 per quintal. Rishi, an RFC official, indicated the following:

[The] State has not given license to ITC this year. Our procurements have been much better this year. Government was not aggressive in the past, but now they are regulating private trade…. We are also making cash payments for procurement up to Rs. 35,000…. For the first time our targets have been completed before 15th May,.... but we have procured only 30% of the marketable surplus; the other 70% is still going to private traders.

The procurement of wheat is particularly critical to keep the food prices low in a year in which the general elections were scheduled to take place. State officials understand that higher procurement prices are necessary to keep large-scale farmers happy. The ruling coalition realizes these compulsions and temporarily compromises its neoliberal agenda. As a result, the state partly withdraws some of the benefits doled out to large corporations such as ITC. Furthermore, under pressure from the central office to improve its procurement, the FCI in the region made concerted attempts to procure wheat. For the first time in its history, the FCI procured directly from farms. However, the process is difficult, and the organization is not equipped to handle the door-to-door procurement process. It did not have a proper workforce to weigh, load, and transport wheat to its centers. Similarly, the process is dependent on having a network of
relationships. We found that in a day, the officials could only procure from two farmers in geographically distant villages. These officials could not and did not make an attempt to procure from other farmers in the same village. Moreover, the process is dependent on achieving certain procurement quotas; therefore, these officials focused only on large-scale farmers and did not even attempt to procure from smaller-scale farmers who sell to local traders at lower rates. We were also told that in the past, to make up for the procurement shortfall, the state agencies allocated each licensed trader a quota for selling wheat to the government at a prescribed government price. Traders also noted that they were threatened with the cancellation of their licenses in case of a shortfall. As Raman, a trader, reported, “I paid money from my pocket and purchased wheat to meet my quota.” Small traders believe that they are vulnerable to local government pressure, but the state exercises no control over large corporations such as ITC.

In summary, through e-Choupals, a private corporation has attempted to create a neoliberal bridge between the contradictions of poverty alleviation and profit seeking. However, our findings show that the e-Choupal practices diverge from the discourse and illustrate problems in governmentality and the resulting policy-making process. We show that neoliberalism has contributed to the marginalization of the subaltern in our study. Although it serves the purpose of including a few already rich and powerful farmers in the neoliberal rationality, making them more active and entrepreneurial, it excludes the majority of farmers from this rationality. The latter are governed by traditional sovereign power structures. Although the e-Choupal is purported to combat such traditional power structures, our findings indicate that it fails to function for the most vulnerable strata of the population. Thus, neoliberal governmentality remains a project that is closely aligned with profit seeking and is removed from poverty alleviation for subaltern participants.

Discussion and Conclusions

We have applied the concept of governmentality to understand conflicting goals of poverty alleviation and economic profitability in a BOP initiative. Our focus on neoliberal governmentality helps us explain the paradox at two levels. First, governmentality draws attention to a systemic framing of policies and helps situate the failure of e-Choupal in flawed discourses that are made up of assumptions of governance. Second, our attention to governmentalities helps uncover the contradictory discourses of economic gains and poverty alleviation in BOP initiatives, which conflict with each other and with actual practices that unfold at the micro level. These findings question assumptions of poverty alleviation that are associated with profit-seeking initiatives and economically efficient value chain restructuring programs. Our research expands the boundaries of theorization on public policy and the BOP processes in marketing in several important ways.

We show that the state policies, such as changes in the APMC Act, credit policies, fertilizer deregulation, and water pump subsidization, have played a critical role in the wheat market we examined. Our focus on governmentality helped us situate e-Choupal in the public policy domain as an initiative constituted by a new way of conceptualizing governance. We have interpreted the new rationality as neoliberal governmentality and have argued that it is made up of two key assumptions: poverty alleviation accomplished through private initiatives and limited direct state intervention in the functioning of markets. Our findings show that these assumptions fail to acknowledge the complexities of the BOP wheat market examined in this research. Our findings suggest that rich farmers have access to e-Choupal, while the poor farmers who constitute the BOP do not have access and thus are not helped by it. We show that the state has reduced its welfare interventions. Our research also shows that these policy shifts make the situation of subaltern groups even worse. Thus, we find that neoliberal governmentality fosters concentration of gains in the hands of the elite in these settings. Our study emphasizes what Dean (2007, p. 15) refers to as “authoritarian liberalism.” Dean (p. 15) notes that “we should examine the ways in which liberal practices of governing divide populations so that some can be governed by freedom, others by obligation and sanction, and still others by sovereign force and coercion.” Our findings show that the state governs elite groups by creating for them the freedom that it promotes, while the poorer groups are excluded from this form and are instead governed by traditional power structures. In countries with an extensive welfare sector, this traditional power inherent to authoritarian liberalism is exercised by correctional institutions such as sheltered employment units and labor-market programs. In a Third World country such as India, where such correctional institutions are minimal, traditional power structures such as the caste system serve this purpose, resulting in a widening gulf between the rich and the poor. Thus, our study suggests that the current policy interventions that constitute e-Choupal as a BOP initiative reproduce and strengthen traditional power structures and benefit elites who already possess power while pushing subaltern groups deeper into poverty.

Because neoliberal governmentality is unable to provide a policy bridge between profit seeking and poverty alleviation, a serious problem arises in the BOP initiative. This failure creates a divergence between discourses (e.g., ITC’s description of e-Choupal) and social practices (e.g., how wheat procurement practices are carried out) and presents a difficulty in implementing the BOP initiative. This divergence offers important insights for policy scholarship on BOP markets. For example, some BOP scholars place considerable emphasis on social entrepreneurship and have suggested that social entrepreneurship initiatives should be deployed to overcome poverty and underdevelopment (Bloom 2009; Rashid and Rahman 2009). Although we agree with the emphasis on subaltern inclusivity in social entrepreneurship, our findings show that there are limitations in this approach. We show that the neoliberal governmentality that steers the policy initiatives toward creating entrepreneurial subjectivities has a limited impact. Our findings show that the exchange system we examined in this research is characterized by traditional power hierarchies and feudal caste-based relationships. The problem is exacerbated by conflicting goals embedded in business and policy initiatives through which entrepreneurial positions are being created by the state and private business. Simi-
larly, several authors have argued that e-Choupals create a more efficient value chain and have assumed that efficiency translates into poverty alleviation (e.g., Prahalad 2005). Our findings indicate that a divide separates economically efficient and socially inclusive processes in BOP markets. This divide is created by a systemic emphasis on profits, self-interest of actors, ineffective institutional apparatuses, and culture. Our data show that ITC has sidelined the discourse of poverty alleviation in favor of the discourse of profit seeking, as it encourages procurement of wheat over other inclusive activities. Similarly, self-interested sanchalaks confine the material and information given by ITC to their privileged networks and exclude subaltern groups from these benefits. Moreover, signaling an institutional void, the state is perceived as corrupt, and its officials are believed to be making individual gains as they neglect the poor in the region. The cultural problem of caste-based hierarchies as a hindrance to social transformation is also evident in our data. These findings show that a huge gulf exists between policy making and implementation and the discourses of profit seeking and poverty alleviation in the BOP initiative examined in this research. Here, we agree with Visvanathan et al. (2009), who argue that markets in the Third World are characterized by myriad constraints.

In the BOP discourse, some theorists have argued that large firms can make profits by operating in subaltern markets (Prahalad 2005; Prahalad and Hammond 2002). They further argue that private corporations can become vehicles for development and can bring about a socioeconomic transformation (Pitta, Guesalaga, and Marshall 2008). Our findings show that the BOP discourse aligns more closely with the goal of profit seeking and that such claims of socioeconomic transformation can be limited. Our data show that farmers believe that e-Choupals are an ensemble for procurement and do not aim to bring about poverty alleviation. There is no motivation for attempting to do so. Our findings help identify flaws in the emphasis placed on markets in the BOP discourse (cf. Prahalad 2005; Prahalad and Hammond 2002). Farmers and traders believe that access to information, marketing channels, and knowledge of efficient farming techniques are not the main problems they face. Instead, they believe that flawed policies, inadequate access to capital, and large corporations and rich landlords’ profit orientation are their key obstacles. These findings show that the BOP discourse can exacerbate the very problems that hinder socioeconomic transformation of the rural setting examined in this research (see also Karnani 2007; Kuriyan, Ray, and Toyama 2008).

To overcome these limitations through effective public policies, discourses and practices require changes in this setting. At a systemic level, we show that neoliberal governmentality embeds policies in a limiting framework that requires change. Instead of a receding welfare state, a BOP initiative in agriculture requires an active state that assists subaltern groups through support in the domains of access to land, water, and credit (Chandra 2010; Sainath 2009). Market making through individual entrepreneurship or large corporations requires policy checks through which the promises of inclusivity are monitored and implemented. Moreover, the policy emphases on information, information technology, and modernization must be supplemented by policies of land reforms, expansion in irrigation and credit facilities, improved selling prices, and encouragement of sustainable farming practices. Subaltern groups can be encouraged to produce and market their produce through cooperative arrangements that can be created through a state policy (see Reddy and Galab 2006). This will also help small-scale farmers transcend the caste system, which holds sovereign power in these settings. These policy measures will be ushered in only with a new governmentality and cannot be a part of the current neoliberal order that has contributed to the creation of a crisis in the BOP examined in this research.

In terms of specific practices associated with the e-Choupal initiative, we believe that several fundamental changes are necessary for the discourse of poverty alleviation to overcome the limitations of profit making. Instead of merely incentivizing procurement, ITC must encourage inclusion of subaltern groups in the functioning of the initiative. This process of inclusivity must begin with an emphasis on providing credit, agricultural inputs, information, and market access. It is evident from our findings that ITC must actively organize a shift to these measures; it cannot be confined to the rhetoric of social transformation. ITC must support small-scale farmers in the production stage by supplying seeds, fertilizers, credit, and water. It should further ensure that its procurement is not exclusive and includes small-scale farmers as well by using the common practice of grain traders of going house to house for their collections. We believe that socioeconomic structures are crucial in determining gains from a technology initiative and that these changes are necessary for individual farmers to realize the potential of e-Choupal and to make use of it (DN 2001). Moreover, ITC must devise specific monitoring processes to hold sanchalaks accountable. The misuse of the current measures and their limited effectiveness can only be overcome through transparency and accountability. Although we make these recommendations, our understanding of neoliberal governmentality makes us deeply skeptical that any of the changes outlined here will take place within the current framework of governance. We believe that systemic changes and an alternate rationality of governance are prerequisites to more specific changes happening with e-Choupal. A new systemic initiative needs to replace the existing one, which relies on market forces to bring about poverty alleviation. A new rationality of governance should be driven by concerns of empowering subaltern groups through active state policies and should not leave welfare measures to corporations.

In summary, our focus on governmentality helps us offer insights into conflicting discourses and practices that constitute a BOP initiative. Furthermore, this theoretical emphasis helped us to identify and explicate limitations of a profit-seeking BOP initiative in alleviating poverty. Our study raises several issues that public policy researchers may want to address in the future, including how coercion is used within the current neoliberal democratic societies to contain the aspirations of subaltern groups; How do subaltern groups resist and subvert regimes of neoliberal governance? What is the role of institutions, and how do subaltern groups access this lever of governance? Does neoliberal governmentality in the context of the construc-
tion of markets depend on the sovereign power of the state and other institutions to be effective, as our research indicates? Or does neoliberal governmentality operate in isolation from sovereign power, which the bulk of previous research has indicated (Dean 2007)? In the light of the contest and contradictions that create a hybrid state, it will be of further interest to understand governmental processes through which the framing of neoliberal policies takes place. The current economic recession has put a question mark on neoliberal governance, and it will be important to understand the resulting institutional changes and shifts in governmentality. Finally, the BOP context we examined in this research makes the debates about governance extremely relevant for creating just and fair policy alternatives to the current system.

Appendix: Foucault’s Discussion of Power

Governmentality should be understood against the backdrop of Foucault’s discussion of power. In this section, we briefly describe some of the key concepts that help explain Foucault’s interpretation of governmentality.

Sovereign Power

Foucault argues (1977, 1981) that governmentality is different from the traditional understanding of power. Foucault named this form of power “sovereign power,” which is associated with the works of scholars such as Hobbes and Weber. In this interpretation, power is vested with some people or institutions. Accordingly, power holders can force others who lack power to do things against their will. Sovereign power is thus associated with coercion and is conceptualized as a negative force.

Power/Knowledge

Foucault (1977, 1981) distinguishes the sovereign understanding from a discursive understanding of power. He argues that since the Enlightenment, key aspects of power have been embedded in discourses or systems of knowledge. A key proposition in this power/knowledge view is that discourses regulate relationships between human beings and that power does not belong to certain agents or institutions. More specifically, discourses or regimes of power/knowledge prescribe subject positions to individual people, ordering their constitution of identity. This implies that power/knowledge can be both positive and negative; it may align people with dominant regimes, but it can also misalign people from these regimes through alternate discourses.

Governmentality

Foucault (2007, 2008) identifies the notion of governmentality as an alternative to the traditional Machiavellian understanding of government. Whereas the latter is premised on the notion of sovereign power presupposing a strong state that can force its inhabitants to carry out actions against their will, governmentality emphasizes that government happens without direct state intervention. In particular, it emphasizes that the discourses dominating in a society foster people and states to behave and be in line with the prerogatives of such discourses. Accordingly, such discourses are not neutral representations of social reality but promote certain subject positions, rationalities, and state policies that aim to regulate human conduct in particular ways.

Neoliberalism

Foucault and many others have interpreted neoliberalism as the governmentality par excellence, as it seeks to foster government through the play of free market mechanisms and by minimal intervention of the state (Dean 1999, 2007; Foucault 2007; Rose 1999). Although freedom is its rhetorical nodal point, neoliberalism promotes subject positions of activity and entrepreneurialism seeking to regulate conduct toward these ends. Thus, the freedom it espouses is highly qualified.

References


