



THE RISE OF NEW INDIA AND ECONOMIC NATIONALISM POST 2014

Dr. Malvika Singh

Assistant Professor, Department of Political Sciences, Shivaji College, University of Delhi, Raja Gardan, New Delhi-110027, India.

ABSTRACT

This study explores the emergence of the New India and economic nationalism following 2014 through a systematic literature review. The study uses an interpretivist and inductive approach to analyse existing academic literature. PRISMA has been used to find and filter out the studies that are relevant. The results demonstrate three key themes such as New India policy initiatives in support of manufacturing and digital development, the role of political nationalism in economic policy, and that post-2014 reforms have mixed impacts on the economy. The paper concludes that programs like Make in India, Digital India, and Skill India aided in the growth of the economy, yet there were issues with creating jobs as well as boosting overall growth.

Keywords: *New India, Economic Nationalism, Make in India, Digital India, Economic Development,*

1. Introduction

The emergence of New India post 2014 was linked to economic activism, nation-building, industrialization, and increased state policy programs. The government also encouraged initiatives like Make in India, Digital India, and Skill India to increase production, jobs, and competitiveness. India's GDP growth was estimated at almost 6.5%, the lowest level under the Modi-led government and a four-year low, mainly because of weak performance in the agriculture and manufacturing sectors compared with 7.1% in the previous fiscal year. Growth improved to 6.3% in the July-September quarter in 2017 after falling to 5.7% in the previous quarter. Moreover, the rationalization of GST rates on 178 goods decreased the government revenue in the short term, though the collection later indicated some recovery.





Figure 1: India GDP growth

Since 2014, with the emergence of New India, there have been policies that encourage economic nationalism, industrialization, and self-sufficiency. Nonetheless, there is controversy over real economic performance. A key challenge is the slowdown in GDP growth to 6.5% in 2017-18, driven largely by weak agricultural and manufacturing performance. Other challenges are the unequal creation of jobs, challenges in implementing key reforms in policies, the rise and fall in government revenue after GST rationalisation, and the trade-off between local industry protection and integration into the global economy. Current literature tends to address these problems individually, which has led to a gap in understanding of how economic nationalism contributed to economic transformation in India post 2014.

Disruptive factors

The June quarter saw uncertainty related to the rollout of GST from 1 July, about eight months after the government's shock demonetization move

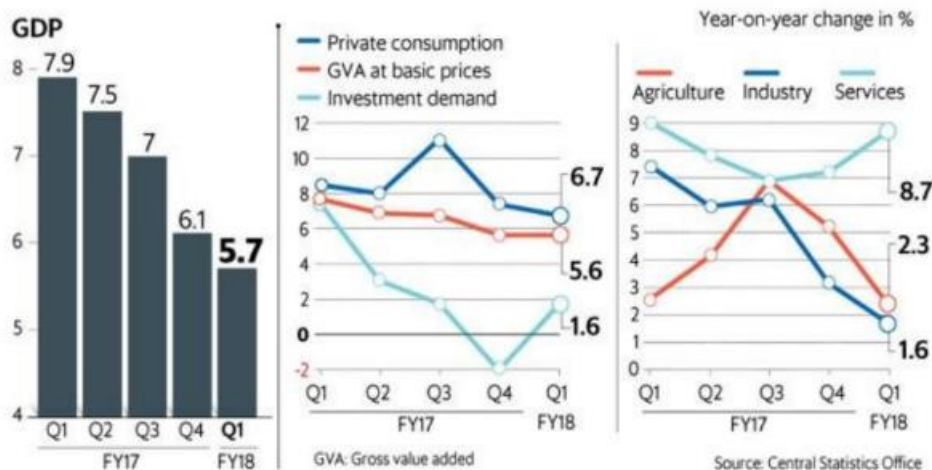


Figure 2: Disruptive factors1

This study aims to systematically review literature on the rise of “New India” and economic nationalism after 2014. It aims to gain insight into the impact of nationalistic economic policies on India's development agenda, industrialisation, governance reform and economic performance.

Aim

To investigate the development of New India and economic nationalism post 2014 by establishing a systematic literature review.

Objectives

- To identify key policy initiatives associated with New India after 2014.
- To examine the relationship between political nationalism and economic policy after 2014.
- To assess the perceived economic impact of policy initiatives after 2014.

According to prior research, after 2014, the concept of New India was closely related to economic development. The new direction of policy was oriented towards quicker growth, enhanced national identification and economic self-sufficiency. Numerous articles were written about the way economic nationalism was framed as an approach to enhance national industries and make India more competitive in the world. The government came up with significant programs like Make in India, Digital India, Skill India and Startup India. The objectives of these programmes were to promote manufacturing, enhance the digital infrastructure, build up the skills of the workforce, encourage entrepreneurship and job creation. Thus, the literature perceived such policies as an attempt to have economic growth.



and national development objectives interact. Much of the literature was devoted to Make in India since it was believed to be the primary industrial policy initiative since 2014. Research clarified that the programme promoted domestic production, foreign investment and industry growth in areas like automobiles, electronics, defense and textiles. The role of Skill India in offering training and enhancing the employability of youths was also discussed by researchers. Digital India was focused on popularizing digital governance, online delivery of services, financial inclusion, and technological growth. According to the literature, these policies were aimed at modernization of the economy and enhancement of efficiency of administration. Concurrently, a number of studies have observed that there were still implementation issues, particularly in the expansion of manufacturing, creation of jobs, advancement of infrastructure, and competency harmonization. There were studies that noted improvements in business reforms, financial inclusion, and investment promotion, whereas there were others that identified slower growth in agriculture and manufacturing over the period of 2017. Economic reforms like tax policy changes like the Goods and Services Tax (GST) and other tax policies were commonly scrutinized as they impacted business operations and government taxes. Research, however, tended to examine and interpret policies individually, like Make in India, Digital India, or GST, and not the connection between political nationalism and economic policy as a whole. Consequently, an integrated understanding of the interaction of the New India narrative, economic nationalism, and development policies after 2014 is limited. This gap justifies the rationale behind the systematic review which consolidates the accessible evidence and gives a more focused understanding of the emergence of. New India and economic nationalism during the time after 2014.

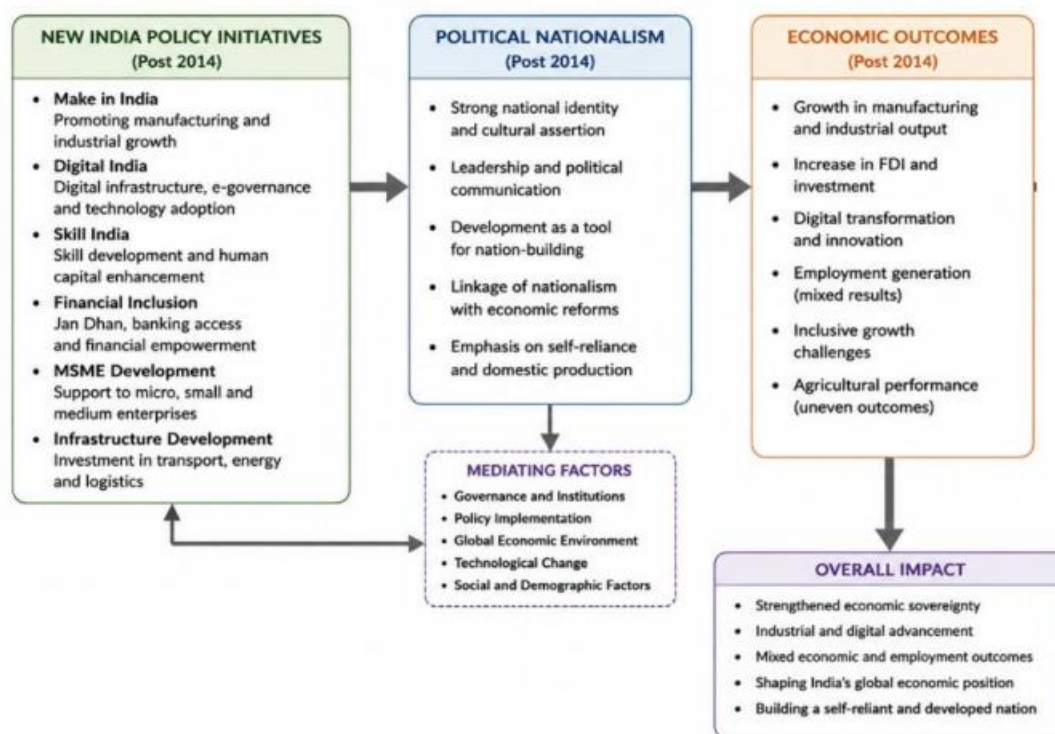


Figure 3: Conceptual Framework7

The conceptual framework elaborates the role of political nationalism post 2014 in influencing economic policy in India. It connects the story of New India to the policy agenda like Make in India, Digital India, and Skill India. These efforts are considered to be economic nationalism mechanisms that create domestic production, employment, technological development, and national competitiveness, with resulting economic transformation and development on a broader scale.

The research used a Systematic Literature Review (SLR) design to investigate the emergence of the New India and economic nationalism in the post-2014 era¹⁰. The review adhered to the interpretivist research philosophy in that it aimed at the comprehension of meanings, perspectives and interpretations provided in the existing literature. An inductive approach was used, and rather than testing out predetermined hypotheses, themes and patterns were discovered from the studies reviewed¹¹. The study was also descriptive in nature. The keywords for the search



strategy include New India, Economic Nationalism, India 2014, Make in India, Digital India, Skill India, Economic Development, National Development, Industrial Policy and Nationalism and Economy. In addition, databases include Scopus, JSTOR, ProQuest, Google Scholar and Web of Science.

Table 1: Search Strings¹²

<i>Search No.</i>	<i>Search String</i>	<i>Databases</i>	<i>Results</i>
<i>S1</i>	<i>"New India" AND "Economic Nationalism"</i>	<i>Scopus, Google Scholar</i>	<i>28</i>
<i>S2</i>	<i>"Economic Nationalism" AND India</i>	<i>JSTOR, Scopus</i>	<i>41</i>
<i>S3</i>	<i>"Make in India" AND Development</i>	<i>Scopus, ProQuest</i>	<i>36</i>
<i>S4</i>	<i>"Digital India" AND Economic Growth</i>	<i>Google Scholar, Scopus</i>	<i>24</i>
<i>S5</i>	<i>Nationalism AND Economic Policy AND India</i>	<i>JSTOR, Web of Science</i>	<i>32</i>
<i>S6</i>	<i>"Skill India" AND Employment</i>	<i>ProQuest, Google Scholar</i>	<i>18</i>
<i>Total</i>			<i>179</i>

Table 2: Criteria¹³

<i>Inclusion Criteria</i>	<i>Exclusion Criteria</i>
<i>Published before 2018</i>	<i>Published after 2018</i>
<i>Peer-reviewed articles</i>	<i>Newspapers and blogs</i>
<i>English language studies</i>	<i>Non-English studies</i>
<i>Focus on India</i>	<i>Studies unrelated to India</i>
<i>Full-text available</i>	<i>Abstract-only papers</i>
<i>Relevant to economic nationalism and New India</i>	<i>Irrelevant economic studies</i>

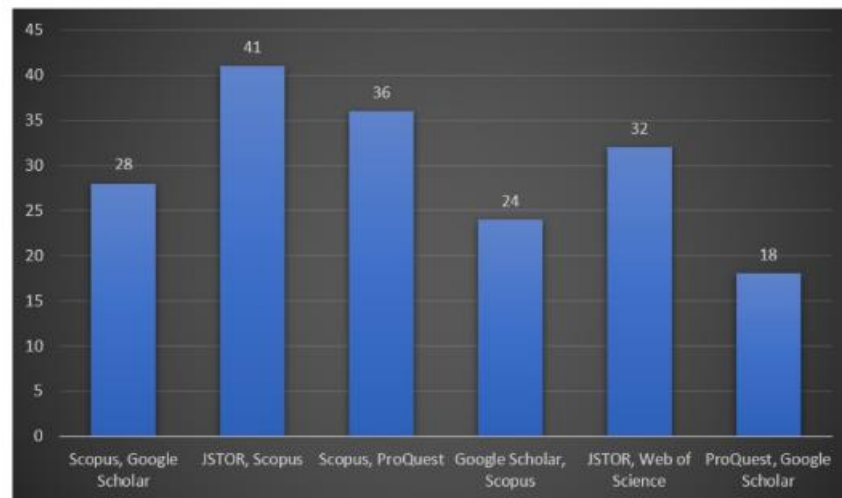


Figure 4: Search results¹⁴

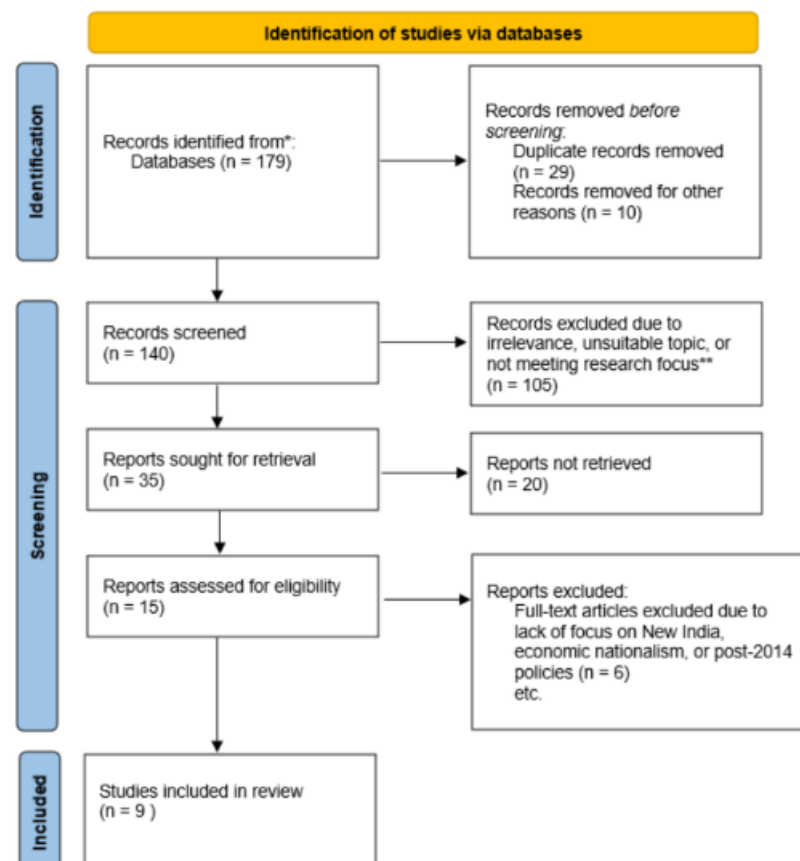


Figure 5: PRISMA15

The PRISMA process was used to ensure transparent and systematic article selection. Database searching was used to identify 179 records. After examining the full texts of all articles, 6 were eliminated, leaving studies to include in the qualitative systematic review. Thematic analysis was used to analyse the collected studies. Relevant information from each article was extracted and organized into common themes. Policy initiatives, economic nationalism, industrial development, governance reforms and economic outcomes relating to New India were all the subjects of the analysis.



Findings with similarities were also grouped to give common patterns and relationships between the two studies chosen. The thematic approach rallied around a profound grasp of the literature and helped in making significant discoveries. No human participants were used since this study was based entirely on secondary data collected in published academic sources¹⁷. Ethics involved making use of credible and peer-reviewed literature, proper citation of all the sources, avoiding plagiarism, and objectively reporting results. Transparency and academic integrity was part of the principles that were adopted in the review of the research process.

Analytical Understanding and Observations

Table 4: Inductive coding table

<i>Authors</i>	<i>Key Words</i>	<i>Themes</i>
<i>Schottli & Pauli (2016); Shukla, Purohit & Gaur (2017); Kumar (2017)</i>	<i>Make in India, manufacturing, labour reforms, MSMEs, industrial development, investment, employment, digital development</i>	<i>Theme 1: New India policy initiatives promoted manufacturing and digital development.</i>
<i>Chacko (2018); Kaul (2017); Sharma (2016)</i>	<i>Political nationalism, Hindutva-development, populism, Modi-nomics, authoritarianism, neoliberalisation, policy legitimacy, national identity</i>	<i>Theme 2: Political nationalism strongly influenced post-2014 economic policy direction.</i>
<i>Fletcher, Pande & Troyer Moore (2017); Bragoli & Fosten (2018); Reddy & Dutta (2018)</i>	<i>Employment, GDP growth, agriculture, labour participation, economic outcomes, manufacturing slowdown, inclusive growth, development challenges</i>	<i>Theme 3: Post-2014 policies showed mixed economic growth and employment outcomes.</i>

Theme 1: New India policy initiatives promoted manufacturing and digital development Policy initiatives after 2014 were highly focused on the development of manufacturing, industrial competitiveness, and digital development. The Make in India initiative was to revive domestic investment, enhance the ease of doing business and attract foreign investment in manufacturing industries Manufacturing also generated only approximately 16 per cent of the GDP of the Indian economy, which was much lower compared to other developed countries like China (32 per cent) and South Korea (31 per cent), indicating the need to boost the industry. Labour reforms, such as apprenticeship and factory laws, were adopted to allow jobs to be created and the development of skills among people. The MSME sector turned out to be a primary contributor to inclusive growth, having some 36 million businesses that offer jobs to nearly 80 million individuals. MSMEs provided approximately 8 per cent of GDP, 45 per cent of manufactured output, and 40 per cent of exports. The digital governance efforts also contributed to financial inclusion, the use of technology and the enhanced accessibility of government services.

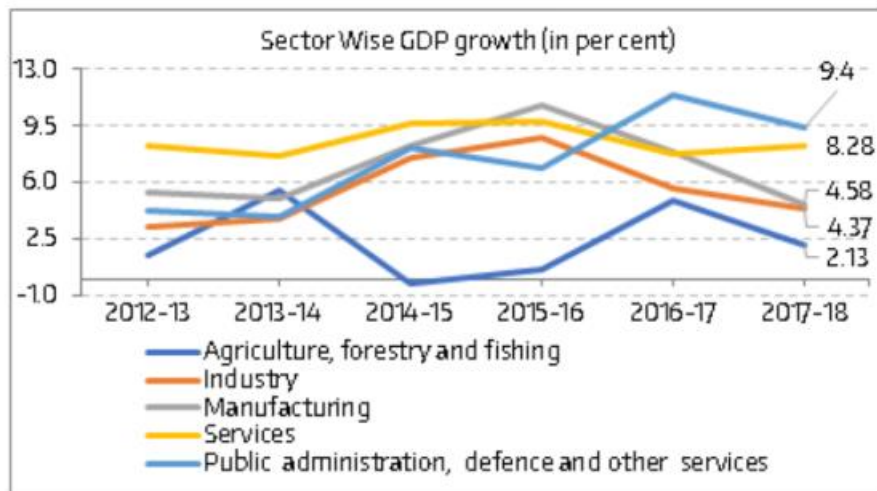


Figure 6: Sector-wise GDP growth²¹

Theme 2: Political nationalism strongly influenced post-2014 economic policy direction. Since 2014, there has been a strong association between political nationalism and economic policy. The transformation movement tied national identity, effective leadership, and economic modernisation to gain popular backing of reforms. Modi-nomics approach advocated clean government, government efficiency, and infrastructure growth and economic reform as national rehabilitation²². The focus on national pride, self-reliance, and domestic production via such programs as Make in India and Digital India became the priorities of policy communication. Reforms in the economy were thus not only viewed as an instrument of growth but also an instrument of nation building²³. The political discourse linked development to cultural identity and mass mobilisation that assisted in forming the legitimacy of key policies. This strategy shaped the promotion of investment, the reform of governance and industrial policy and formed the perception of the economic change in India, both domestically and internationally.



Figure 7: Job creation²⁵

Theme 3: Post-2014 policies showed mixed economic growth and employment outcomes. The literature review shows that the post-2014 policies had both a positive and negative economic and employment impact. There were relatively good growth periods in India, but employment was not well created. The continuation of female labour force participation remained at less than 30 per cent, and other labour surveys indicated a fall in labour after 2005 despite the continuous growth in the economy. Skill development and vocational training had been linked to increased chances of



securing a job, yet a high rate of women could still have problems locating an appropriate job²⁷. It also made it difficult to estimate economic growth due to revisions of data and constraints in the employment data. Agricultural output was unreliable, and variables like rainfall, electricity, pesticides, and seed utilisation had more impact on agricultural GDP than fertiliser consumption or area under irrigation. These results indicate that manufacturing promotion, skill programs, and growth policies did not necessarily lead to widespread employment opportunities, especially among women and the rural population.

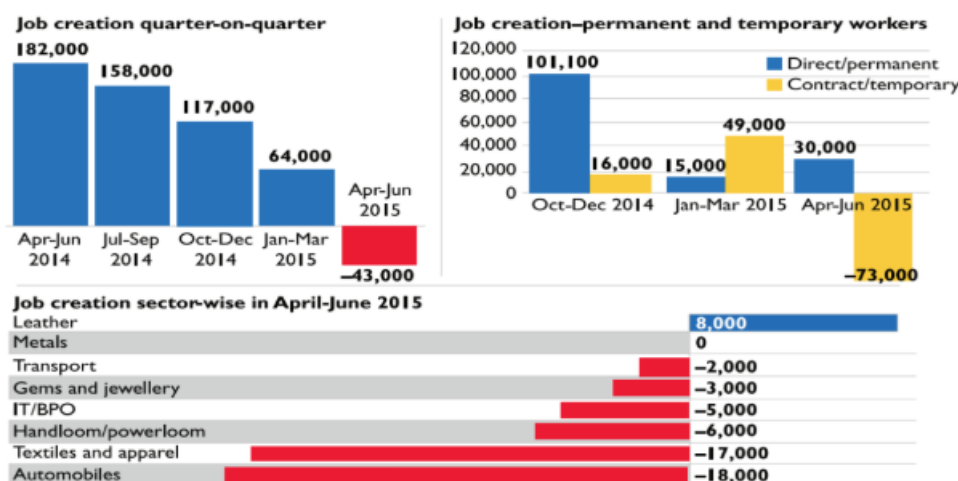


Figure 8: 26th Quarterly Employment Survey

The findings indicate that the research met the three objectives of the research. It has been able to identify key policy initiatives related to New India since 2014, such as Make in India, Digital India, Skill India, and MSME development programmes. The review also discovered that political nationalism had significant effects on economic policymaking, as it associated national identity with national development through industrial growth, reforms of governance, as well as self-reliance. Moreover, the results demonstrated inconsistent economic outcomes. Strong political support was provided to manufacturing and digital development, and there was still an imbalance in employment creation and agricultural performance. Thus, even the systematic review gives a clear overview of how New India and economic nationalism are related after 2014.

3. Conclusion

The findings of this systematic literature review are that economic nationalism, industrialisation, the advent of digitalisation, and robust state-centred policy agendas were closely linked to the emergence of New India as of 2014. Some of the key programmes identified by the review as a core part of the New India agenda include Make in India, Digital India, and Skill India. The results indicate that political nationalism played a critical role in determining the direction of economic policy and getting popular support in terms of reforms. Nonetheless, the economic results were ambiguous, and manufacturing growth, employment creation, and agriculture remained problematic. Therefore, the paper sheds light on the intricate nature of the association between nationalism and economic development in post-2014 India. This research has a number of limitations. It relies solely on the secondary literature published till 2018 and contains English-language scholarly sources only. The review lacks primary data, interviews, surveys, and quantitative statistical analysis. Thus, the results rely on the quality and interpretation of available research. Moreover, the analysis of policy outcomes following the year 2018 was not performed, which restricts one's understanding of recent developments. Newer studies, comparison of India and other emerging economies, and empirical research on the growth of manufacturing, employment creation, digital transformation, financial inclusion, and long-term impacts of economic nationalism can be included in future research.

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