

State Welfare, Political Economy and Gendered Outcomes: A Critical Study of Lakshmi Bhandar Scheme in West Bengal

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ABSTRACT

This paper examines the intersection of state welfare and political economy through a critical analysis of the Lakshmi Bhandar Scheme in West Bengal. Introduced as a direct cash transfer initiative targeting women, the scheme aims to enhance financial security and promote gender inclusion. The study explores how such welfare measures function not only as tools of social protection but also as instruments within broader political-economic strategies. By combining secondary data with limited primary insights, the paper evaluates the scheme's impact on women's economic agency, household decision-making, and social status. It also critically engages with debates surrounding welfare dependency, fiscal sustainability, and electoral politics. The findings suggest that while the scheme contributes to immediate financial relief and symbolic empowerment, its long-term transformative potential remains contingent on structural factors such as employment opportunities and institutional support. The paper contributes to the discourse on welfare governance and gendered development in contemporary India.

Keywords: State Welfare, Political Economy, Women Empowerment, Cash Transfer, West Bengal, Lakshmi Bhandar Scheme.

INTRODUCTION

In recent decades, the role of the state in providing social welfare has gained renewed importance, particularly in developing economies where large sections of the population remain economically vulnerable. Welfare policies, especially direct cash transfer schemes, have emerged as significant instruments for addressing poverty, inequality, and social exclusion. In India, both central and state governments have increasingly adopted such measures to ensure minimum income security and to promote inclusive development.

Within this broader framework, the state of West Bengal has introduced several welfare initiatives aimed at improving the socio-economic conditions of marginalized groups. Among these, the Lakshmi Bhandar Scheme stands out as a notable direct cash transfer programme targeted at women. Launched with the objective of providing basic financial support to women from economically weaker households, the scheme seeks to enhance their economic security and social recognition within the household and community. The introduction of such welfare schemes, however, cannot be understood solely in terms of social policy. They are deeply embedded within the broader dynamics of political economy, where state actions are influenced by economic constraints, governance priorities, and electoral considerations. Cash transfer programmes like the Lakshmi Bhandar Scheme often generate debates regarding their dual role—as instruments of social protection on one hand, and as tools of political strategy on the other. This raises important questions about the motivations behind welfare provisioning and its long-term implications for development and governance.

Furthermore, while such schemes are frequently associated with women's empowerment, the extent to which they contribute to substantive changes in gender relations remains contested. Although financial assistance may provide immediate relief and increase women's access to resources, it does not necessarily translate into greater autonomy, decision-making power, or structural transformation in gender hierarchies. This creates a gap between policy intentions and actual outcomes, which requires critical examination. Existing studies on welfare schemes in India have primarily focused on their economic impact or administrative efficiency.

However, there remains a significant gap in understanding these policies through a combined lens of political economy and gendered outcomes, particularly in the context of state-level initiatives like the Lakshmi Bhandar Scheme in West Bengal. This study seeks to address this gap by critically analysing the scheme not only as a welfare measure but also as a politically and economically embedded policy intervention. By situating the Lakshmi Bhandar Scheme within the broader discourse of state welfare and political economy, this paper aims to explore its implications for governance, electoral politics, and gender relations. In doing so, it contributes to a deeper understanding of how contemporary welfare policies operate in practice and what they signify for the future of inclusive and equitable development.

LITERATURE REVIEW

The relationship between state welfare and women's empowerment has been widely explored in academic literature. Singh and Kumar (2012) argue that economic independence plays a crucial role in enhancing the status of rural women, particularly by increasing their participation in household decision-making. However, they also highlight that structural constraints often limit the transformative impact of such empowerment initiatives.

Early studies on public policy, such as Oldfield (1976), emphasize that policy interventions significantly shape women's socio-economic conditions, although their outcomes depend on design and implementation. Similarly, Klein (1988) underscores the importance of public policy in improving access to education for women, identifying education as a key driver of long-term empowerment.

Hudson and Gonyea (2017–2018) extend this discussion by examining how public policy interacts with gender and age, particularly focusing on older women. Their study reveals that welfare policies often fail to adequately address the diverse needs of different social groups, thereby producing uneven outcomes.

In the Indian context, Warwal and Bhagat (2022), in their analysis of the Ladli Beti Scheme, critically question the effectiveness of welfare initiatives, pointing out that financial assistance alone may not lead to sustained empowerment. Their findings suggest that implementation challenges and limited scope can reduce the long-term impact of such schemes.

Recent studies have increasingly focused on the Lakshmi Bhandar Scheme in West Bengal. Murmu et al. (2026) analyse the scheme as a gendered welfare initiative and find that while it provides essential financial support, its ability to transform existing gender relations remains limited. Similarly, Rakshit (2023) observes that the scheme contributes to improved financial stability and enhances women's economic participation, though its long-term empowerment outcomes are partial.

Biswas and Mali (2025) highlight the broader role of government welfare schemes in improving the socio-economic conditions of marginalized communities in West Bengal, particularly Scheduled Castes and Tribes. Das (2025) further argues that there has been a shift in policy narratives from welfare-oriented approaches to empowerment-driven frameworks, reflecting changing priorities in state governance.

At the micro-level, Sarkar and Bhatta (2023) examine the impact of public policy on tribal women and demonstrate that while such interventions improve access to resources, their effectiveness is constrained by socio-economic and cultural barriers.

Research Gap

Although existing literature has examined women's empowerment and public policy from various perspectives, most studies focus either on economic outcomes or localized case analyses. There is a lack of integrated analysis that combines state welfare, political economy, and gendered outcomes. In particular, the Lakshmi Bhandar Scheme has not been sufficiently analysed through a political economy lens. This study seeks to address this gap by providing a critical and comprehensive understanding of the scheme within the context of West Bengal.

THEORETICAL FRAMEWORK

This study is grounded in a combination of theoretical perspectives that help to analyse the intersection of state welfare, political economy, and gendered outcomes in the context of the Lakshmi Bhandar Scheme in West Bengal.

Firstly, the concept of the welfare state provides an essential foundation for this analysis. Welfare State Theory suggests that the state has a fundamental responsibility to ensure the well-being of its citizens by providing social security, reducing inequality, and promoting social justice. In developing regions, welfare policies often take the form of direct cash transfers aimed at supporting economically vulnerable populations. Within this framework, the Lakshmi Bhandar Scheme can be understood as an instrument of social protection designed to provide a minimum level of financial security to women, particularly those from marginalized households.

Secondly, the study draws upon political economy theory, which examines how political institutions, economic systems, and power relations interact in shaping public policy. From this perspective, welfare schemes are not merely neutral tools of development but are also influenced by political motivations, including electoral considerations and governance strategies. The implementation of cash transfer programmes such as the Lakshmi Bhandar Scheme can therefore be analysed in relation to broader issues such as vote-bank politics, resource allocation, and state legitimacy. This approach enables a critical understanding of how welfare policies operate within the dynamics of power and political competition.

Thirdly, the framework incorporates insights from Gender and Development (GAD) theory, which emphasizes the importance of addressing structural inequalities between men and women. Unlike earlier approaches that focused solely on women's access to resources, GAD highlights the need to examine power relations, social norms, and institutional structures that shape gender inequality. In this context, while financial assistance through welfare schemes may improve women's access to economic resources, it does not automatically translate into empowerment unless it leads to greater autonomy, decision-making power, and transformation of existing gender relations.

By integrating these three theoretical perspectives, the study adopts a multidimensional approach to analysing the Lakshmi Bhandar Scheme. The welfare state framework helps to understand its role as a social protection mechanism, political economy theory provides insights into its strategic and institutional dimensions, and Gender and Development theory allows for a critical evaluation of its impact on women's empowerment. Together, these frameworks enable a comprehensive analysis of the scheme's objectives, implementation, and outcomes within the broader socio-political context of West Bengal.

Objectives of the Study

- 1) To examine the role of the Lakshmi Bhandar Scheme as a state welfare initiative in West Bengal.
- 2) To analyse the political-economic context underlying the implementation of the scheme.
- 3) To assess the impact of the scheme on women's economic conditions and decision-making power.
- 4) To evaluate the gendered outcomes of the scheme in terms of empowerment and social change.
- 5) To critically analyse the challenges and limitations, including issues of dependency and fiscal sustainability.

RESEARCH METHODOLOGY

This study adopts a mixed-method approach to analyse the relationship between state welfare, political economy, and gendered outcomes in the context of the Lakshmi Bhandar Scheme in West Bengal. The combination of qualitative and quantitative methods enables a more comprehensive understanding of both the empirical impact and the broader socio-political implications of the scheme.

Research Design

The research is primarily descriptive and analytical in nature. It seeks to examine the functioning of the scheme, its socio-economic impact on women, and its relevance within the broader framework of political economy. The study combines theoretical insights with empirical observations to provide a critical evaluation of the scheme.

Data Sources

Both primary and secondary data have been used in this study.

Primary Data:

Primary data has been collected through informal interviews and structured questionnaires conducted among selected beneficiaries of the Lakshmi Bhandar Scheme. The purpose of this data is to understand the real-life experiences, perceptions, and challenges faced by women receiving financial assistance under the scheme.

Secondary Data:

Secondary data has been collected from academic journals, books, government reports, policy documents, and previously published research studies related to welfare schemes, political economy, and women's empowerment.

Sample Size and Sampling Technique

A small sample of respondents has been selected using purposive sampling, focusing on women beneficiaries from economically weaker sections. The sample includes respondents from both rural and semi-urban areas to capture diverse socio-economic backgrounds. Although the sample size is limited, it provides valuable insights into the lived experiences of beneficiaries.

Study Area

The study is conducted in selected regions of West Bengal, with a focus on areas where the implementation of the Lakshmi Bhandar Scheme is prominent. This allows for an understanding of the scheme's impact within its actual socio-economic and cultural context.

Methods of Data Analysis

The collected data has been analysed using a qualitative approach, supported by basic quantitative interpretation where necessary. Responses from interviews and questionnaires have been categorized and interpreted thematically to identify patterns related to economic impact, decision-making power, and social change. Secondary data has been used to support and validate the findings.

Limitations of the Study

This study has certain limitations. The sample size is relatively small, which may not fully represent the entire population of beneficiaries. Additionally, the reliance on self-reported data may introduce bias. The study is also limited to specific regions of West Bengal, which may affect the generalizability of the findings.

ANALYSIS AND DISCUSSION

Welfare Impact of the Lakshmi Bhandar Scheme

The introduction of the Lakshmi Bhandar Scheme represents a significant step in expanding state-led welfare initiatives in West Bengal. As a direct cash transfer programme, it provides a fixed monthly financial

assistance to women belonging to economically weaker households. This regular income, although modest, plays a crucial role in supporting daily household expenses such as food, healthcare, and children's education.

The findings from the study indicate that beneficiaries perceive the scheme as a reliable source of supplementary income. For many women, particularly those without independent earnings, this financial support enhances their ability to contribute to household expenditures. As a result, the scheme helps to reduce immediate economic vulnerability and provides a sense of financial security. However, the limited amount of assistance restricts its capacity to significantly alter long-term economic conditions.

Political Economy Dimensions

From a political economy perspective, welfare schemes such as the Lakshmi Bhandar Scheme can be understood as part of broader governance and electoral strategies. The implementation of direct cash transfer programmes often reflects the state's attempt to build legitimacy and strengthen its relationship with citizens, particularly marginalized groups.

The scheme also raises questions regarding its role in electoral politics. Cash transfer initiatives may influence voter behaviour by creating a direct link between the state and beneficiaries. This has led to debates on whether such policies function as instruments of social welfare or as mechanisms of vote-bank politics. While it is difficult to establish a direct causal relationship, the timing and expansion of welfare schemes often coincide with political priorities, suggesting an overlap between welfare objectives and political considerations.

Gendered Outcomes and Women's Empowerment

One of the primary objectives of the Lakshmi Bhandar Scheme is to promote women's empowerment by providing direct financial assistance. The study finds that access to regular income, even in small amounts, contributes to an increased sense of economic participation among women.

Many beneficiaries report greater involvement in household decision-making, particularly in matters related to daily expenses. The scheme also enhances women's sense of dignity and social recognition, as they are able to contribute financially to their families. However, the extent of empowerment remains limited. While the scheme improves access to resources, it does not necessarily challenge existing gender norms or power structures within households.

Thus, the scheme can be seen as facilitating practical empowerment rather than transformative empowerment, as it improves immediate conditions without fundamentally altering gender relations.

Critical Issues and Challenges

Despite its positive contributions, the Lakshmi Bhandar Scheme faces several challenges. One major concern is the issue of dependency. Regular cash transfers, without corresponding opportunities for employment or skill development, may lead to a reliance on state support rather than fostering economic self-sufficiency.

Another important issue is fiscal sustainability. Large-scale welfare schemes require substantial financial resources, raising questions about the long-term viability of such programmes, especially in resource-constrained settings. Additionally, concerns related to targeting, inclusion errors, and administrative efficiency may affect the overall effectiveness of the scheme.

Finally, the limited financial amount provided under the scheme restricts its ability to bring about structural changes in poverty or gender inequality. While it serves as an important safety net, it cannot substitute for broader development policies aimed at employment generation, education, and social reform.

FINDINGS

The study identifies several key findings regarding the impact and implications of the Lakshmi Bhandar Scheme in West Bengal:

1. The scheme provides regular financial support to women, which helps in meeting basic household needs and reducing immediate economic vulnerability.
2. It contributes to limited economic empowerment, as women gain some degree of financial independence and participation in household expenditure decisions.
3. The scheme enhances women's sense of dignity and social recognition, particularly among those who previously had no personal income.
4. From a political economy perspective, the scheme reflects a strategic welfare approach, where social protection measures may also serve broader governance and electoral objectives.
5. The study finds that the scheme leads to practical empowerment rather than transformative empowerment, as it does not significantly alter existing gender relations or structural inequalities.
6. Key challenges include issues of dependency, limited financial impact, and concerns over fiscal sustainability.

CONCLUSION

This study has examined the intersection of state welfare, political economy, and gendered outcomes through an analysis of the Lakshmi Bhandar Scheme in West Bengal. The findings indicate that the scheme plays an important role as a social protection mechanism by providing financial assistance to women from economically weaker sections.

From a welfare perspective, the scheme successfully addresses short-term economic needs and enhances women's access to financial resources. However, when analysed through a political economy lens, it becomes evident that such welfare initiatives are also embedded within broader governance and electoral dynamics. This dual role highlights the complexity of contemporary welfare policies. In terms of gender outcomes, while the scheme contributes to improved financial participation and social recognition for women, its impact remains largely limited to immediate benefits. It does not substantially transform underlying gender inequalities or power structures. Therefore, the scheme can be understood as a partial step towards empowerment rather than a comprehensive solution.

Overall, the study concludes that while the Lakshmi Bhandar Scheme is an important welfare initiative, its long-term effectiveness depends on its integration with broader socio-economic and developmental policies.

RECOMMENDATIONS

Based on the findings of the study, the following recommendations are proposed:

Enhancement of Financial Support:

The amount provided under the scheme may be increased to better address rising living costs and improve its overall impact.

Integration with Employment Opportunities:

The scheme should be linked with skill development and employment programmes to reduce dependency and promote long-term economic self-reliance.

Focus on Transformative Empowerment:

Policies should aim not only at providing financial assistance but also at addressing structural gender inequalities through education, awareness, and institutional support.

Improved Targeting and Implementation:

Strengthening administrative mechanisms can help ensure that the benefits reach the intended beneficiaries more effectively.

Ensuring Fiscal Sustainability:

The government should balance welfare spending with economic planning to maintain the long-term sustainability of such schemes.

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