

# CAPITALIST DEVELOPMENT :

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### *Introduction: Indian Capitalism*

Ghanshyam Shah

Akshay Ramanlal Desai, widely known as AR, is young and enthusiastic in spirit at 75. He works for more than eighteen hours a day and seven days a week. Besides reading and writing, he participates in political activities including demonstrations, signature campaigns, meetings and study circles. Bombay and Vadodara are the centres of his activities, where he is associated with a number of radical groups working among the urban and rural working classes, women, tribals and Dalits. He travels to distant places, from Assam to Andhra Pradesh, to participate in meetings and seminars organized by activists. He listens to the experiences and analyses of young activists with patience, irrespective of their political colour, and enthuses them for intensive work. He persuades them to write down their experiences and views. His affection and warmth is a byword among all activists.

To honour A.R. Desai just as a sociologist is to underrate his contribution to left politics in the sub-continent since the thirties. The academic and political spheres are not two separate worlds for AR. He is not an arm-chair sociologist or social scientist sitting in the Rajabai Tower of Bombay University. He has written a large number of books, pamphlets and research papers. His writings are not for the consumption of the elite of the Establishment only. They are meant primarily for political activists who are struggling for a better social order. AR is a political activist - first and foremost concerned with revolutionary change towards a socialist order. How to attain that is his quest.

AR was born on 16 April 1915 at Nadiad, central Gujarat, into a Nagar Brahmin family. Like the Kayastha of North-India, the Nagar is a writer-professional caste, whose members are largely administrators in public and private sectors, self-employed professionals and intellectuals. Kailashben, his mother, died when he was very young. His father, Ramanlal Vasantlal Desai, was a renowned litterateur, whose novels motivated Gujarati youth in the thirties to undertake rural development work for social transformation. As an officer in the Baroda State, he was required to travel extensively to meet people from various strata. This turned out to be an advantage not only to Ramanlal in writing his novels, but also for his son who was sensitive and keen on learning about his own society. Akshay learnt the lessons of Fabian socialism from his father in his formative years. He actively participated in student movements in Baroda, Surat and Bombay, where he pursued

his college education. In fact, he was suspended from Baroda college for organizing a strike. He graduated with economics and politics from the University of Bombay. Later, he earned a law degree and Ph.D. in sociology under Professor G.S. Ghurye from the same university in 1946.

AR's studies did not deter him from taking part in political activities. He got involved in the labour front and organized a trade union of Bombay Electricity Supply and Transport workers, dock workers, glass workers in Bombay. During this period he came in contact with student activist Neera Desai. They married in 1947. Neera Desai, sociologist in her own right, has done pioneering work in developing feminist studies. Both of them have influenced each other in their political and academic life.

C.G. Shah, "the most learned Marxist in Bombay" during the thirties and forties, and one of the ideologues of the communist movement, influenced AR the most. AR had become a member of the Communist Party of India in 1934, but the inner bureaucratic structure of the party suffocated him. Along with Shah, he opposed the change in the stand of the party towards supporting the British war effort in India when the Soviet Union was attacked by German Nazi forces. He resigned from the party in 1939. During this period, Leon Trotsky's writings, particularly *The History of the Russian Revolution* (1932) and *The Revolution Betrayed* (1937), and other works, along with the works of Marx, Engels, Plekhanov, Kautsky, Bukharin, Maurice Dobb, influenced his thinking. He became a Trotskyist and got involved with the Fourth International.

The Revolutionary Socialist Party (RSP) attracted him and he became a member of that Party in 1953. He regularly contributed to *The Call*, the party's journal, and tried to expound Trotskyist ideas in the context of the Indian situation. But slowly, his writings were 'censored' by the editor when they were inconvenient to the Party leadership. Having realized that the RSP had abjured its 'revolutionary' perspective and was pursuing 'reformist parliamentary' politics, and that it was difficult for him to pursue a Trotskyist line within the Party, he resigned from the Party in 1981. At present he is not a member of any political party, but he finds himself close to the Inquilabi Communist Sangathan of India, the Indian section of the Fourth International.

While working in the student and trade union movements in the thirties, AR realized a need not only for studying the Indian situation but also for writing in a widely known regional language to influence the masses. His first pamphlet was on agrarian indebtedness, published in 1938. And he has been editing and publishing booklets regularly, both in English and Gujarati, for which he taps his own meagre financial resources. He has to date written or edited and published more than two dozen booklets under the auspices of the C.G. Shah Memorial Trust. Along with C.G. Shah, he launched the journal *Red Star* in the late thirties, which continued for a year or so. At present, he edits single handedly the Gujarati bi-monthly journal *Padkar*, meaning 'Challenge'.

AR began his academic career as a lecturer in sociology at Siddharth College in Bombay in 1946 and officially joined the Department of Sociology of Bombay University as a lecturer in 1951. He became the Professor and Head of the Department in 1969, and retired from the University in 1976. Desai was appointed

as a Senior Fellow and a National Fellow of the Indian Council of Social Science Research, New Delhi from 1973 to 1975 and from 1981 to 1985, respectively. He was the president of the Indian Sociological Society (1980-1981) and the Gujarat Sociological Society (1988-90). At present he is associated with many national-level academic bodies. His flow of writings on various subjects including nationalism, nationality, rural-urban development, the centre-state relationship, planning, women, democratic rights, peasant movements, student and teachers movements, Dalits, tribals, slums and so on have continued. His major writings can be clubbed into four areas: (1) Indian nationalism; (2) path of development; (3) peasant movements and (4) democratic rights.

*Social Background of Indian Nationalism* (1948) and its companion volume, *Recent Trends in Indian Nationalism* (1960) together constitute his magnum opus. The first volume has run into more than ten editions and has been translated into a number of Indian languages. This is his doctoral work, completed in the early forties. Post-World War II developments are analysed in the postscript to the second volume. A man of praxis, he realized a need in his young days for "a concrete and comprehensive understanding of the structural transformation of Indian society during the British period", and consequent emergence of new forces. He was concerned with understanding feudal production relations, their role and transformation, emergence of capitalist relationships and nationalist forces. The questions how and why nationalism developed in India led him to write this volume.

Nationalism is a historical category. Its development has to be understood in the context of the social and cultural history of the respective country. Indian nationalism, a modern phenomenon, is the product of a number of objective and subjective forces which have evolved since the beginning of the nineteenth century. It has emerged amidst social and religious diversities, territorial vastness and powerful traditions and institutions. The central thesis of both the books is that British rule destroyed the pre-capitalist forms of production relations and introduced modern capitalist property relationships, which paved the way for the rise of nationalism. But Indian nationalism emerged, Desai argues, "under the conditions of the political subjection of the Indian people by the British. The advanced British nation, for its own purpose, radically changed the economic structure of Indian society, established a centralised state, and introduced modern education, modern means of communications, and other institutions. This resulted in the growth of new social classes and the unleashing of new social forces unique in themselves. These social forces by their very nature came into conflict with British imperialism and became the basis of and provided the motive power for the rise and development of Indian nationalism" (1948: xv).

Desai classifies development of Indian nationalism into five phases. The last phase began in 1918 under the leadership of Gandhi. It had a mass base. On the other hand, Indian capitalists who became economically strong, extended their support to the Congress in the twenties and thereafter. Slowly, they dominated the movement. Their domination increased with Independence. But capitalist development in India is weak. It is a part of the general decline of world capitalism. Therefore, it "cannot resolve the economic, political, social, educational, and

cultural problems arising from its current crisis" (1960: 137).

In order to provide historical background of pre-British society and the emergence of various social forces during the British period, Desai covers a very wide canvas. He did this at a time when Indian historians had yet to explore the field of social history. Kosambi's historical writings were in a formative stage. Marxist historiography on India was not yet born. There were at the most Rajni Palme Dutt's and R.C. Dutt's books, Marx's writings on India, the accounts of British administrators-cum-historians and some other stray writings. Indian sociology under the leadership of Ghurye and Radhakamal Mukherjee was in a formative stage.

One has to view Desai's writings in this context. One may join issue with Desai when he observes that there did not exist any form of private ownership of land in pre-British India; and/or his assertion that the village was 'autocratic', 'self-sufficient' and village life was 'unprogressive' and 'passive'. One may accuse him of making sweeping generalizations, and of being a 'mechanical Marxist'. Be that as it may, it is certain that as early as in the forties he did not look at the problems of women and the subjugation of untouchables as merely economic phenomena. He stressed the social and cultural dimensions of the problems. For him the issue of caste was not a mere superstructure of feudal society. More important, his views on village society, land ownership, have undergone change, which is reflected in his subsequent writings.

The collection of his articles on various subjects published in two volumes, *State and Society in India* (1975) and *India's Path of Development: A Marxist Approach* (1984), is a commentary on India's capitalist development. He focuses on the state and examines its role in social transformation. The relationship between the state and the capitalist class is explored in his various writings. He argues that the states in the Third World take various economic and social measures to protect the propertied classes. The legal framework and administrative apparatus are evolved for promoting the capitalist path of development. He shows that the public sector, mixed economy, or welfare programmes are nothing but various strategies adopted by the ruling classes to cater to the interest of capitalist classes and to prevent the rising struggles of the exploited classes. On the basis of data he comes to the conclusion that "the history of the practices of the capitalist class attempting to industrialize the economy in all colonial and undeveloped countries clearly reveals that it has not been able to do so, nor will it be able to pursue such a path. We can categorically state that the national bourgeoisie cannot and has not stimulated a high rate of growth capable of overcoming the backwardness of the country. The Indian experience clearly indicates this incapacity of the national bourgeoisie" (1984: 87).

Besides his own writings, AR has edited a number of volumes on various subjects. Some of his major anthologies are on rural sociology, modernization, peasant struggles, violation of democratic rights and labour movements. They are invaluable reference works. In a way, they are part of his general theoretical concern which he developed in his own writings. For instance, *Social Background of Indian Nationalism* and its companion volume analyse the nature of rural transformation, differentiation among the peasantry, and movements for democratic rights of the depressed classes, oppressed nationalities and women.

In order to elaborate and support his contentions and also to stimulate concerned

scholars to undertake critical studies on various dimensions of capitalist development and their ramifications on socio-cultural life and to drive home to the youth the need to organize struggles, Desai compiled and edited not only the research papers of various scholars but also unpublished and scattered material rarely available to concerned scholars and activists. These materials are not compiled just between two covers. The selection and arrangement of the material has been done with an ideological perspective. The editor takes a position on the issue, provides perspectives and raises questions for debate. Like his other studies, he puts the state at the centre and throws light on its role in rural transformation and abridging the democratic rights of the oppressed.

The central thrust of his edited volumes on rural sociology as well as on agrarian struggles in the post-Independence period is to show how the state has planned and transformed the agrarian structure from pre-capitalist to capitalist relationships. Agrarian relationships have been substantially transformed as a result of state intervention through various land legislations and 'development' programmes. According to him, "the overall thrust of the agrarian policy of the rulers has been to eliminate parasitic, absentee intermediaries in the form of various categories of zamindars and absentee landlords and to create in their place classes of agricultural capitalists, rich farmers and viable middle peasant proprietors directly linked to the state" (1986: xv). As a result of this, sharp differentiations have taken place among the peasants, and the condition of small and marginal farmers and agricultural labourers have deteriorated. One may, however, raise questions about the extent to which the state has achieved what it intended regarding the transformation of agrarian relationships. If it has not, why? To what extent have the differentiations led to class formation both in terms of a class in itself and also as a class for itself? Professor Desai, I believe, does not dismiss these questions, though his observations and perspectives may differ with others. Anyone who knows him well, would say that he takes differences healthily.

AR classifies democratic rights into three categories. One, the rights of bourgeois property relations; which include the right to hold property, the right to employ wage labour etc. Second, the rights which are also called civil liberties and are the product of the bourgeois revolution. They include freedom of speech, free assembly, habeas corpus petition, freedom of press, public secular education. Though these rights are manipulated by the ruling classes to serve their class interests, the oppressed classes should also use them to protect their class interests and to accelerate their struggle. He argues that "the attitude of the proletariat towards this group of rights is different because part of the historical aim of the proletariat is, by changing the social content of these rights and eliminating their class bias, to deepen and extend them as part of the structure of the true and genuine democracy of the classless society" (1985: 6-7). Third, like bourgeois rights, there are rights of the proletariat which include the right to picket, strike and organize. They are important for developing the struggle of the proletariat against the exploiting classes. The second and third categories of rights are increasingly abrogated by the state to "intensify the drive for surplus value and capital accumulation", Desai holds that "the growing offensive against the second and third categories are rooted in the deteriorating capitalist socio-economic framework



leading to open attacks on the conditions of life and labour of people" (1985: 9).

In his various writings, AR refutes the theory of the 'two-stage revolution' propounded by major left parties such as the Communist Party of India, the Communist Party of India (Marxist) and the Communist Party of India (Marxist-Leninist). According to these parties, the first stage will entail a 'national democratic', 'people's democratic', or 'new democratic' revolution. The second stage will commence thereafter and will take the form of a socialist revolution. Desai argues that India has already followed a capitalist path of development under British rule. The native Indian bourgeoisie is, according to Desai, historically weak, unable to attain even elementary bourgeois democratic tasks. Under capitalism it is simply not possible to liquidate mass poverty, mass unemployment, mass illiteracy, and mass ignorance. These tasks could only be attained through a socialist revolution. Desai argues that Indian social and economic conditions have ripened to the point that this non-capitalist alternative is now desirable and necessary.

As a Marxist, property relationships are central to his analysis of society as well as to the nature of the society he strives for. But this approach, he emphasizes, "does not demand a crude reducing of every phenomenon to economic factors. It also does not deny the autonomy, or prevalence of distinct institutional and normative features peculiar to a particular society".

### **Indian Capitalism**

There is a broad consensus among the contributors of this volume that India is following a capitalist path of development. Differences of opinion, however, do prevail regarding the nature of capitalism and its dominance. It is their endeavour to examine the specificity of Indian capitalism. The questions that they raise are: What is the nature of Indian capitalism? To what extent have capitalist production relations penetrated into various economic spheres? How do they reflect or influence the various aspects of the socio-cultural and political life of Indian society? What role does the Indian state play in maintaining, strengthening or weakening capitalist development? How do various capitalist classes dominate and control state apparatuses in their formulation and implementation of policies? Besides its general contradictions found in any capitalist society, what are the specific contradictions of capitalist production relations in India?

The scholars contributing to this volume are interested in examining some of these questions with a view to transforming Indian society towards a 'socialist order'. They are concerned with praxis. Theirs is a search to evolve strategies for social transformation. But all of them do not belong to the same school of thought. They are Marxist, neo-Marxist and non-Marxist. They belong to the academic disciplines, social and economic history, economics, political science and sociology. None of them, however, adhere to the strict boundaries of any one discipline. Ideological and disciplinary differences are reflected in their approach and analysis of the phenomenon - Indian capitalist development. There is no claim that we are unfolding different dimensions of capitalist development in India in logical order from the first to the last chapter.

Marxists are in the forefront in the study of capitalism. They have evolved

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various concepts and categories for analysis of capitalist development in the West as well as in India. Ashok Rudra argues that one of the obstacles in our understanding of the nature of capitalist development in India has been the careless use of Marxian concepts and categories. He questions the way in which the terms 'mode of production', 'social classes' and 'social formation' have been used in scholarly discussions. Such misuse not only obstructs clarity but also adversely affects the effort to arrive at a 'correct' strategy for class struggle. He argues that the 'mode of production' concept is not useful for understanding the Indian situation. What we need to emphasize, he argues, is 'relations of production' in general and 'relations of exploitation' in particular.

Though the nature and pace of capitalist development have undergone changes in the post-Independence period, some scholars like A.R. Desai hold the view that capitalist production relations were introduced by the British rulers. Three papers by David Hardiman, Amiya Kumar Bagchi and Aditya Mukherjee and Mridula Mukherjee give historical accounts of the penetration and growth of capitalism during the pre-colonial, colonial and post-colonial periods.

While confining his inquiry to Gujarat, one of the regions where capitalist development is far more conspicuous than that in other regions of the country, Hardiman examines how merchant capital grew with the rise of the centralized state under the Sultans and with the fall of the clan and tribe state. Until the fifteenth century, merchant capital was confined largely to trade and urban manufacture. The surplus from agriculture extracted through the operation of commercial capital was mainly tied up in financing of trade. Merchant capital slowly began to move into tax-farming during the seventeenth century. With the disintegration of the Ottoman and Safahid empires and the decline in demand for Indian products in the Red Sea and Persian Gulf, the international trade of the merchant capitalists declined. They, therefore, turned to tax-farming, agricultural finance and artisan-based manufacture. They themselves, Hardiman argues, could not take leadership in developing capitalism as they were highly dependent on the ruling class for support and patronage. Gujarat, once a leading centre for international merchant capitalism, became a backward region.

The nature of 'capitalist' enterprise, particularly indigo, sugar and cotton textile, in colonial India is the subject matter of Bagchi's inquiry. He examines the nature of labour processes used within the enterprise, the means of control exercised over the workers and the political relations of the owners or managers with the state apparatus. The author shows that these enterprises did not promote a free market in labour, land or other inputs. Peasants were more innovative and adaptive than the so-called capitalist entrepreneurs. The author highlights the retardation of the productive forces and the adoption of regressive labour processes. Bagchi poses a number of questions for further investigation of the nature of colonial society.

Aditya Mukherjee and Mridula Mukherjee analyse the growth of Indian capitalism since World War I. They argue that in spite of and in opposition to colonialism, Indian capitalism grew and established an independent economic base of the metropolitan bourgeoisie for capital accumulation even in the colonial period. The Indian capitalist class played an important part in determining the nature and course of the anti-imperialist movement in India. The Mukherjees show that Indian

capitalism has grown qualitatively bigger in scale since Independence. Though India is a backward capitalist country, its dependence on the advanced capitalist countries, unlike that of the Latin American countries, is not the dependence of a neo-colony on the metropolis, or of a periphery on the core. The authors argue that Indian development so far has led to the reversing of most of the elements of colonial or peripheral structure rather than the country getting sucked into a process of further peripheralization, or being turned into a neo-colony.

Though all scholars believe that the state plays an important role in the production process, non-Marxist and Marxist scholars differ in their assessment and therefore the characterization of the state. For the former, the state is somewhat 'neutral', or relatively 'independent' from the conflicting interests in the society. The state is categorized as modern or traditional, developed or developing; north or south, and so on. Whereas for the latter, the state represents and protects the interests of the propertied classes, Marxists characterize the state in terms of its class character. For them, the state is either capitalist, feudal, semi-feudal, or socialist.

Rajni Kothari being a non-Marxist, does not view the Indian state as capitalist. Instead, he examines the role of the present Indian state in capitalism. According to him, there have been opposite tendencies at work in respect of the relationship between the state and capitalism. In Europe, thanks to the bourgeois revolution, the bourgeoisie captured the state and pursued the Industrial Revolution and imperialism. Whereas in the case of the Third World, the states have emerged as independent entities. Their role has been perceived as a liberator from imperialism, and also the agent of capital accumulation and economic development. He argues that the state was 'autonomous' from the capitalist classes till the end of the sixties. The state was not an agent of the ruling class. And people saw the state as an instrument of liberation from social inequality. But the situation changed with the Emergency, Kothari asserts. The state's autonomy from the dominant class has been marginalized. This class is excluding large sections of society from the purview of the state. Business interests increasingly control the state.

Marxist scholars, Buddhadeva Bhattacharyya and Uday Mehta, characterize the Indian state as capitalist. Bhattacharyya asserts that the Congress Party and its government since Independence not only protect private ownership of means of production but also extend facilities for its growth. The dominant mode of production in India is the capitalist mode. As a result, as Lenin says, "Every state in which private ownership of the land and means of production exists, in which capital dominates, however democratic it may be, is a capitalist state."

Manoranjan Mohanty and Dipankar Gupta, however, avoid taking such a categorical stand. Granting that the direction of India's development is towards capitalism, Mohanty draws our attention towards contradictory trends, which he calls the duality of the state process in India. His hypothesis is as follows: "Reality of the liberal democratic process combined with authoritarian trends, promotion of capitalist economy and controls over it, centralization of state authority and the steady growth of regional forces, an increasingly coercive state apparatus and administration of programmes of a welfare state, an emerging techno-managerial system pursuing non-secular policies, and at the international level being



independent and dependent at the same time are some of the indications of this duality." The duality is due to the existence of pre-capitalist forces which continue to function in the post-colonial period. The liberation struggles against the colonial power generated forces of democratic action in society. The same forces also challenged the traditional inequitable order. The democratization in the post-colonial state has been constrained by complex social and ideological forces. That is the source of duality. According to Mohanty, the process of capitalist development in India has acquired a duality which is manifest in various state processes.

Antonio Gramsci, N. Poulantzas, Louis Althusser and others have further developed the theory of the capitalist state, in which 'relative autonomy' and 'hegemony' are important conceptual components. Dipankar Gupta raises a question regarding the relevance of the theory in the Indian context. He argues that the capitalist state is far more cerebral. It is constantly buffeted by short-term interests of the capitalist classes. Gupta poses the questions: (1) Do these theories provide us with a theory of the capitalist state, and therefore with a logic of capitalist state-craft? (2) To what extent are 'hegemony' and 'autonomy' analytical categories? (3) Why is it that the theories of the capitalist state reflect very imperfectly the reality of states under capitalism? While examining the Indian state, Gupta argues that it is not relative autonomy, but it is 'relative anarchy' that makes the state take this or that function. According to him, the Indian state is not hegemonic. It is repressive.

Granting repressive function of the Indian state, Upendra Baxi explores the several uses of land in facilitating the function of the state to regulate capitalism. He identifies six ways in which the Indian legal order has been deployed to serve interests of capitalism. They are: (a) primitive accumulation process; (b) maturation of capitalistic relations in agriculture; (c) disciplining labour on behalf, and at the behest of capital; (d) mediating conflicts between factions of industrial and financial capital; (e) perfecting hegemonic domination by ascendent classes and their capabilities to privatize the resources of state and society; and (f) developing techniques of *scrupulous repression*, that is illegal use of power, essential to the accomplishment of reign of terror against the oppressed classes of society.

There are differences of opinion among the scholars regarding the nature of agriculture development and agrarian relations. Most of the contributors in this volume argue that capitalist production relations, which are the main thrust of Indian economic structure, are also found in agrarian relations. Uday Mehta demonstrates that various measures of the Indian government since Independence aim at expanding the capitalist base in the countryside. The nexus between the Congress and the dominant landowning class, Achin Vanaik argues, became strong by the thirties. Slowly the power shifted from a small layer of upper castes to a larger strata of intermediate castes. The rich peasants have had a vested interest in sustaining a system of elections and of voting procedures at various levels. They use traditional caste/kinship, patron/client linkages to organize electoral support for the Congress. But they have not been able to establish political hegemony at the Centre.

Mario Rutten substantiates the argument made by Mehta and Vanaik with his

empirical data of a micro study. He shows that big and middle farmers are the beneficiaries of institutional and technological changes initiated by the state. access to land, notwithstanding land reforms, has increased. They have diversified their economic activities, and thereby consolidated their position in rural society.

Jan Breman in his earlier studies has demonstrated with rich evidence capitalist agriculture has developed and dominated rural economy. development adversely affects local and migrant agricultural labour. His essay in this volume is a continuation of his inquiry focusing on the conflict between labour and capital in the farm sector. He shows that the government did not implement laws. Breman gives an account of the legal action taken by outside agents in an effort to ameliorate the miserable plight of the sugarcane cutters in Gujarat. The rich peasants use various tactics to defy the court verdict. They obstruct even liberal Gandhian social workers who try to provide education to the children of the labourers. The rich farmers, the author asserts, refuse to incur the expenditure that is essential to maintain the ecological balance, even though without it they are jeopardizing their own future profits.

Manorama Savur makes a similar comment on the industrial bourgeoisie. On the basis of her study on the relationship between the capitalist class and the Integrated Rural Development Programmes (IRDP) of the state, she observes that the Indian bourgeoisie is only interested in short-term gains and does not display the forward looking wisdom required to attain long-term gains. She shows that some of the monopoly houses undertook rural development programmes under IRDP with the sole purpose of selling a whole range of agro-products into which they had begun to diversify since the mid-sixties. Her study points out that the programmes carried out by these houses, who claim to use managerial expertise, have not substantially changed the condition of the poor.

G. Hargopal and C.H.Bala Ramulu argue that though India is struggling to pave the way for capitalist development, capital has not succeeded in its attempt and land reform has been ineffective. The development benefits have been taken by the well-off classes of rural society, resulting in the widening of economic disparities. Poverty of the masses has deepened. They present a micro-level study of the working of the IRDP scheme in Nalgonda district in Andhra Pradesh. The study shows that state interventions to correct the developmental distortions have not been effective. The authors question the capacity of the ruling groups to correct developmental distortions.

Arvind Das argues that the urban-rural duality of the working class in India distorts reality. He argues that it is wrong to see the 'proletariat' as merely urban, industrial and predominantly male. Capitalism transforms the class position both in urban and rural sectors and of both men and women. According to him, the working class has to be holistic, unfragmented and processed.

The Indian state pursues the objective of building a secular society. How far can the objective be achieved along with capitalist economic development in an economically backward and socio-culturally multi-religious and ethnic society? Ghanshyam Shah, Asghar Ali Engineer, Gail Omvedt and Bharat Patankar probe this question and analyse caste- class-ethnic conflict. Shah focuses on the Congress Party and its strategy of reservations for the deprived communities. He points out

relations. The policy of reservation came into existence as a result of the pressure from below rather than as the outcome of a commitment of the ruling elite to secularism. Reservation and welfare measures are largely treated as vote-catching devices in electoral politics which, incidentally, accelerate the process of social transformation. But the transformation is limited and confined to the better-off strata of those communities who can take advantage of capitalist development. The rest are left high and dry. Asghar Ali Engineer argues that in capitalist development some communities and groups benefit disproportionately and others lose disproportionately. This leads to violence taking ethnic and communal forms. Gail Omvedt and Bharat Patankar raise a number of questions regarding the caste-class debate in general and the non-Brahmin movement in particular. They plead for an alliance between Dalit and peasant castes for struggle against propertied castes-classes.

Agricultural labourers and poor peasants who continue to be exploited in pre-capitalist as well as capitalist production relations do not accept their position as a *fait accompli*. They resist and struggle. The country witnessed widespread 'radical' agrarian movements in the sixties. Though the movements are at an ebb in the eighties, Bihar and Andhra are still in the forefront. Nirmal Sengupta examines the objective conditions for agrarian movements and points out that Bihar and Andhra Pradesh show excessive degrees of differentiations among the peasants. And he hopes that the first act of the downfall of capitalism will be performed in those two states. How far Sengupta's prediction will come true is anybody's guess.

The authors of this volume have probed into only a few of the dimensions of capitalist development in India. Many of the aspects of this development have remained untouched - not that they are unimportant. Except for Sengupta's contribution we have not been able to examine the resistance and/or struggles of the exploited classes against the nature of development that the ruling class is pursuing. This has been a major theme of A.R. Desai's recent writings.

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