

Transition and development in India /
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CHAPTER 1

Redrawing the Boundary of Transition and Development in India

*A Prelude to an Anti-Essentialist
Conceptualization of Transition
and Development*

I am always reminded of one thing which the well-known British economist Adam Smith said in his famous treatise *The Wealth of Nations*. In it he described some economic laws as universal and absolute. Then he described certain situations which may be an obstacle to the operation of these laws. These disturbing factors are the human nature, the human temperament or altruism inherent in it. Now the economics of khadi is just the opposite of it. Benevolence which is inherent in human nature is the very foundation of the economics of khadi. What Adam Smith has described as pure economic activity based merely on the calculations of profit and loss is a selfish attitude and it is an obstacle to the development of khadi; and it is the function of a champion of khadi to counteract this tendency. (Gandhi, 1958-, CW. Vol. 59, 205-6)¹

My own view is that evils are inherent in industrialization, and no amount of socialization can eradicate them. (Gandhi, 1958-, CW, Vol. 63, 241)

We are trying to catch up, as far as we can, with the Industrial Revolution that occurred long ago in Western countries. (Nehru, 1954, Vol. 2, 93)

Decades of development experience in dozens of countries show that a good economic environment combines the [discipline of competitive markets with efficient provision] of key public utilities. . . . Fostering an economic environment which promotes rapid, broad-based development will not be easy. [Old habits of thinking and working must be shed]. . . . Within a generation, the countries of East Asia have transformed themselves. China, Indonesia, Korea, Thailand and Malaysia today have living standards much above ours. [What they have achieved, we must strive for]. (Government of India Discussion Paper 1993, 1–2)

The above set of quotations is striking for their diverse, almost contradictory views about the transition and development of Indian society. What makes them even more intriguing is that the opinions are expressed from within the Congress party that was the dominant anti-British party and that has ruled India since independence except for the recent few years.

Opposing Gandhi, the father of the nation and the symbolic figure of the Congress party, Jawaharlal Nehru, the first Indian prime minister, was determined to industrialize India and make it a modern society. According to Nehru, the transition from a backward agricultural society to a modern industrial one was the only possible road for India to progress. In line with Nehru's wishes, India's industrialization process was propelled by the state sector, since it was argued that the private sector did not have the capacity to create the basic infrastructure and means of production needed for industrialization. In many quarters, this state involvement in industrialization came to be identified with socialism. This "Nehruvian socialism," as it is sometimes called, continued until the mid-1980s, when Rajiv Gandhi, the then-prime minister and grandson of Nehru, started a liberalization program, which, without challenging the state's dominant role in society, began the process of dismantling India's trade barriers. However, the real seismic change came in 1991 when the government of Prime Minister Narasimha Rao challenged the supremacy of the state in any input, output, and pricing decisions being taken in the economy and started an all-out war on the import substitution approach that had been the hallmark of India's industrialization process since independence. His government has initiated a series of policies packaged as the "new economic policies," which is directed toward significantly reducing the state's direct involvement in the Indian economy and has in particular emphasized the role of an export-oriented growth and industrialization strategy of development.

These policy changes do not challenge the fundamental idea of progress as growth through industrialization but they certainly contest the Nehruvian path of achieving such progress.

Yet, since independence the path of capitalist development in India via industrialization has not been easy and without compromises. Due to political considerations, the Gandhian tradition of Khadi, which, as is evident from the first quotation, is a different and diametrically opposite set of economic policies from ones directed at growth through industrialization, had to be accounted for in the Indian economic policies. And, because the Gandhian philosophy is so crucially based on the economic philosophy of Khadi, the Indian economic policies had to combine the growth-oriented "maximization" policies and the Gandhian job-oriented "benevolent" policies. The coexistence of these opposite sets of policies within the body of the state has been a source of irritation and dilemma for academic economists, both on the right and left, who are unable to find any consistent rationale in some of the decisions being made by the state agencies. This is because the economists have not paid enough attention to the complexities involved in including the Gandhian tradition in the decision-making process of the various state bodies.

Since the time of Nehru, there was no doubt in the elite circle, which includes the academic elite, that progress through industrialization is the key to growth and the eradication of poverty and unemployment. Consequently, industrialization through capital accumulation was accorded a privileged position as compared to the Gandhian policy of Khadi, which nevertheless had to be accommodated in formulating economic decisions. The problem for the Indian developmental state, then, comes down to the performance of a dual, and a seemingly impossible, act of legitimizing the rule of capital accumulation and accommodating the Gandhian tradition of Khadi (the anticapitalist set of economic policies), two fundamentally contradictory positions. This complex way of looking at the development of capitalism in India (capitalism or modernism rules by accommodating precapitalism or tradition) has been popularized by the *subaltern studies'* school of thought in recent times and is in sharp contrast to the more traditional Marxian approach summarized in the Indian modes of production debate that dominated the Indian discourse on Marxism from the late 1960s until the beginning of the 1980s.²

From its inception, the (traditional) Indian Marxist discourse on transition and development steeped in the Second International's historical materialistic framework was anti-Gandhian because its views on progress and on industrialization and modern civil society associated with it were totally contrary to Gandhi's antimodernist stance. The first Marxian academic debate on the Indian modes of production clearly situated itself in a

historical materialistic terrain where the problem, in terms of capitalism's failure to assume its dominating form, was designated as the absence of the penetration of capital (signifying the forces of production) in Indian agriculture. This debate was based on the assumption that capitalism cannot accommodate traditional institutions that it considers to be backward or outmoded. They have to be automatically discarded with the advent of capitalism. Thus, at the conceptual level, capitalism cannot accommodate Gandhian policies of Khadi and, consequently, since it was being accommodated in the postindependent economic policies in the absence of any concerted assault on precapitalist elements, the Indian mode of production cannot be identified as capitalist. As mentioned above, the subaltern studies school challenged the fundamental premise that capitalism cannot accommodate precapitalist elements under its rule. In fact, as we shall argue, the subaltern theorists built up a general model of transition and development (one in contrast to that of historical materialism) where one moment of the transition is captured by the passive revolution of capital that roughly signifies this aspect of the appropriation of precapitalism by capitalism.³

However, for us, other than the substantive differences between the subaltern debate and the Indian modes of production debate, which are significant in their own right, the problem of the transition of Indian society and its development as analyzed in Indian discourses on Marxism resides at a much deeper level. It is the problem related to the conceptual thematic of Orientalism that is best summarized in Chatterjee (1984):

At the level of thematic . . . nationalist thought accepts and adopts the same essentialist conception [as in Orientalism] based on a distinction between "the East" and "the West," the same typology created by a transcendental studying subject, and hence the same "objectifying" procedures of knowledge constructed in the post-enlightenment age of Western science . . . it is vitally important to emphasize that this opposition [to the foreign rule] occurs within a body of knowledge about the East (large parts of it purporting to be scientific) which has the same representational structure and shares the same theoretical framework as Orientalism. (Chatterjee 1984, 155)

This essentialist thematic of Orientalism, which overlaps with the essentialist thematic of Western metaphysics that seems to be the basis for knowledge production, became an integral part of the postindependent Marxian tradition in India that culminated in the Indian modes of production debate.⁴ A second stage in Indian Marxian thought opened with the challenge by a group of Marxist social scientists led by Ranajit Guha

and Partha Chatterjee concerning the dependence of Indian Marxism on the thematic of Western metaphysics or Orientalism in producing knowledge about Indian society.⁵ Unfortunately, as we will show and contrary to many misplaced views held in the West, their claim of transgressing the essentialist thematic did not materialize, at least not with respect to their theory of transition and development, with which we are concerned here.⁶ One of the objectives of our book is to bring to light the problems of essentialism from within the subaltern studies, showing exactly why and how their concept of transition could not step outside the essentialist thematic of Western metaphysics.⁷

What about some of the other allegedly postmodern renditions on the evolution of Indian society? Those—often going by the name anti- or post-developmental—have come from essentially a cultural or (eco) feminist perspective (see the writings of Vandana Shiva and Ashish Nandy) and have called for the renunciation of the idea of "progress." They question the path of transition and the logic of development underlying the transition process. Thus they effectively abandon development as economic development. But we refuse to let either transition or development disappear, for we think that Shiva's and Nandy's renunciation of the idea of development per se is premature and counterproductive. Theorizing transition in a postmodern or disaggregated space, we rewrite the notion of progress to create development as economic development—as postmodern economic development. Postmodernism, after all, is a vast milieu constitutive of multiple imaginations in terms of historical phase, existential state, or condition, style, and critique (Cullenberg, Amariglio, and Ruccio 2001, 3–57). Working in the intersecting and compensating axis of the milieu that we constitute as postmodernism we instill new contending notions of transition and development as progress in contrast to their more orthodox and modernist counterparts. We seek the challenge of the orthodoxy in their very den and not sidestep it as do the post/anti-developmentalists by abandoning first the economic and then along with it economic development.

In this regard, it is beneficial to be aware of the rhetorical power of developmental progress as in the more modernist versions as well as its widespread functional or operative exhibition that continue to be a source of challenge to the radicals. First, at the minimum, even if we proclaimed the death of economic developmentalism, the hegemony of development as economic development is unquestionable. Development as progress still haunts the imaginary of a nation such as India and in fact the concerns over it have multiplied in recent years given the amount of literature on transition and development as well as the media coverage on the transition process. How can we ignore something that is so powerful in its deployment no matter how much we criticize or deny its presence? Second, we

were and still continue to be extremely doubtful about the critiques on economic development that proclaim the death of the economic and subsequently that of economic development. Criticisms of the logic of transition and development have concentrated on pointing to the essentialism driving the notion of economic, the multiple doubts/lacks/gaps regarding its constitution and the destructive power of the notion of progress grounded on historicism that drives the economic development of society.⁸ While this is commendable and has given important insights regarding the operative and universal power of economism, such critical analysis has taken the economism of economic development as secured, as if there cannot be any other conception of the economic. These theorists—mostly cultural—then parade their critique of economic development as a postmodern critique. This, again, we find unacceptable. Methodology, of whatever form, requires consistency in all axes. You don't have the option to pick and choose—being essentialist in one axis and nonessentialist in another. It is a bad theoretical move to say that a concept—such as the economic—itself is to be rejected because it belongs to a modernist frame when in fact this very concept has already been reworked within a postmodernist frame. Thus the question remains: With this renewed notion of the economic, could the concepts of transition and developmental progress be made sensible from a postmodern angle? It is not that economists have not, in recent times, tried to articulate the economic in a postmodern space (Resnick and Wolff 1987, Mirowski 1989, McCloskey 1985, 1994; Chakrabarti 1996; Gibson-Graham 1996; Cullenberg, Amariglio and Ruccio 2001, ed., to name a few). But cultural theorists have either ignored it or these developments have somehow been bypassed. Even someone as well known as Jameson, who deals with the economy, only considers it in its essentialist mould (Jameson 1991).

Another point is worth mentioning. Just as could happen with the milieu of modernity, postmodern approaches are multiple, often contradicting and viciously in opposition to one another. The projected singular postmodernity is in fact a disaggregated discursive space constitutive of multiple standpoints and political positions. The very aspect of disaggregation, heterogeneity and unevenness, temporality, and so on that postmodernists accuse modernism of failing to integrate within its framework, constitutes the very being of postmodernism as well. The confusion that postmodernism is a singular position has probably arisen because the debate has long been between modernity and postmodernity. In many instances, principally methodological, we also take recourse to such a route of analysis. But ours is also a standpoint, a—particular—story within the postmodern space. This could (and would) be in contrast and opposition

to the many other alleged postmodern approaches such as the post/anti-developmental approaches some of which may take a rightist position from our standpoint.

For all of these reasons, we remain skeptical of the allegedly postmodern approaches that highlighted the Indian scenario even though these are, as it stands, few and far between as far as the economic and economic development are concerned. Our postmodern rendition of transition and development contrasts sharply with the above in the sense that we seek the renewal of transition and development, and not their disappearance.

The post/anti-development writings in India have not yet formed into a school of thought nor have they gained such prominence as to deserve to be weighed on the same scale as the Indian modes of production debate and the subaltern studies debates. In this regard, though we consider the post/anti-development school to be important (we sympathize with lots of things that they do say though we have also made our differences clear) and we will discuss/debate their positions further in the chapter on development, we are inclined to concentrate specifically only on the Indian modes of production debate and the subaltern studies debate on the topic of transition and development.

In this book, we will address three concerns associated with the theory of transition and development: (i) working within a framework that is anti-essentialist, that is, anti-Western metaphysics or, what is the same, anti-Orientalist; (ii) deconstructing the Indian modes of production debate and the subaltern studies debate on the transition and development of Indian society to bring to light the problems of essentialism and other internal problems in these literatures; and (iii) build an alternative concept of transition and development that will throw new light onto the transition of Indian society against the background of the new liberalization policies undertaken by the Indian government without slipping into the Western metaphysical thematic. Keeping these three concerns in mind, we will use an anti-essentialist postmodern Marxian framework to perform (ii) and (iii).⁹ If the former concerns itself with the overall thematic then the latter two constitute our problematic. This anti-essentialist Marxian framework provides us with a micro-focused approach to conceptualizing transition from a decentered class perspective that is in stark contradistinction to the orthodox Marxian approaches to transition (to be exemplified in this book in terms of the two debates on transition in India) and that conceive of transition as what might be called a “big bang” macro theory of change. This rewriting of the concept of transition and its displacement in a postmodern space enables us to provide a new rendition of development as progress. To contest the essentialist basis of the theory of transition and

development in Indian Marxism and to lay the groundwork for an alternative non essentialist approach for studying transition and development in India is the central motivation and objective of this book.

In this introductory chapter, we shall concentrate on bringing into the open the idea of “development as progress” as visualized by Marx and Engels, discuss the underlying framework of historical materialism as well as the post-Marx attempts to rationalize transition and development within that framework, and then bring to light the problems of essentialism and historicism that condition the orthodox Marxist theories of transition and development. We will concern ourselves with expressing our disquiet about the essentialist thematic of Western metaphysics (one of whose forms is orthodox Marxism) that underlies the Indian debates on Marxism and not with a discussion on the two debates per se, a task to be performed in the following chapters. In other words, this introductory chapter, which identifies and expands on the problems that underlie the orthodox Marxist theories of transition and development, should be read as a sign of our recognition of a crisis in the Marxian development field and, consequently, as a prelude to reconceptualizing a nonessentialist and nonhistoricist concept of transition and development to be carried out in the context of the Indian debates on transition.

The Evolution of the Idea of Transition and Development in Marx and Engels

Since the seventeenth century, classical political economists have been engrossed with the relation between the West and the Third World. The idea of development as linked to the concept of progressive evolution of society arose at this time. Almost all of the major classical political economists believed in the civilizing mission of the West in teaching the “backward nations” the *rules* and *norms* of civil society—encapsulating the West’s mission in the idea of development or progress. Some, like Adam Smith, tried to justify the missionary roles of the West with an economic explanation, while others, such as James Mill, were more blunt. For the classical political economists, some of the “deficiencies” of the backward nations can be seen from the following quotations:

It is “in the interest of the human species” that the advanced European nations must keep and even increase their influence in Asia . . . “with its despots and superstitions, Asia has no good institutions to lose” but “she could receive many good ones from the Europeans.” (Say 1968, part 4, 311)

Independence and nationality, so essential to the due growth and development of people further advanced in environment, are generally impediments to theirs. The sacred duties which civilized nations owe to the independence and nationality of each other, are not binding towards those to whom nationality and independence are either a certain evil, or at best a questionable good. . . . (J. S. Mill, vol. x, 167–8)

The greatest of all difficulties in converting uncivilized and thinly peopled countries into civilized and populous ones, is to inspire them with the wants best calculated to excite their exertions in the production of wealth. One of the greatest benefits which the foreign countries confer, and the reason why it has always appeared an almost necessary ingredient in the progress of wealth, is its tendency to inspire new wants, to form new tastes, to furnish new motives for industry. (Malthus 1936, book II, 403)

Both nations (*meaning India and China*) are to nearly an equal degree tainted with the vices of insincerity; dissembling, treacherous, mendacious, to an excess which surpasses even the usual measure of uncultivated society. Both are disposed to excessive exaggeration with regard to every thing relating to themselves. Both are cowardly and unfeeling. Both are in the highest degree conceited of themselves, and full of affected contempt for others. Both are, in the physical sense, disgustingly unclean in their persons and houses. (J. Mill 1820, vol. II, book II, 195)

The so-called backward nations and their people lacked every aspect of what the classical political economists understood as “civil.”¹⁰ In classical political economy, West and East are separated into disparate, watertight compartments each with their specific repertoire of economic, cultural, and political attributes. The former is assumed to be superior to the latter economically, culturally, and politically. Advancement is associated with the attributes pertaining to the West and backwardness with those of the East. Because the East was unable to organically develop the “Western” attributes, progress or development must proceed from the West to the East. That is, progress would require an intervention by the West to save these nations from the labyrinth of darkness from which they were unable to rise up on their own. Also, all of these shifts signify a macro-level change in society, from its traditional *whole* to a modern *whole*. The entirety of society encompassing the economic, cultural, and political must undergo, they argued, a cataclysmic transformation.

Marx and Engels were not immune to this Eurocentric view of development. Marx's analysis of the effects of British imperialism on a backward country like that of India testifies to the Eurocentric tinge in his vision. Consider the following remark on India:

These small stereotype forms of social organism have been to the greater part dissolved, and are disappearing, not so much through the brutal interference of the British tax-gatherer and the British soldier, as to the working of English steam and the English Free Trade. Those family-communities were based on domestic industry, in that peculiar combination of hand-weaving, hand spinning and hand-tilling agriculture that gave them self-supporting power, English interference having placed the spinner in Lancashire and the weaver in Bengal, or sweeping away both Hindoo spinner and weaver, dissolved these small semi-barbarian, semi-civilized communities, by blowing up their economic basis, and thus produced the greatest, and to speak the truth, the only social revolution ever heard of in Asia . . . we must not forget that these idyllic village-communities, inoffensive though they may appear, had always been the solid foundation of oriental despotism, that they restrained the human mind within the smallest possible compass, making it the unresisting tool of superstition, enslaving it beneath traditional rules, depriving it of all grandeur and historical energies. . . . England, it is true, in causing a social revolution in Hindostan, was actuated only by the vilest interests, and was stupid in her manner of enforcing them. But that is not the question. The question is, can mankind fulfill its destiny without a fundamental revolution in the social state of Asia? If not, whatever may have been the crimes of England she was the unconscious tool of history in bringing about that revolution. (1979, 74-6)

Engels voiced a similar opinion when he rationalized the United States's conquest of Mexico by pointing out that,

In America we have witnessed the conquest of Mexico, which has pleased us. It constitutes progress too that a country until the present day exclusively occupied with itself, torn apart by perpetual civil wars and prevented from all development . . . that such a country be thrown by means of violence into the historical movement. It is in the interest of its own development that Mexico will be in the future under the tutelage of the United States. (1980, 183)

Following the classical political economists, Marx and Engels also understood transition as progressive macro shifts in society. However, there

are three interesting points of difference as well that must be mentioned. First, unlike the classical political economists, both Marx and Engels seem to be espousing the view that the method by which the East was conquered is immoral and unjust. However, the immoral and unjust aspects are completely overridden by their emphasis on the historicity involved in the transition process of such societies, which takes us to the second point of difference.

Marx and Engels legitimize the conquest of the East by the West in terms of their theory of history—the historical materialist transition to the communist telos. All means are justified as long as they help in the progress toward communism where this progress is signified by the advanced development of the forces of production. For society to progress, and development to take place, the forces of production must be allowed to develop freely. Given the stagnant nature of the backward nations which consist of, as both Marx and Engels referred to at times, people without any history, there is no way that these societies can develop internally and organically. Because the West possesses a higher level of forces of production, development must proceed from the West to the East. The backwardness of the “backward nations” stems from the underdeveloped nature of the productive forces. Despite the brutality of colonialism, the cultural and political superstructure, which develops on the basis of the new economic structure, will in the end be far superior to the “idiocy of village life” that dominates the social space of these stagnant societies.¹¹ So powerful is this idea of Marx and Engels that it has percolated in different forms into the modern development literature and continues to influence the social space where actual policies are enacted and opposed.¹²

The third difference between Marx and Engels and the classical political economists relates to the fact that Marx differentiated between different types of imperialisms. The chief historical criterion for Marx was not imperialism as such but the development of the forces of production. If imperialism leads to an impediment blocking the development of the forces of production, then it is to be opposed. For example, Marx argued that the British rule in Ireland was fettering the development of the productive forces there. He called for an end to the British rule in Ireland so that capitalist development could proceed freely in that country.

The historicist idea of a rational, ordered, macro development of society depending on the state of the forces of production as developed by Marx and Engels was given an official textual form and canonical stature in the Erfurt programme of the Social Democratic Party of Germany in 1891. Its theory came to be known as historical materialism and is also sometimes referred to as the Second International or orthodox Marxism. Despite receiving extensive criticisms in recent times, both from within and

outside of Marxism, this second international version of historical materialism is still important for two reasons. First, in many Third World countries, including India, it continues to enjoy a prominent place as an alternative theory of development. As will be evident in our treatment of the Indian modes of production debate in Chapter 2, this brand of Marxism dominated that discourse.¹³ Second, alternative Marxian theories, such as subaltern studies, that do not accept the orthodox rendition of historical materialism take it as their point of departure, even though, as with the Indian modes of production debate, their analysis is also beset with similar problems of essentialism and historicism.

Let us now discuss in some detail the structure of historical materialism, for almost all post-Marx theories of transition and development that emphasize the macro approach to change, including the Indian modes of production debate, are situated within it.

The Theory of Historical Materialism

We begin by defining a few concepts that Marxists use to describe historical materialism, concepts that we will be using time and again in our analysis of the Indian mode of production debate and the subaltern studies debate. These include the mode of production, forces of production, relations of production, superstructure, and society (social totality).

Society or social totality in the orthodox Marxian framework is an articulation of mode of production, superstructure, and social consciousness where the mode of production (also called the economy) is given a privileged status both at the discursive and at the real (social), that is, ontological, level. The mode of production is defined as the articulation of forces and relations of production.¹⁴ Marx mentioned five modes of production—primitive communist, Asiatic, slave, feudal, and capitalist. Society may be composed of a mixture of modes of production and the activities that tie them together, or it may be conceived in terms of only one mode of production. However, almost always, society, or the social formation, typically is reduced to a “dominant” mode of production. Thus, for example, a feudal social formation is one in which the feudal mode of production is predominant.

The modes of production are also called the economic or base of society. These terms are often used interchangeably. The other major aspect of society is the superstructure, which consists of the political, religious, cultural, and legal aspects of society. Within the category of the political, the most important components are the state and civil society. Finally, there are forms of social consciousness. Superstructure and forms of consciousness are included within the social totality but they do not have primary explanatory power so far as the reproduction, crisis, or development of so-

cial totality is concerned. According to historical materialism, the superstructure and forms of consciousness depend on and are caused/explained by the modes of production. That is, the modes of production are causally prior to all other aspects of society.

Within the structure of the mode of production, historical materialism considers technological development or the forces of production to be independent of or causally prior (in order of explanation) to the relations of production. This sequential structure of causality produces a hierarchical order. At the top are the forces of production. In the second tier are the relations of production and then in the third and fourth tier, superstructure and forms of consciousness, respectively. All of these together constitute the complex social totality. However, this complex social totality has a center or essence (forces of production) on which every other aspect of society is in the end, or final instance as Engels put it, dependent even though the forces of production themselves are not dependent on any entity.

The theory of historical materialism appropriated the Hegelian framework of the historical evolution of society.¹⁵ The crucial difference between the evolutionary theory of history in Hegel and that in orthodox Marxism is that the latter replaced the idealistic notions in the Hegelian framework by materialistic elements. In Hegel, the subject (world spirit) is the essence while the object (nature) is the appearance.¹⁶ So the subject is causally prior to the object. In historical materialism, the subject-object duality is reversed. The object (forces of production) is now causally prior to the subject (forms of consciousness). While subjects are important in the determination of historical events, their mobility is restricted and determined by the material structure of the economic in the first or sometimes the last instance. As in Hegel, orthodox Marxian dialectics have the same mechanics—affirmation, negation, and negation of negation—but they now operate through the conflict between the forces and relations of production.¹⁷

The basic idea in historical materialism is that relations of production correspond to a particular stage of the development of the material productive forces. By correspondence, we mean that forces of production “select” a particular relation of production that in turn will promote the development of forces of production. Such a relation of production obtains because of this characteristic. No other relations of production can fulfill this role. It is important to understand that only one type of relations of production can correspond to a specific historical stage of the development of forces of production. Capitalist class society can only permit capitalist class relations of production or, put a bit differently, capitalist society implies the absence of precapitalist class processes. In historical materialistic theories of transition, this aspect of uniformity of class relations of production consistent with the development of forces of production is critical,

for without it the concept of mode of production and society defined in terms of mode of production would collapse. Similarly legal, political, and religious institutions correspond to the structure of the economic, or mode of production, and forms of social consciousness arise on the superstructure.¹⁸ This *holistic* conception of society is stable if all other aspects of society, notably that of relations of production, are such that they do not impede the technological development in any manner. If they do create barriers to the free development of technology, a condition of social crisis arises, which can be resolved only with the advent of a new relation of production. This new relation of production will be so selected by the forces of production that it will provide maximum scope for the fruitful use and development of the forces of production. The change in the economic in turn brings about a change in the superstructure, and the latter in turn brings about a change in the forms of social consciousness.

The contradiction between the forces and relations of production within each complex society is resolved to give way to a new complex society—a higher moment of the original society—and subsequently a new contradiction within it. This new complex totality is a higher moment in the qualitative sense that the forces of production are freer to develop as compared to the previous complex social totality.¹⁹

History moves from undifferentiated unity (primitive communism) to differentiated disunity (Asiatic, slave, feudal, and capitalist society, that is, societies divided by class conflict) arriving finally at differentiated unity (communism or a society with no class and class conflict) initiated by a series of macro-level big bang shifts in the mode of production. Under communism—the telos of history—the forces of production reach their most developed stage and the relations of production can no longer act as fetters to technological development.²⁰ Each stage in history is negated by the next one through the operation of the dialectics of contradiction. This macro description of history was termed by Marx as the “historico philosophical theory of the general path.”

The above process of transition from one mode of production to another is the theoretical core of Marxist development theory. Marxist development theory has understood transition as progress in terms of the development of the forces of production because a higher level of the forces of production signifies a higher level of society. Thus society progresses via a series of macro-level shifts in social totality, shifts that are initiated by the mode of production.

If the condition for change lies in the conflict between the forces and relations of production, the medium of change is class struggle. In traditional Marxism, each society is divided into two primary and opposed classes. The relations between the classes with respect to the means of pro-

duction and the appropriation of surplus labor describe the relations of production within a society. As the relations of production become a barrier to the development of the forces of production, class conflict intensifies. The dominant class must take extreme measures to maintain the relations of production, principally through its forms of economic exploitation and intensified efforts to maintain or increase the quantity of surplus it extracts. That is, a crisis in reproducing the form of exploitation leads to an extreme form of social antagonism between the two classes. This social antagonism can only be resolved through a change that takes the form of a revolutionary class defeating the reactionary class in the long run.²¹ In turn, such a resolution of the crisis leads to new class relations of production that will provide ample space for the forces of production to develop freely again.

In historical materialism, classes are assumed to represent the individual's structural position in the economy. Since the economy is the essence of the society, class as an economic relation becomes the principal, or dominant, subject position.²² In comparison to the working class, other subject positions related to race, gender, caste, or ethnicity are considered to be less important and derivative. The working class is thereby given an ontological privileged subject position at the expense of all other subject positions.

The working class is given this ontological privilege because it is the class best suited, most able, and most disposed to preside over the development of the forces of production. Only the working class is capable of leading society to its ultimate freedom or emancipation. As we will argue, this privileged historical status of the working class is consistently accepted by the participants in the Indian modes of production debate and by the theorists of the subaltern studies.

According to orthodox Marxism, Marx (1990) understood primitive capital accumulation as the mechanism that accomplishes the specific transition from feudalism to capitalism. Primitive capital accumulation involves the process of expropriation of the individual's means of production. However, since feudal or any precapitalist system is normally dominated by the peasantry, the emphasis of such an expropriation is almost always on the peasantry. Thus the basis for primitive capital accumulation is often the expropriation of the peasantry from the land and turning them into “free” wage labor. This involves a transformation of the objective conditions of production (the linkage of the peasantry with their land) and a transformation of the subjective conditions of an individual's social existence (the linkage of the peasantry with the community). The transformation of these two conditions—expropriation of the peasantry from the land and the estrangement of the peasant from the community from

which his social existence is derived—creates the mass of free wage labor. According to Marx, this creation of free wage laborers is taken as a necessary prerequisite for the birth of capitalism. A transition from feudalism to capitalism requires overcoming those elements associated with feudalism. Thus Marx writes, “The economic structure of capitalist society has grown out of the economic structure of feudal society. The dissolution of the latter set free the elements of the former” (Marx 1990, 875). This dissolution is brought about by the historical process of primitive capital accumulation. The evolutionary process could be extended to a transition from any other forms of precapitalism to capitalism or socialism without any substantial effect on the logic of historical materialism.²³ Primitive capital accumulation in the orthodox Marxian framework is understood as a single sub-moment in history within the periodization schema. There is an element of historical inevitability attached to the orthodox project. Theory is a grand metanarrative and history follows the path laid down by theory. Primitive capital accumulation, thus defined, is inevitable in the long march of history.

How is primitive capital accumulation related to the essence of historical materialism? The essence—technological development—is assumed to be freer to develop under capitalism than under feudalism. The prerequisite for the existence of the capitalist mode of production is the relationship between capital and wage labor in a commodity market. Primitive capital accumulation makes this historical possibility feasible.

The feudal serfs or simple commodity producers remain attached to their land and other means of production. The objective and subjective conditions of precapitalist society continue to provide the basis for the social existence of direct producers and other forms of precapitalist remnants. Such precapitalist relations of production constitute a barrier to the development of the forces of production. Some of these barriers can take the form of precapitalist relations of production such as debt bondage, attached labor, or feudal rent, as were pointed out and analyzed in the Indian modes of production debate. The necessary conditions for capitalist exploitation to take place without any hindrance and for the forces of production to develop freely are the two transformations that basically constitute the historical process of primitive capital accumulation.

Historical Materialism and Post-Marx Theories of Transition and Development

Earlier we discussed the evolution of the idea of transition and development in Marx and Engels. Their idea regarding the notion of “progress” culminated in the theory of historical materialism as we have explained.

But our presentation of a kind of unified theory of historical materialism may seem objectionable to some since differences and disputes among Marxists abound with regard to historical materialism. We do acknowledge the presence of these differences but our point is that all such differences melt into an abiding unity when evaluating the underlying vision and methodology governing these approaches. Especially significant is the commonly held methodological traits of essentialism and historicism by the differing approaches and the vision of developmental progress as condensed by the logic of “industrialisation through capital accumulation.” In a brief discussion, we present some of the major positions on transition and development as they have historically developed and show that they share the methodological structure of historical materialism—essentialism and historicism.

Theories of transition and development in the post-Marx age can be roughly divided into three phases: (i) *The Imperialist Theories of Transition*, (ii) *The Underdevelopment Theories of Transition*, and (iii) *The Anti-Underdevelopment Theories of Transition*.²⁴ Despite the differences between and within the three approaches to transition and development there is an interesting convergence in their methodological basis: each continues to see the forces of production as the key to the construction of a social totality and its development as telescoping the progress of society and, despite numerous furious debates on the stages of history—bypassing some at the expense of others—none questions the telos of socialism/communism and the rationality of achieving that telos as capturing a progressive development of society. And, all view the mechanics of achieving the final destination of the rational progressive movement as being born out of the womb of “industrialisation through capital accumulation.” We will briefly review the three post-Marx approaches to transition and development by keeping this concern in mind.

The Imperialist Theories of Transition

From the 1890s onward, the linkage between the Western countries and the “backward nations” became an important subject of analysis among Western European as well as Eastern European Marxists, especially the Russian Marxists. Theorists like Engels, Kautsky, Hilferding, Plekhanov, Lenin, Trotsky, Bukharin, and Luxemburg (despite their other significant differences) believed that imperialism (which they now identified with monopoly capitalism) distinguished by the export of capital, domination of finance capital, centralization of capital, formation of cartels and territorial division of the world amongst the advanced countries, led to an all-around development helping not only the imperialist countries but also the colonized countries. In the post-World War II period this idea was

taken to its logical conclusion by Warren (1980), who in a provocative book declared imperialism and its modern version in neocolonialism (postindependent status of the peripheral countries) to be the pioneer of capitalism. Capitalism penetrates the Third World countries through imperialism. This penetration was justified by Warren because it helps to develop the forces of production and set up a new advanced social totality in these countries. Warren argued that even if one accepts the argument of underdevelopment theorists about international bondage, the satellites are still better off as compared to the counterfactual situation of the absence of foreign investment and international exchange relations, a point which we shall soon indicate was argued for fiercely by the underdevelopment theorists. That is, according to Warren, gains from trade far outweigh the gains from autarky and trade helps in the development of the forces of production by forcing the satellites to stay on the cutting edge of global competition. If trade takes the form of imperialism or neo-imperialism, so be it. There is no need to emphasize that Warren's defense of imperialism was a logical culmination of the essentialist role of *forces of production* in his rendition of historical materialism and the self-fulfilling rational, progressive connotation in its development. The evolution of society was to take place as per the logic of "industrialisation through capital accumulation" and that too by whatever means possible. This was also Hariss's (1986) point, which expands on Warren's proposition with the help of extensive data from the development process of the "newly industrializing countries."²⁵ However, unlike Marx and Engels, who differentiated between the imperialisms, Warren produced a one-dimensional representation of imperialism by arguing that all imperialisms are beneficial for the colonized countries. Warren's piece was extremely provocative because it was a challenge to the theories of underdevelopment that took off in the late 1950s with Baran's *The Political Economy of Growth*, which presented a critique of (i) the idea of development as traveling from the developed center to the underdeveloped periphery via imperialism or neocolonialism and (ii) the expressive Eurocentric content in the imperialist theories of development which failed to problematize the economy of the backward nations whose development was taken to be dependent on the penetration of capital from the capitalist countries.

The Underdevelopment Theories of Transition

According to Baran (1973), the character of monopoly capitalism changed after the Second World War, and it can no longer be conceived as monolithic so far as its positive effects are concerned. To some extent monopoly capitalism has penetrated the "backward nations" transforming them to underdeveloped countries where the term "underdeveloped" as opposed to

"backward" now signifies the presence of a capitalist mode of production against its virtual absence. However, the development of capitalist mode of production in the periphery is fettered, leading to its underdevelopment vis-à-vis the developed countries (the capitalist countries in the center). According to Baran, economic growth is dependent on the size and utilization of the surplus produced in the economy. If the surplus product is utilized for productive purposes then the forces of production will develop and growth will take place. Otherwise, we will have economic stagnation. Baran gives two reasons for the underdevelopment of the capitalist mode of production in the periphery: (i) one part of the surplus generated in the periphery is repatriated to the developed metropolitan countries by the monopoly enterprises where it is thrown away in wasteful activities such as military spending and luxury consumption, since the investment outlets in the center are already clogged out and (ii) one part of the surplus that is distributed in the periphery is frittered away in unproductive uses such as luxury consumption, usury, speculation, and rent-bearing land, and they are also put in foreign banks to be used as "hedges against the depreciation of the domestic currency or as nest eggs assuring their owners of suitable retreats in the case of social and political upheavals at home" (1973, 316-17). Thus the penetration of monopoly capital, the form capital takes, helps in the "development of underdevelopment" in the periphery. According to Baran, the developed capitalist countries will never allow for the unfettered development (industrialization) of the periphery because that will threaten the established monopoly position of the foreign companies and, consequently, the growth of capitalism in the periphery will be distorted. Thus the cause of underdevelopment in the periphery is external and not generated internally. For Baran, since capitalism cannot develop on its own in these underdeveloped countries, the only way out for them is to follow the path of the socialist countries, which will again allow for the free development of the forces of production. It is useless to wait for the full development of the forces of production under capitalism in the periphery, because that will never happen.

Frank (1969) followed in the footsteps of Baran but with some important differences. While agreeing that the metropolis (center) dominated by monopoly capitalism creates the underdevelopment of the satellites (periphery), Frank departed from Baran by pointing out that the underdevelopment of the satellites leads to the gain and, hence, the further development of the metropolis. Thus, for Frank, the relation between the satellites and the metropolis is a zero-sum game where the wealth of the metropolis is a direct result of the loss of surplus from the satellites. Another crucial difference with Baran is that Frank defines capitalism in terms of market exchange. Irrespective of the modes of labor process

(wage labor, serf, or slavery), whose specific existence is a result of profit maximization, a system is capitalist as long as the output is produced for the market. Because capitalism is defined by market exchange and not by the modes of production as in Baran, and because the underdeveloped countries are tied to the developed countries via an exchange relation, Frank denied the existence of any precapitalist modes of production in the satellites. Irrespective of the labor process the satellite countries are capitalist because they are tied in an exchange relationship with the metropolitan countries. The ruling class in the satellites is also tied to the ruling class in the metropolis, helping fully to perpetuate the international extraction of surplus. There is thus a chain of satellites and peripheries, each connected with the other as a result of the extraction of surplus via the market. For Frank, underdevelopment is not the pre-stage of development but rather the complement of development in the metropolis: "development and underdevelopment each cause and are caused by the other in the total development of capitalism" (Frank 1969, 240). Logically, the central struggle becomes not the class struggle but one between nations. The only way out for the satellite countries is to detach themselves from the world economy and go for a socialist revolution. However, what a socialist revolution is and how such a socialist revolution can survive in an autarkic economy is not elaborated by Frank.

Wallerstein's (1974) work was an extension of Frank and Baran. His main contribution was the concept of a world capitalist system. The world capitalist system is a trimodal system made up of the core (center), periphery, and the semiperiphery countries. In Wallerstein these countries are tied together by the zero-sum exchange relationships where capitalism is similarly defined as in Frank. The crucial difference from Frank is that Wallerstein does not consider the position of a country as fixed in the trimodal world system (that is, there can be up and down movement of countries within the world capitalist system). He considers national independence and the role of the independent state to be important for being a part in the chain of the antisystemic movement against the dominance of world capitalism, though he does not believe that an isolated movement toward Soviet-style socialism will lead anywhere. He considers the Soviet Union to be state capitalist and argues that it is not possible for any country to break out of the world capitalist system unless there is an antisystemic world revolution that overthrows capitalism at the world level. Like world capitalism, socialism can only be realized at the world level.

The unequal exchange school, whose main theorists were Arrighi Emmanuel (1972) and Samir Amin (1974), took the works of Frank and Wallerstein to a different level by producing a detailed account of the mechanisms through which surplus product is transferred from the pe-

riphery to the center. Emmanuel, the leader of this school, showed that countries are exploited at the level of market exchange through the (implicit) transfer of surplus labor hours from the poorer communities to the richer ones. While there is a tendency for profits to be equalized across the world because of international mobility of capital and commodities, there are serious differences in wages across the world since the labor market is not internationally open. Thus wages emerge as the independent variable of the system whose unequal nature becomes the source of the inequality of exchange. Emmanuel points out that a country with a lower level of wages will have a higher rate of surplus value and that wages in underdeveloped countries are much lower than the wages in developed countries. The result is a transfer of surplus value from the underdeveloped countries to the developed countries via the mechanism of exchange (where lower wages lead to lower prices of commodities produced by the underdeveloped countries in comparison to higher wages and the higher prices of the commodities produced by the developed countries). Since the rate of exploitation is presumed to be lower in the periphery as compared to the center, the workers and the capitalists in the center have a joint interest in increasing income by intensifying the rate of exploitation in the periphery. In other words, the working class in the center has been co-opted in the imperialist rule. According to Emmanuel, the major form of struggle is now that between the nations and not class struggle, which has become secondary.

Theorists did differ on the route by which to make developmental progress happen even if the telos of socialism/communism remained uncontested in all. While the imperialist theories of development saw the penetration of international capital to underdeveloped countries in positive light, the underdevelopment theories saw them as the cause of the underdevelopment of these peripheral societies. In the latter, development through industrialization (i.e., development of the domestic center) must proceed by de-linking the underdeveloped countries from their satellite center.

The Anti-Underdevelopment Theories of Transition

Underdevelopment theories were attacked from three sources: the Althusserians, Brenner's class struggle theory, and Warren's imperialism theory. The common and central point of their criticism of the underdevelopment theories, especially those of Frank, Wallerstein, and the unequal exchange school, are related to the short shrift given to class structure and modes of production. Warren, whom we have already discussed, called these theories a nationalist theory of development rather than a historical materialist theory of development since nothing in historical materialism says that autarky is preferable to free trade. Furthermore, relations of production were made secondary in these theories of underdevelopment, and

it was pointed out their definition of capitalism as a market exchange relationship has nothing to do with the Marxist definition of capitalism, which is captured in terms of modes of production (Laclau 1971). The Althusserians, Brenner and Warren, questioned this point and launched an attack on the demotion of class relationships and forces of production in the underdevelopment theories.

Brenner (1977, 1985) pointed out that the motor of change was not any economic element *per se* but the political aspect of class struggle. Given a stage of forces of production, the outcome of crisis in a society would depend on the resolution of class struggle. Intervening in the Dobb-Sweezy debate on transition (see Hilton 1978), Brenner turned his criticism against the economic essentialism in Dobb (development of forces of production as the prime mover, Dobb 1978a, 1978b) and Sweezy (external trade as the prime mover, Sweezy 1978a, 1978b) into a criticism of the underdevelopment theories. Brenner averred that advanced countries were not dependent on the underdeveloped countries for growth or luxury consumption and that the economic plight of the underdeveloped countries should be identified in its internal class structure and not in their relationship with the developed countries. By bringing in class struggle, Brenner aspired to overthrow the privileged status of the economic and replace it with class struggle, thereby bringing in the element of subjectivity as the prime mover within the heart of historical materialism. However, Brenner's emphasis on class struggle is only a short-term measure; in the long run, in Brenner's theory, the development of society and the specific form of class struggle and, subsequently, its outcome will depend on the level of development of the forces of production. Thus, in the last instance, Brenner's political emphasis of class struggle depends on the economic, thereby undercutting his critique of economic essentialism.

The articulation of modes of production school criticizes the underdevelopment theories for demoting the mode of production. Rey (1978), the most famous of the articulation theorists, argued that capitalism is inherently dynamic and cannot be blamed for underdevelopment. According to this school, the peripheries are underdeveloped because of the precapitalist relations of production that act as a barrier to the development of capitalism. So the cause of underdevelopment resides in the social formation in the peripheral countries. Following Althusser and Balibar (1975), Rey makes a distinction between social formation and modes of production. Mode of production is composed by the real appropriation, which determines the productive forces and property relations, which determine the relations of production. Mode of production is an analytical concept while the articulatory existence of the different modes of production at a con-

crete historical stage constitutes the social formation. Rey points to three types of precapitalist modes of production—feudal, traditional, and colonial—but he also asserts that most underdeveloped countries are constituted by either the colonial or traditional modes of production in addition to the capitalist mode. According to Rey, the transition from precapitalism to capitalism can be divided into three stages. The first stage is when the precapitalist mode of production is dominant compared to the capitalist mode of production. The second stage is when the capitalist mode of production is dominant but it still depends on the precapitalist mode of production for food and labor power. Here, the capitalist form of exploitation is complemented by the precapitalist form of exploitation. Most underdeveloped countries are in this stage of transition. In the third stage, precapitalist modes of production are fully replaced by capitalist modes of production. According to Rey, underdeveloped countries will move toward a socialist revolution before they can reach this stage, since the transition process from the second to the third stage is painful and slow due to the considerable influence and the reactionary nature of nonfeudal precapitalist mode of production to which the capitalist mode of production is articulated. Capitalism is absolved of any role in this slow and painful transition because by definition capitalism is dynamic and hence cannot be held responsible for any drag.²⁶ The only way out of this impasse is violence. Capitalism will have to destroy these nonfeudal modes of production through force by expelling the peasants from the land. This violence will be counterproductive and will immediately create the conditions for a socialist revolution.

Bradby (1975) and Foster-Carter (1978) criticize the importance of violence in Rey and point out that capitalism does not necessarily require violence for its development. If violence is ruled out then Rey's explanation of capitalist development collapses, since in Rey there are no other ways for capitalism to develop. Also, Rey took a unidimensional view of capitalism by assuming that capitalism works in the same way everywhere and the differences in the social formations are only due to the types of precapitalist modes of production to which capitalism is articulated. Thus underdevelopment is blamed on the precapitalist modes of production and the specific nature of capitalism has nothing to do with it. This reductionism in identifying the root of underdevelopment was attacked by Foster-Carter, who also questioned the validity of the concept of traditional mode of production and colonial mode of production. Because a country has been colonized does not mean that its mode of production can be called colonial. There is an ad-hoc-ness in naming these modes in Rey and other theorists of this school. They do not face questions such as "What are the

relations of production and class structures in the colonial mode of production" and "How and why is it different from other modes of production?" These problems had an adverse impact on the "articulation of modes of production school."²⁷ By early 1980s, the influence of the Althusserian school of development on Marxism waned.

Stung by the above set of criticisms, the underdevelopment theorists like Frank and Wallerstein did try to integrate aspects of class relations and modes of production in their model while Amin strove to incorporate aspects of both class struggle and productivity in unequal exchange theory but, in their corrections, the notion of class and mode of production emerged as a consequence of the international exchange relationship, leading to the loss of their discursive privilege from the Marxist paradigm. In other words, their effort to include class and modes of production did not yield any additional insights into their transition/development theories. It is indeed interesting to note that the underdevelopment theorists never questioned the central place of forces of production and its development in achieving the *telo* of socialism/communism as per the process of "industrialization through capital accumulation" in the present juncture. Thus while some saw their approach as departing from historical materialism, from our concern of focusing on the methodological structure, we see the underdevelopment school only as a variant of historical materialism.

Generally in post-Marxist theories of transition and development, the trajectory of development as traveling from center to the periphery is never questioned. Industrialization through capital accumulation remains the key to progressive development of society in the present juncture of history, which is essentially the transition of society forwarding the development of the forces of production. Thus the essentialism of forces of production and the historicist logic of historical materialism or some variant of the same remains unchallenged in these approaches of transition and development.

Thus, in a sense, despite the debates on Marxist concepts of transition and development within Marxism that span over a century, the unifying theme running across all of these clashing approaches seems to be the methodological structure of essentialism and historicism, where the vision of change to its final destination would follow a big-bang macro transformation of society following the process of industrialization through capital accumulation. But why is essentialism or its dynamic counterpart, historicism, a matter of concern? Whether, and if so, why, is historical materialism or any counterpart with similar kinds of features possessing the essentialist and historicist methodological traits considered problematical?²⁸ These are some of the questions we address in the following discussion.