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Introduction: Beyond the General and the Particular

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In spite of developing a rich and complex historiography, not until very recently has South Asia provided a major empirical reference point within broader historical debates and in theoretical constructs seeking to analyse the forces that have shaped the modern world. Yet the historical experience of South Asia in the pre-modern, colonial and contemporary periods throws light on several critical sets of relations and processes, the understanding and appreciation of which remain rather inadequate in existing debates and theory. Any interpretation of the development of capitalism as a social and economic system on a global scale, for instance—an undoubtedly important theme in modern world history—is enhanced and sharpened while at the same time rendered more complex and variegated through a careful sifting of the South Asian evidence.

Once world-systems analysts led by Immanuel Wallerstein had turned their attention to the subcontinent, some points of tension quickly emerged between their perspectives and those of a large number of scholars and historians of the South Asian region. These points of tension, it seemed, could be best turned to creative advantage by using them as points of departure for a reconceptualization of South Asian history within broader supra-regional and world contexts. In pursuit of this aim, nearly 150 social scientists from three continents gathered at Tufts University on 12-14 December 1986 to participate in an international historical conference on South Asia and World Capitalism.¹ The conference generated an expansive, provoca-

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¹ The conference was jointly sponsored by the Department of History, Tufts

tive and productive dialogue and discussion among scholars of diverse backgrounds and intellectual predilections. Twenty-nine formal papers were presented in a series of panels that spanned the temporal and spatial dynamics of historical systems: relations of production and appropriation in agriculture and industry; politics and the state; and the connections between the world economy and regional or national economies of South Asia.² Historians of South Asia put their separate cells of expertise into large-scale and long-term perspectives that integrate scholarship and explain historical change. Scholars of the modern world system responded to the challenge of not only the intricacies of the region but the active agency of its inhabitants who, through their creativity, collaboration and resistance, played a crucial role in the construction of the edifice of world capitalism.

Sixteen of the papers which related most closely to the principal theme of the interaction between South Asia and capitalism in its global context are being published. These have been revised and refined in the light of comments made at the conference, as well as of lengthy intercontinental correspondence and conversations over the course of a year and a half.³ Most of the other contributions will appear in various scholarly journals. In order to facilitate communication between a wide range of perspectives on South Asian and world history assembled at the conference, Immanuel Wallerstein, C. A. Bayly and David Washbrook were asked to state the premises of their approaches and arguments in the form of opening keynote addresses. These set the stage for the substantive panels which followed. The papers and discussion as a whole provided revisionist interpretations, fresh insights, subtle disagreements and bold comparisons; together they pointed the way towards laying out an intellectual agenda for the future.

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² A list of authors and titles of papers is appended at the end of this volume.

³ Reference to conference papers, as well as to the revised versions herein, explains the constant switching of tenses in this Introduction.

The purpose of this introductory essay is to highlight some of these facets.

Employing the device of a telling inversion of the common descriptive phraseology of the universal and the particular, Immanuel Wallerstein seeks to breach the false dichotomy handed down by the *Methodenstreit* of the nineteenth century. The depiction of South Asia as 'abstract, theoretical, nomothetic' ruffled a few feathers; but those who also heard world capitalism dubbed 'concrete, empirical, idiographic' grasped the point that these terms were social creations and their boundaries either indeterminate or arbitrary. Wallerstein urges the acceptance of the approach of a *via media*—that of the study of historical systems. One can apprehend systemic change/s such as that/those wrought by European conquest of India only by means of a model. The model which Wallerstein suggests is that of the incorporation of new zones by an expanding capitalist world economy, although he readily acknowledges that this is not the only possible model. Analysis can proceed by concentrating on processes and relations.

C. A. Bayly, far from guarding the South Asian domain, explores its connections with regions just beyond its frontiers. Drawing links and comparisons with West Asia and South East Asia, he stresses the importance of 'the level of political and economic activity that lies between, as it were, local specificities of the subcontinent and the generalities of the international capitalist system.' Bayly identifies the reasons why the arguments advanced within the field of South Asian historiography have not been readily generalizable or even comparable in the past. The area-studies rubric, the obsession of Indology and Indian sociology with hierarchy, and the emphasis on the formal structures of empire have all been stumbling-blocks. Recent trends in scholarship suggest, however, that the obstacles are being cleared through an investigation, for example, of mechanisms of surplus appropriation other than land revenue, and that comparison is coming back into vogue.

Building on the premise that there were 'many routes to the modern world system', Bayly offers a radical reinterpretation of the nature of the immediate pre-colonial era and the process of colonial conquest. The eighteenth century does not appear any more as a dark valley in the shadow of towering empires.

Simple
Approp
Revenue

Immediate
pre-colonial
important

It was a creative and dynamic period of changes in Asia which, between 1750 and 1820, were 'appropriated by colonialist initiatives'. There were three sources of contradictions, even weaknesses, in the otherwise buoyant pre-colonial structures of political economy and society: first, there was the erratic nature of the flow of bullion from Europe to Asia; second, there were inter-regional imbalances which triggered the great tribal breakouts into the heartland of the land-based empires; and finally, there were conflicts resulting from intra-regional maldistribution of wealth across localities and classes. These contradictions related to the process of colonial domination in two important ways. They led to a congruence of interests between Indian merchant capitalists and the English East India Company against the background of a process of commercialization of political power. They also engendered economic and strategic threats to the Company's Indian bases of operation from compact states based on military fiscalism which had to be neutralized. Whether in early colonial India or in the formally independent, 'para-colonial' states of West Asia, pre-existing social and economic arrangements were only partially remoulded and redirected. Despite the seizure of the imperial level of the Indian economy by 'the surrogate of an European nation-state', certain indigenous interests and identities showed remarkable adaptability and resilience in the long run. This is a theme on which Bayly elaborates in his more substantive paper on north India.

There are three items on Bayly's agenda which might help, first, to reverse the implicit teleology in South Asian historiography which has unduly privileged the successful, and, second, beat down the boundaries that have kept apart ideology and structure. The first two of these three items are a closer examination of South Asian developments as inter-regional processes; and of periods in South Asian history which have fallen inconveniently between clearly demarcated ones. His third suggestion, the study of the sociology of knowledge, is of considerable interest. The merging together of different sets of skills and techniques of Hindu accountancy and Muslim accountability within a larger body of knowledge in the pre-colonial era may suggest, for instance, evidence of a capitalistic

Bayly
 1 Alliance of pol. power
 2 Commercialization
 3 Military fiscalism

Capitalistic
 Pre-colonial
 Hindu & Muslim
 Mutual
 Total

public culture in India rather than the rigid mentalities of an *ancien régime*.

David Washbrook, concentrating in his opening statement on the period after 1820, urges a response to Wallerstein's challenge to conceive South Asian history within a larger world context instead of the usual retreat into the priorities of the 'plain peculiar'. At least three points of 'elision' between global history and South Asian history are immediately identifiable: the impact of the rhythms and fluctuations of the world economy; the relationship of north Indian social structure and the British Indian army in its worldwide policing role, and the world-systemic constraints on the culture and ideology of South Asian elites. Having readily accepted the existence of a global set of interconnections, at least by the early nineteenth century, Washbrook is troubled by the insistence on the 'singularity' of the world system and what he sees as the partial nature of Wallerstein's critique of social scientific universalism. Reluctant to altogether abandon the dichotomy between the general and the particular, Washbrook argues that capitalism in the pursuit of general goals of accumulation developed particular and diverse instruments of exploitation that were often embedded in specific 'cultures'.

Washbrook does see advantages in an expanded definition of the Wallersteinian concept of 'semi-periphery'. In a sense, he puts forward a notion of the centrality of India as a semi-periphery in the capitalist world system. Indian intermediary capital, migrant labour, and administrative and professional skills are seen to be crucial in the worldwide enterprise of 'capitalist development'. Although quickly subjugated by European capital to the status of usury within India in the early nineteenth century, Indian intermediary capital found somewhat more exalted opportunities as it followed the imperial flag around the globe. The dominance of European capital in India was achieved not through the process of market exchange but by a deployment of the coercive force of the state. Once it had state power within its grasp partly by exploiting its alliance of convenience with indigenous commercial magnates, the Company set about rooting out competition in the marketplace and establishing crucial sets of monopolies. The British

Washbrook

Wallerstein
 Conception

Indian
 capital
 and
 skills
 crucial

Company
 alliance

in India were caught, however, in the meshes of the social and political contradictions inherent in the economic project of capitalism, which included, of course, resistance by labour. It was the British attempt to keep the lid on these contradictions which, in Washbrook's view, gave 'capitalist development' in India its specific character.

Capitalist exploitation in colonial India did not take the path of a full proletarianization of labour; instead it took usurious forms, though not because it proved cheaper for capital to obtain subventions for wage-labour. By contrast, it was more common for wages to subvent uneconomic peasant-family production in the agrarian sector. The small peasant's 'successful' resistance to the expropriation of land brought about a situation in which the concepts of dominance and class resistance merged into those of complicity and gender oppression. Washbrook sees colonial capitalism in India as ultimately resting on the exploitation of women and children within the peasant family.

The positions of Wallerstein, Bayly and Washbrook contain subtle but significant differences, some of which were captured in the discussion which followed the presentations and which are worth emphasizing. A first set of differences relates to the timing and character of the linking of South Asia to the capitalist world system through the mechanism of formal colonialism; a second relates to the role of the state in an expansionary phase of the capitalist world economy. Wallerstein sees 'incorporation' and the transition to colonialism as a comprehensive process, beginning with the 'press outward' from Europe about 1750 and reaching the end of a sequence about 1820 which was marked by the decline of India's textile industry. Bayly places more emphasis on the internal contradictions that emerged in the eighteenth century. The capitalist world economy casts its shadow in 1820 when South Asia loses its ability to sell its artisanal products abroad and also fails to reproduce its own artisanal economy. In an interesting reversal of emphasis on 'internal' and 'external' factors, Wallerstein suggested that differences in internal structures might explain actual political dominion in India and the lack of it in the Ottoman empire. Bayly pointed to the role of the East India Company as a revenue-collecting body in its own right, busily building

subsidiary alliances, as the source of the real difference between colonial India and the quasi-independent, 'para-colonial' states of West Asia. The role of the state in the consolidation of capitalism, Wallerstein reminded Washbrook, was not peculiar to South Asia. Not only could the same argument be made for the British and French states in the nineteenth century, but even the state intervening to reduce competition and increase monopolies was 'almost the primary characteristic of the state within the capitalist world-economy'.

Some of the papers on the first substantive panel—'Historical Systems: Temporal and Spatial Dynamics'—delved further back in time than the period of colonial conquest. Going beyond his work on trade and civilization in the Indian Ocean (Chaudhuri: 1985), K. N. Chaudhuri presents a theoretical discourse on the structures of articulation and contradiction in pre-modern Asia and the ways in which these relate to the historical roots of capitalism. Contradictions were inherent in logical systems as well as in physical and mental structures. To get away from the teleology of constantly emergent markets or even capitalism, it is necessary to identify the thresholds and transient stages. But this can only be done by noting four principles of articulation which remain invariant under transformation: kingship, military power, food, and, more controversially, a set of strategies to maximize individual gain.

By reference to the inflow of precious metals into India, John Richards underscored the metropolitan nature of the Indian economy between 1200 and 1500. Even before a relatively centralized, interlinked empire was established by the Mughals, Indian society was marked by dynamism in the arenas of state, market, production and trade. Encouragement by the early Mughal state and the availability of new resources from the settler frontier of Bengal ensured a continuity of these trends and a quite impressive record of productivity, though not necessarily in distribution. It became clear in discussions following a question put by Jayati Ghosh that the connection between India's persistent export surplus and prices needs to be further explored. Ravi Palat analysed processes and relations in south India in the same period, suggesting that long-term structural change was not simply a characteristic of pre-modern Europe. He showed how changing methods of politi-

cal integration restructured production relationships and produced a range of multilateral dependencies at levels of society other than the state. This network of dependencies proved pivotal in the emergence of an Indian Ocean world economy centred on the subcontinent, whose integrated production processes operated 'with great breadth but little depth'. Palat's identification of 'the subversion of peasant agriculture' by intrusive states as the principal internal contradiction in the process of disarticulation of the Indian Ocean world economy is open to question on account of recent research on the Mughals. His work adds to and modifies existing world-systems theory to the extent that tributary relations can now be seen to alter societal relations, and an inter-state system is shown to be not merely a civilizational achievement of early modern Europe.

Stephen Dale provides a fascinating insight into India's overland Eurasian connections, a theme much neglected in a field enamoured of the grandeur of oceanic trade. Relying on hitherto unused Russian records, his paper demonstrates the considerable vitality of Indian trade with Russia in the late seventeenth and early eighteenth centuries. This in some ways provides an exception to the general picture of retreat in the face of advancing European companies. Dale carefully charts the three major trade routes and draws a social portrait of the Indian merchant community in Astrakhan. The far-flung activities of Indian merchants seriously qualify the view that they showed a lack of initiative in searching out markets in Europe. The explanation of their failure to reach western European markets must be sought in a set of other factors, which Dale lists in the conclusion of his paper.

Closely related to the panel on historical systems were papers by C. A. Bayly and David Washbrook on social formations and political economies at the regional level, in north and south India, respectively. Bayly addresses the problematic of the adaptability of a magnate or *malik* level of political economy and power in the north-Indian countryside from the pre-colonial to the contemporary period. This level, comprising Rajputs, Bhumi-har Brahmins and Jats, has shown extraordinary resilience to pressures and opportunities emanating from manifold changes at the levels of world economy and imperial

economy. Bayly postulates a model of four hierarchically organized political economies (to be distinguished from simple levels of power): (a) the Euro-American world capitalist economy; (b) an imperial economy of all-India scale; (c) the crucial level of rural political economy and power structure dominated by the magnates; and (d) the level of the under-class of labourers, including small peasants and the landless. Bayly explains the persistence of this 'layered' political economy by a set of constraints and modes of adaptation which never allowed any one layer to wholly overwhelm any other. Despite the rise to dominance of the Euro-American world capitalist economy, for instance, there was no complete transition from world empire to world economy. The imperial level of economy and society survived by servicing levels (a) and (c), and by mediating conflicts between them. Similarly, the rural-magnate level was never able to capture the imperial state, not least because of divisions within it, but was well able to deflect, channel and manipulate pressures from above to retain control and dominance at the level of the regional social formation. In Bayly's view not even the lowest level was fully subordinated, being able to take some advantage of the contradictions that bedevilled the smooth functioning of the other levels. Bayly's analysis of 'many varieties of specifically *Indian* economy' adds nuance to the articulation of regional social formations to the capitalist world economy.

Instead of covering an extended time-span, Washbrook concentrated on indigenous social formations in south India during the transition to colonial capitalism. Merchant capital in south India in the pre-colonial period had remained trapped in a set of relations which constrained its tendency to dominate subsistence and production, and limited the scope of its social privileges. Merchants' rights of access to resources existed in the form of shares allocated by corporate institutions such as temples. Extending Bayly's notion of the 'commercialization of royal power' in north India, Washbrook suggested that, in the eighteenth-century south, royal power had to be consolidated in the first place, and that, consequently, commercial power itself became royalized as revenue-farmers and financiers arrogated to themselves the powers of the state. While commercial groups had initially favoured the linking of money and

politics, the rise of compact neo-sultanist states based on military fiscalism, such as Mysore in the late eighteenth century, posed serious problems for merchant capitalists. The Company's state promised to resolve their difficulties by deploying its military power to end debilitating inter-territorial strifes, by bestowing rights of private property in place of the old share-rights in community resources, and by instituting a neo-Hindu, Brahminical ruling ideology based on the *varnashrama dharma* caste system. In these ways, the English East India Company secured the material basis of capital accumulation as well as the social privileges of wealth for indigenous merchant capitalists. The Company's state, in Washbrook's view, strengthened both colonial capital and indigenous capital or, in other words, capital in general. This laid the foundations for an increased exploitation of labour. In place of the risk-sharing by capital in old community institutions, the risks of the marketplace were shifted squarely on to the shoulders of the workforce which produced.

The discussion which followed clarified both the differences between north and south and the precise nature of the increased exploitation in the early colonial period. Of late, there has been a convergence in the historiographies of pre-colonial north and south India, with Mughal historians discovering political structures of loose hegemony and historians of the south modifying notions of a segmentary state to include elements of centralized domination. But there were important differences at the level of the social organization of production. Corporate forms of property seem to have been much more common in the pre-colonial south than in the north, where it was much more typical to find individualized family farms. Also, in the south, caste above the line of untouchability did not equate with rigid economic functions. This may have made southern intermediate groups more open to the opportunities provided by the capitalist world economy and might explain the greater degree of involvement of southern society in the colonial enterprise. The proto-proprietary social forms in the north in some sense inhibited any easy or direct appropriation of labour and commodities by world capitalism.

Yet in expounding a model of the interlocking relations between the British and indigenous merchant capitalists, one

should not overlook the pressures exerted by colonial capitalists. The Company's assumption of state authority was in no small way facilitated by the European monopoly over shipping, and hence over flows of cash, and European control of the slightly more advanced forms of military technology and organization. Once state power was achieved, intermediary capital was quickly reduced to inferior status within India. During a phase of plunder the country was drained of large quantities of silver. Having risen to a position of dominance by riding the wave of a relatively buoyant eighteenth-century economy, the British hiked up the Mughal revenue demand and moved from a tax on land to taxes on landed rights. This 'conquistador imperialism' contributed to the economic stagnation of the early nineteenth century. As Bayly puts it in an earlier work: '[whereas] earlier despotisms had been tempered by a political culture which insisted that rulers should offer service and great expenditures in return for high revenue demand, the British acknowledged few such restraints. The crisis of early colonial rule was a moral as much as an economic one' (Bayly: 1983).

The second day of the conference was devoted to South Asian agriculture and industry in the context of world capitalism, and politics in the context of the inter-state system. David Ludden's paper offers a critique of both 'incorporation' and 'transition' (of modes of production) theory. Adapting the Leninist concept of the 'commodity economy', he prefers to see the links between village India and world capitalism as having been forged by expanding networks of commodity production. After 1600 many dynamic agrarian regions were characterized by a style of political economy which Ludden calls tributary commercialism. The establishment of Company *raj* constituted 'a revolution within tributary commercialism'. Ludden dates the transition to colonial capitalism somewhat later than most others—between 1840 and 1880—when rapidly expanding commodity production is geared to the capitalist world market. The nature of colonial expansion, according to Ludden, was moulded by 'the regional heritage of agrarian India', which in turn rested on the labour process in distinct ecological environments of agricultural production. This view of proliferating commodity production leaves out of account the extraordinary violence resorted to by capitalism on a world scale, often

through institutions of the state, to make peoples and regions serve its primary purpose of commodity production.

In his study of bonded labour in south Bihar, Gyan Prakash responds to the charge of 'homogenization' brought by Edward Said against practitioners of world history. Prakash sees capitalist domination as a contestatory process. Meanings that have been distorted and voices that have been stifled by capitalism are reconstructed by engaging in a long-term history of *kamiamalik* relations in a region of eastern India. Bondage was not a given condition from the past but located firmly in its binary opposition with freedom within bourgeois discourse. The translation of *kamias* to bonded labourers signified a historical transformation effected in part by the singling out of *kamiauti* transactions as the basis of labour relations, and their depiction as debt bondage, during colonial rule. On this same panel Paul Greenough presented a comparative perspective on the Bengal famines of 1770 and 1943 within the context of early and late colonialism, as well as sets of indigenous cultural relations. Crispin Bates and Marina Carter, in their joint paper on migrant tribal labour, argued persuasively for a reconsideration of the existence of 'free' wage labour as the primary criterion defining capitalist relations of production.

The paradigm of 'deindustrialization' has long dominated the debates on the economic history of colonial India. Jim Matson, in his case study of cotton textiles in India, suggests an alternative approach towards conceptualizing the nature of manufacturing. The notion of 'peripheralization', defined as 'the increasing participation of a people in activities within the division of labour which channel their economic surplus to the core', can better capture the relationship of production processes to household structures, social classes and the state. Matson expands the temporal dimension in his study of industry to include the period prior to the import of Lancashire textiles as well as that following the growth of significant mill-production in India. The restructuring of the commodity chain at the onset of each of the three phases, including the last, deepened the process of peripheralization and strengthened the core-periphery dichotomy. It is arguable that India, at least in the final phase, had acquired some key characteristics of a 'semi-periphery'. Raj Chandavarkar, following his early cri-

tiques of teleological views of industrialization based on the atypical and largely misunderstood English model, analysed labour-capital relations in Bombay from the perspective of social history. Omkar Goswami shifted the focus away from British managing agencies to point out three significant processes in the industrial evolution of eastern India between 1918 and 1960: the rise of Indian entrepreneurs in industries hitherto dominated by Europeans such as jute and collieries; the growth and decline of *swadeshi* Bengali firms; and the appearance of multinational corporations from the 1930s. Industrial capitalism in the period of late colonialism took many forms.

Two of the papers on South Asian politics, those by Richard Fox and Ayesha Jalal, were directly related to the context of world capitalism, while others emphasized the importance of alternative broader contexts. Gordon Johnson's paper on government and nationalism, and Thomas Metcalf's on architecture and authority, were reminders of the relevance of the British imperial system. Barbara Metcalf, in assessing the role of Islam in Pakistani society and polity, advanced the notion of a 'Muslim world order'. Leonard Gordon weighed the strengths and weaknesses of the Left within the Indian nationalist movement and the efficacy of its anti-capitalist politics. James Manor critiqued André Gunder Frank's interpretation of the Indian Emergency of 1975-7 and stressed the indigenous resources of India's polity.

Through a case study of the agitation that preceded the imposition of the Emergency, Richard Fox addresses the problematic of cultural domination in the world system. The movement saw a close congruence between the ideologies of Gandhian socialism and Hindu identity which developed, in Fox's view, from past cultural domination within the world system. Alongside the capitalist world system there had sprung up, after the sixteenth century, a world system of cultural beliefs within which regions were hierarchically differentiated. Fox pours disbelief on the interpretations of Ashis Nandy and Partha Chatterjee which suggest the existence of 'cultural crannies' within which a Gandhian ideology of resistance was formulated. Against these, he posits a world system of cultural domination which 'permits effective resistance to that domina-

tion, even though such resistance is often crippled by its world-systemic origins.'

Ayesha Jalal studies the process of state-building in South Asia within the context of the passing of hegemony in the capitalist world from British to American hands in the decade following the end of World War II. Pakistan, which began its independent career without any central state apparatus, provides a fascinating laboratory for examining the construction of a state. By probing the interaction between international, regional and domestic forces, Jalal shows how the nature of the state's insertion into the international system influences the structure and character of the state. She finds Anglo-American rivalry rather than the Cold War divide to have been the more important international context within which states in post-colonial Asia evolved. Her paper demonstrates how and why the military-bureaucratic state had tended to be the major institutional form through which world capitalism in the era of US hegemony has perpetuated itself. The analysis of the political and economic monopoly controls imposed by the military and bureaucratic institutions of the state has resonances in relation to arguments advanced for the period of transition to colonial capitalism, and provides a basis for a reconsideration of theories of capitalism and the state.

On the third morning the conference convened to consider the links between fluctuations in the world economy and the economy of South Asia. The previous evening Pranab Bardhan, in a special lecture titled 'The Indian State and Development in the Context of the Contemporary International Economy', had emphasized state policies in the post-Independence period which had limited the impact of international economic trends, certainly by comparison with most other countries of the developing world. This had led some participants to conclude that India possessed a 'closed' economy for which vicissitudes in the world economy were of little relevance. The panel on economic fluctuations brought about a dramatic turnaround as the consensus shifted away from the 'open-closed' dichotomy to a consideration of the degree of 'vulnerability' (a term popularized by Jayati Ghosh) of the South Asian economy to changes emanating in the 'core' of the capitalist world economy.

After B. R. Tomlinson had presented a set of statistics on

trade and investment capital, raising questions as to whether the British-Indian connection could be regarded at all as an 'imperial economy', Dietmar Rothermund stressed the catastrophic impact of the Great Depression on prices and credit in India, an impact which was only compounded by the policies of the colonial government. Rothermund's paper underscores the connection between the economic crisis and nationalist politics. Ruchira Chatterjee's paper on the nature of cyclical fluctuations in the Indian economy between 1947 and 1977 emphasizes the powerful influence exerted by agricultural output and prices on short-run movements of the Indian economy in general, and on industrial output and prices (with a lag) in particular. It would be interesting to examine whether international factors contributed in any way to the agricultural downturns that Chatterjee identifies in her paper.

While the 'openness' of the economies of Pakistan, Bangladesh and Sri Lanka is widely recognized, Jayati Ghosh challenges the notion that the Indian economy is 'closed' in any meaningful sense. Ratios of trade to production or to national income are not appropriate indexes either of 'openness' or 'vulnerability' since the international economy generally has an impact on regional economies vastly disproportionate to these ratios. Ghosh first analyses the contemporary contradictions within the capitalist 'core' and emphasizes that inflation-free growth can ultimately only be maintained by holding down primary product prices. She then points to four main sources of the vulnerability of the Indian economy: the impact of adverse terms of trade movements; state policies, especially the recent trend towards import liberalization; external financing of balance of trade deficits, on which again there has been a renewed reliance in recent years; and finally, labour emigration, especially to West Asia in the 1970s. She prescribes various forms of counter-trade and economic co-operation as options for South Asia in a hostile world environment.

In commenting on the linkages between the world economy and regional economies in South Asia, my paper attempts to locate and integrate strategic levels of analysis at which social and economic relations are closely strung together. It urges less emphasis on parametric features of economic impact, such as price fall, burden of debt and loss of land, and more on rela-

tional features, such as credit relations as well as the complex ways these serve capital and assure the social reproduction of labour. The first analytical level is defined by the class structure within a region. Agrarian historians of South Asia have now provided sufficient insights into the nature of colonial social formations for a sharper interpretation of their articulation to the capitalist world economy to be possible. The 1930s slump, for instance, had a differential impact on different types of agrarian social formations (Bose: 1986). The agrarian regions of Asia were not discrete entities but were critically dependent in the period from the mid nineteenth century to 1930 on systems of inter-regional specialization in the flows of capital, skills and labour between different types of agrarian regions. This is a crucial intermediate level of analysis which has in the past been only inadequately investigated by scholars concerned with the world economy, as well as by historians of agrarian regions. Inter-regional networks were moulded, re-ordered and rendered subservient by colonial capitalism but never quite torn apart, until they came under severe strain in the 1930s. These networks did not represent simply an interdependence of primary-producing regimes, but formed in a very real sense an intermediate level of the hierarchical structure of world capitalism dominated by high finance, and remained acutely susceptible to its periodic crises. Indeed, from the 1820s onwards contradictions in the upper reaches of the structure of capitalism opened the conditions of possibility of effective resistance by labour, which could dismantle the erstwhile predominant mode of surplus appropriation at the level of the regional social formation.

Two dominant themes emerged in the course of the conference which seemed to call for further research: first, the inter-regional level of political economy, and second, the role of the state in the service of capitalism. It would seem to make sense to beat down the boundaries to set developments in South Asia within the comparative context of inter-regional processes and relations. But frontiers continue to be important, and that is where the state comes in. As Wallerstein remarked in the concluding session of the conference, 'All states within the world-economy are conflict zones about the degree to which they turn on and off spigots.' States are not simply proxies for

capitalists' or other people's interests, but generate interests of their own. The differences between core, periphery and semi-periphery within the capitalist world economy, though their boundaries are apt to change, might define the levels of power to which different states could aspire.

If there was one conclusion to emerge from the conference it was that the dichotomy between the general and the particular could only be transcended by recognizing patterns and webs of historical relationships, constantly and complexly woven and rewoven, as the warp and woof of South Asia and world capitalism.