Achin Chakraborty · Anjan Chakrabarti ·
Byasdeb Dasgupta · Samita Sen *Editors*

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Reflections on Marx

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Introduction

The first volume of Karl Marx's book 'Capital: A Critique of Political Economy' was published in 1867, the only volume to be published in his lifetime. The subsequent two volumes of *Capital* were put together after Marx's death from the manuscripts that he left behind. The working-class movement and progressive intellectuals throughout the world considered these volumes to be the most important guide to understand the ills of capitalism, the origin of the working class and the materiality of exploitation of the workers. As the process of capital rapidly moved across the globe, so did with it the book *Capital*. It was translated worldwide in numerous languages and is often regarded as one of the most important books in the last two centuries. There is not a corner in the world which has not been touched by ideas and movements derived from or drawing inspiration from Marx generally and *Capital* in particular. In the last three decades, as socialism collapsed and neoliberal capitalism spread to various corners of the globe, *Capital* became a redundant treatise for many. Its analysis was held outdated, fit for only intellectual consumption and curiosity.

In postcolonial countries, *Capital* became superfluous for other reasons too. As developmentalism overwhelmed the national agenda of these countries, they competed with each other in inviting foreign capital. The process of capital, no matter what its forms, became a welcome guest, indeed much sought after. A more predatory capital, with the active help of the state, challenged the existing framework of labour rights, constructed at both national and international levels and defanged anti-capitalist struggles. As global capitalism gradually showed a tendency of shifting its centre to the East, *Capital* lost its earlier salience for postcolonial social thought.

It was the world's economic crisis following the financial crisis of 2008 and the recognition that the process and forms of capital required both understanding and reformation that brought *Capital* back into fashion. It now receives close and serious attention from critical theorists, social scientists and progressive movements. Indeed, the analyses of *Capital* have acquired a new urgency today. Even in the popular media and newspapers, we see a resonance of its perceived relevance and find attempts to draw out the contemporary relevance of many of its arguments.

In the developing world, the drive for developmentalism, expansion of market, financialisation, rampant privatisation, agrarian distress, displacement and involuntary migration, and boundless exploitation of natural and human resources have stoked what some have called 'southern insurgencies'. In this milieu, *Capital* has once again grabbed attention. Yet we have to enquire, what does this return to attention signify? What are the new questions demanding attention? Can these questions be addressed within the analytic and political spirit with which *Capital* was written? What are the old questions brought to life in the contemporary time, with which Marx himself had struggled? We may cite as an example the relation of rent with surplus and accumulation. Marx treated this question at length in *Capital*; it is a question of enormous significance once again in the twenty-first century. Given the current intensity of exploitation and newer modes of accumulation and labour forms, how do we characterise the capitalism we are facing today? What is the nature of this, our capitalism? How do we understand its historic social formation? If we were to emulate Marx, how would we undertake today a 'critique of political economy', of which *Capital* remains, even after 150 years of its publication, a model? Should we read *Capital*, Vol 1, as if it stands alone? Or should we read it in conjunction with Volumes II and III, as some influential Marxist thinkers like Stephen Resnick and Richard Wolff now suggest. What are the different fault lines, such as gender, caste, race, religion, along which capitalism functions and moves forward today? Are these the fault lines along which the wage form of work is modified, according to the needs of capitalism? Similarly, what are the institutions, such as family, household or global regulating agencies, that play a determining role not only in consumption but also in the reproduction of labour power in today's capitalism? What about the other non-capitalist means of organisation of surplus, actually and possibly, that continue to proliferate in the era of neoliberal globalisation when capital has been at its most expansive in recent history. These are some of the issues addressed in the various chapters of this book.

Capital demands our attention at another level. This book explicitly poses the problem of multilinearity. During Marx's own lifetime, he said that Russia, India and many other non-Western societies may take different paths. We can understand the proposition of differing paths in two distinct ways. First, even within global capitalism, postcolonial countries may present different experiences of capitalism with their own strategies for negotiating, bypassing, resisting and/or transforming capitalism. After all, *Capital* points us towards the close relation between the genesis of industrial capitalism in Europe and colonialism. It is not coincidental that the reference to colonialism comes immediately after the account of primitive accumulation. Thus, the analysis of commodity described as the cell-form of capitalism is in juxtaposition with an account of the historic genesis of capitalism as a global system.

Colonialism acquires greater significance if we consider the arguments about the reproduction of capital made in *Capital*. It is Rosa Luxemberg's *The Accumulation of Capital* that drew attention to the critical role played by the outside in the genesis of capitalism. She pointed out that the outside was a fundamental condition of accumulation. In the development of capitalism in Europe, colonialism constituted

the non-capitalist (or pre-capitalist) outside which enabled accumulation and realization of surplus value. In a different context, Antonio Gramsci in the three volumes of *Prison Notebooks* (more are being translated presently) invoked the problem of outside from within modern national formation. Specifically, he distilled out the so-called national formation of Italian Risorgimento as an instance of 'revolution without revolution', the creation of a 'bastard' unity that excluded the toiling masses, agrarian peasants in the South and industrial proletariat in the North. In contrast to the nationalist narrative, Gramsci unpacked Risorgimento as a colonial articulation of the southern peasant subaltern with capitalist Northern Italy that was produced through a racial discourse that rendered southerners as inferior. His reading explodes the myth of national integration and compels us to, in a somewhat psychoanalytical sense, rethink the presence of outside in a dyadic form in the hegemonic order—racialised, pathological, devalued other as the foregrounded outside (from the perspective of the centre—Risorgimento; what is to be cited) and the foreclosed space-perspective-life worlds of the real outside (again, from the perspective of the centre—Risorgimento; what must never be cited). While the hegemonic order circumscribes politics within its acknowledged space, Gramsci's revolutionary counter-hegemonic politics (which, in his case, appeared as an attempt of alternative form of nation-building extending to a new international order) emphasised on the return of the foreclosed outside, i.e. the space, perspective and praxis of the toiling masses. Both Luxemburg and Gramsci have bequeathed for us precious historical lessons and insights into how the contradictions and conflicts between capital and labour, between capitalism and its outside that are developed in Marx's *Capital*, find fruition through the category of the outside, within and beyond nation. With the collapse of the legitimacy of Soviet socialism, the theoretical task of bringing alive these historical lessons and insights and moulding their functions in transformative politics has once again restarted. Almost all writers in this book are acutely aware of this responsibility, i.e., of the need for handholding of the critique of capitalist process and counter-hegemonic politics, even as they might be emphasising the former or the latter in their respective essays. And, some essays explicitly respond to certain questions that concern the outside.

If a non-capitalist outside is essential for capitalist accumulation, how does capital negotiate with its outside? There have been many attempts in recent years to revisit the question of primitive accumulation. The enormously influential work of David Harvey points to continuities in processes of primitive accumulation rather than a one-time historical transformation. Is primitive accumulation a continual process? In this age of globalisation, how do we connect the notion of a non-capitalist outside with the theory of ongoing primitive accumulation?

In the aftermath of the collapse of Soviet-style socialism, the failure of global capitalism following the 2008 economic crash and doubts over the authenticity of Chinese socialism, there have been some urgent reconsiderations for thinkers and activists in mooting a postcapitalist politics of economic reconstruction. This reconsideration was driven by an imagination to bypass these failures. The point is to be noted though that there has been a long tradition of postcapitalist politics of economic reconstruction in the East, including in India. This is not surprising since

in most postcolonial societies, there remain multiple temporalities and diverse economies. The Gramscian and Luxemburgian dissonant and fragmented reality is fully alive there, albeit in different and newer forms. The capitalist sector resides cheek by jowl with a host of non-capitalist sectors or even economies. In such a situation, how do we envisage alternatives to mainstream capitalist trajectories that appear set in stone as they unfolded historically in the developed west and moved to the rest of the world? Does the existence (and continued reproduction) of non-capitalist organisations of surplus open up (at all) the possibility of reconstructing alternative economies and communities? Given the failures of top-down 'socialist' systems, this discussion/task of building socialism from below through postcapitalist praxis can no longer be put aside. How does one look at *Capital* in relation to the outside—spatially, perspective-wise and politically? Does this review then change our view of the Inside itself, i.e. the architecture of capital, its location, constitution and work? What new light does it shed on possibilities (and/or probabilities) of postcapitalist transformation of our futures?

This brings us to another important point about this book. We have here a juxtaposition of analytic strategies and narrative devices. The preface to *Capital* makes a distinction between inquiry and exposition. We have followed in the path of combining the two. Is this the way forward? Is this the way in which clarification and self-clarification may be continued?

Finally, locations and perspectives matter in how *Capital* is received and deployed. The contribution of this volume is not simply in the issues that have been covered, but that *Capital* has been interrogated from the location and perspective of the East. To present this proposition is to invoke the relevance and recognition of difference in the reading of canonical texts. Historical differences matter, both in production of knowledge and in objects of analysis, concepts, modes of articulation and politics. Louis Althusser claimed in his essay *On Marx and Freud* that in a necessarily conflictual reality, one cannot see everything from everywhere; in fact, one cannot. Indubitably, we do not each see from our different locations the same thing similarly. Many essays in this book remain sensitive to difference in one form or another and indeed show how and why it matters, theoretically and politically. By asking the questions we have highlighted earlier in this introduction and many others, they explore the distinctiveness in various receptions of *Capital* in the East. These many receptions are different from that in the west, but 'east' and 'west' are not homogeneous blocks on the question of reception of Capital or its consequence for politics. These are not inert questions. The difference in reception shapes outcomes and consequences. There are varieties and divergences in the political response to *Capital* within the East that also need to be marked and have been flagged in this volume. Notably, in this book, we have addressed the existence of divergences and the complexity involved in the task of translating *Capital* and other works of Marx, especially in relation to the historical context and political gradients within which that task was undertaken. This is a crucial area to ponder because it had a profound impact on which issues came to be foregrounded by Marxism, and whether and how far the politics proposed through Marxism could and may flourish in the East. In some cases, as revealed in some of the essays, the complexity of

translation, with its underlying political context and drive, is shown to have changed the character of what signifies as Marxism. In others, this is shown to have shaped brand new questions and areas for Marxism in general to contend with.

No matter how one looks at it, the point remains that the readings of Marx in and from the East did not and do not always fall in line with the dominant strands of reading in the west (if such can be posited in the singular). The contributions to this volume have been sensitive to this tension-ridden history in the space of Marxism. Many essays bring into the forefront some of the demoted and suppressed aspects of *Capital*, the tensions and frictions they provoke, which renders necessary a recasting of extant readings and interpretations of *Capital*. The book is about the reception of *Capital* in the East. It is also about reading, interpreting and developing the issues connected to *Capital* from the East. From another angle, *Capital in the East: Reflections on Marx* is a connecting bridge between the insights of a rich tradition developed in the past and new avenues of interpretations and conceptualisations going into the twenty-first century.

Taking into consideration these thrusts and angles, this volume is tentatively organised into four broad sections for the convenience of readers: (i) Reception of Capital in the East (Jon Solomon dealing with China, Rajarshi Dasgupta with Bengal, Bertil Lintner with Southeast Asia and Gavin Walker with Japan); (ii) Value, Commodity and Forms of Capital (Pranab Kanti Basu dealing with commodity fetishism, Satyaki Roy with value flow and power under global production network, and Byasdeb Dasgupta with finance capital); (iii) Population and Rent in Capital (Ranabir Samaddar revisiting the question of theory of population in *Capital*, Rajesh Bhattacharyaa with an anti-capitalocentric reading of primitive accumulation and surplus population and Iman Mitra revisiting and rethinking rent); and (iv) Borders of Capital and Rethinking Politics (Samita Sen dealing with gender, Anjan Chakrabarti and Anup Dhar with a dialogue between Marx and Gandhi on non-violent socialism, and Manas Bhowmik and Achin Chakraborty delving into workers' cooperative and postcapitalist politics). This rough and broad setting does not mean that in all cases the papers restrict their analyses in line with the thrust of their respective sections. Rather, almost all the papers intersect and overlap across various sections in highlighting this or that aspect, at times reinforcing their respective views and at other times challenging one another. Alongside, they move between inquiry and exposition, translation and history, historical and conceptual, conceptual and political. In bringing together this cornucopia, we hope that the book will showcase the richness of the tradition of reading and interrogating *Capital* from and in the East, and in the process open up new territories of thought and politics for the future.

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Reception of Capital in the East

Sinicized Marxism as a Symptom of the Postcolonial Condition: Arif Dirlik, Mao Zedong, Xu Guangwei, and the Modern Regime of Translation

Jon Solomon

Abstract Interrogating Chinese Marxism's encounter with the approach and translation of *Das Kapital* and Marx, this essay aims to construct a genealogy of Sinification in relation to the concept of postcolonial condition. The condition that we have in mind is precisely the link between the process of valorization and the index of anthropological difference, in which two parallel operations of translation (our word for context-specific ontogenesis) occur: The first is the translation from use value and social value to exchange value, while the second is the translation of social difference, always in a process of becoming, into taxonomies of specific (or species) difference. Our goal is to understand the postcolonial condition in light of the modern regime of translation and to understand how the regimes of accumulation are related to the apparatus of area and anthropological difference that characterizes the postcolonial world, while at the same time accounting for and learning from the extraordinary forms of experimentation occurring in Chinese Marxism today, as in the past.

Keywords Translation · Nationalism · Postcolonialism · Causality · Mao Zedong · Arif Dirlik · Louis Althusser · Ranabir Samaddar · Peter Button

The Institution of Sinicized Marxist Studies and Maoist Thought

The Institutional Context of Contemporary Sinicized Marxism Studies

As the People's Republic of China nears the end of a third decade of breakneck growth since 1990, catapulting the nation into the position of the world's largest economy, one is not surprised to discover the enthusiasm with which an increasing proportion of university-based intellectuals in China have turned their attention to the Communist Party Of China (CCP)'s official policy of "socialism with Chinese

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characteristics." Casual online searches, perusal of databases, and the occasional anecdotal evidence suggest that there has been a veritable explosion of intellectual work within China devoted to the historical, political, social, cultural, and economic dimensions of the party-state policy and related issues.

Undoubtedly, the frenetic level of growth in the national economy has been mirrored in the realm of intellectual production. Part of the reason for this parallel is related to the Chinese government's fabled appetite for infrastructural projects. The number of universities in China has more than doubled since 1999, when the government launched a program massively to expand university attendance. In the midst of this infrastructural expansion, many new departments and programs have been created. On December 3, 2005, the Academic Degrees Committee of the State Council together with the Ministry of Education jointly promulgated the "Notice About Adjusting and Expanding the Primary Level Discipline of Marxist Theory and Its Sub-fields," which officially established the basis for "Sinicized Marxism Studies" as a subfield of the Primary Discipline of Marxist Theory. An indication of the rapid growth of this new subfield can be gleaned anecdotally from news reports of the *National Conference for the Establishment of Academic Norms for the Field of Sinicized Marxism Studies*, an academic conference jointly organized by several top universities in Beijing in December 2016, that gathered representatives from over 50 institutes of "Sinicized Marxism Studies" from universities around the nation (Renminwang 2016). So that means at least 50 new institutes in the space of a decade.

As an institutional formation, these new programs are clearly modeled on the North American precedent of "studies institutes" (such as women's studies, animal studies, and Asian-American studies) that have mushroomed since the 1960s following the phenomenon known as the "democratization of the university" that occurred in North American higher education. Like their North American counterparts, these new programs are essentially pluridisciplinary in nature. Needless to say, similar work continues to come from older conventional disciplines such as economics, Marxism–Leninism institutes, and sociology. Yet I think that the specificity of the new discipline is not too difficult to map out. In *Competing Economic Paradigms in China: The Co-Evolution of Economic Events, Economic Theory and Economics Education*, 1976–2016, Steven Mark Cohn describes in detail the process by which Marxist economics were gradually superseded by neoclassical economics. While tracking this history with Cohn, I remind myself to keep an eye on a separate, parallel intellectual development: The past several decades have also seen a remarkable explosion of interest, both inside academia and in society-at-large, in so-called *guoxue* studies—nativist or national culture studies. Gaining unprecedented symbolic and material status, national culture studies today enjoy an institutional position in China—including new university programs and institutes, Web sites, and news organizations—that is unlike anything seen since 1949, if not since the birth of the modern Chinese university at the end of the nineteenth century—a time when the relational field of discourse, discipline, and institution was quite different from today's configuration. While there are many other factors that go into the intellectual and institutional milieu in which Sinicized Marxism Studies coalesce, the synergy among neoclassical economics, management studies, and nativist stud-

ies palimpsestically grafted over Marxist studies not only defines, in my estimation, the exclusions and presuppositions that constitute the formation of the field, but also reveals the extent to which the relation between the "global" and the "local" is played out within Sinicized Marxism Studies specifically within the terms of neoclassical economics, representing the global, and national culture studies, representing the local. The mapping of the epistemological onto the geopolitical that characterizes this staging must be understood within the horizon of the postcolonial condition during the era of neoliberalism.

Mao Zedong's "Sinification" of Marxism

The notion of the Sinification of Marxism enjoys a rich historical usage (see Liu 2017 for a comprehensive and thought-provoking account) that dates back to a talk by Mao Zedong from December 1938. In relation to Mao's understanding of Sinification, there are basically two opposing currents of thought that dominate Chinese studies conducted in non-Chinese language media outside of the People's Republic of China. The first, represented by Stuart Schram and Nick Knight, essentially holds the notion that both "Marxism" and "Chinese" are known quantities. For these authors, Sinification is a completely transparent and unproblematic term. It is merely enough to show that Mao employs a traditional turn of phrase, or stresses the adaptation of Marxism to Chinese particularities, to justify the use of the word Sinification without any need to consider the extremely unstable position of the modern nation-state within the colonial–imperial modernity and its highly problematic relation to capitalist regimes of accumulation. A second current, represented by Arif Dirlik and Rebecca Karl, is highly suspicious of this approach. As Rebecca Karl succinctly summarizes: "Mao Zedong Thought is also usually said to be a 'Sinification' of Marxism, or the making of Marxism Chinese. This formulation is inadequate, however, as it takes Marxism as a unified dogma and considers Chinese as a settled cultural predisposition. Marxism was (and continues to be) a much-contested matter, and, in the 1930s, 'Chinese' was the subject of intense struggle. It is more appropriate to see Mao Zedong Thought as the product of Mao's simultaneous interpretation of Chinese history and China's present through Marxist categories and the interpretation of Marxist categories through the specific historical situation of China. This mutual interpretation is the motivating dialectic of Mao's theory and revolutionary practice" (Karl 2010, 53). Although Karl does not make the citation explicit, she is undoubtedly referencing or echoing "Mao Zedong" and "Chinese Marxism," Dirlik's landmark essay from 1996 that highlighted the problem of "mutual interpretation" in the context of intense struggle over the forms of political and social organization.

Immanent Causality: Assessing Arif Dirlik's Althusserianism

The most promising aspect of Dirlik's approach to Mao lies in his characterization of an Althusserian moment where the theory of structural, or immanent, causality and overdetermination is put into practice. Referring to one of Mao's central theoretical texts, "On Contradiction," Dirlik writes: "'On Contradiction' depicts a world (and a mode of grasping it) in which not 'things' but relationships are the central data… These relationships do not coexist haphazardly, but constitute a totality structured by their many interactions, a totality that is nevertheless in a constant state of transformation" (Dirlik 1996, 131). As both Karl and Dirlik (but not Knight and Schram) recognize, the central challenge for understanding the "Sinification of Marxism" hinges upon the extent to which both of the terms, "China" and "Marxism," are understood not as static entities that either precede their historic encounter (as teleological cause) or follow from a larger story of universalization (mechanistic effect), but rather as temporal potentialities continuously individuated out of social relations. Informed by a processual ontology situated in the context of political struggle, the entities such as "Marxism" and "Chinese" that simultaneously operate as both cause and effect are considered to be, according to an Althusserian vocabulary, *overdetermined*. The question of causality, in other words, cannot be handled in a mechanistic or teleological way.

It is worth underlining in passing the significance of the Althusserian intervention into the problem of causality for our understanding of the colonial–imperial modernity. A certain *regime of causality* not only defines the essence of colonial governmentality, but also crucially instantiates the disciplines of knowledge tasked with managing all the forms of knowledge inherited from the past that might be seen as "abnormal deviations" due to "national character." A superior understanding of the epistemological laws of causality in tandem with a more powerful application or deployment of that understanding (in the form of colonial science) is both a justification for the legitimacy of colonial governmentality and one of its main ideological forms. With this observation in mind, we might reflect on the implications for a comparison between Mao and Althusser, particularly with regard to the former's emphasis on the priority of praxis, which leads Dirlik to conclude—in my estimation somewhat hastily—that Mao's "notion of causation, therefore, remains less theorized than Althusser's" (Dirlik 1996, 136). This reflection is not designed to privilege the revolutionary over the university professor, but rather to help us pinpoint the exact locus of praxis and theory, in relation to Dirlik's reading of Mao, beyond Dirlik.

The principal reason we must entertain the "Dirlik beyond Dirlik" gesture boils down to this: Dirlik's bold attempt to situate Mao's "Sinification" of Marxism firmly in the practices of structural causality and overdetermination is hobbled by the stubbornly residual force of the given characteristic of modern scholarly study of China. It appears notably in the guise of something that Dirlik calls "Chinese society itself" (Dirlik 1996, 124). Asserting that an entity called Chinese society "remained the locus of its own history" throughout the transition to a modern nation-state, Dirlik struggles to reconcile this "locus" with the "displacement" and "relocation" of that

same society into the global. The Althusserian (or Maoist) echo in Dirlik's conclusion that "Our conception of China (as well as the Chinese conception of self) is of necessity 'overdetermined'" (Dirlik 1996, 124) is muffled by the unexamined presuppositions that lie behind the pronominal invocation of *our* conception. Unavoidably, the implication is that not just "Chinese society," but also the putative totality of "the West," is simply given. This is the moment where Dirlik's text nods at Sinification as a social relationship. Yet, as is characteristic of Chinese studies in general, there is a confusion between the social and the epistemological. In its reinstantiation of the phenomenological givenness of a self-other dichotomy in the separate fields of both knowledge and experience, the formula advanced by Dirlik merely heightens the mystery surrounding the drama of overdetermination. Worse yet, the confusion is compounded by a displacement from the social to the epistemological. Even though it is said to be "overdetermined," the social, or practical, quality of the self-other relationship is articulated, in a wholly transparent and unproblematic way, to the completely heterogeneous register of the epistemological. The self-other relationship is no longer a practical matter of sociality, but a matter of representation in the field of knowledge. Displaced to the epistemological–representational level, the self-other relationship manifestly falls outside the loop of the processual, relational ontology at the heart of Dirlik's Althusserian methodological concerns.

One way to bring Dirlik's approach back to the fecund promise of immanent causality he first discovered might be found in Dirlik's seminal observation that Sinification, as understood by Mao, was *primarily a practice of translation*. Since translation is a key theme in my approach to the postcolonial problem denoted by the Sinification of Marxism, I would like to be allowed to highlight its importance beyond the illustrative metaphorical significance ascribed to it by Dirlik. Even though Dirlik claims at the outset of his essay that "One of Mao's greatest strengths as a leader was his ability to translate Marxist concepts into a Chinese idiom" (Dirlik 1996, 120), this translational ability is never elevated to the level of a theoretical concern on a par with the notions of structural causality and overdetermination that Dirlik otherwise grants theoretical authority. As Dirlik argues "that Mao's Marxism represents a local or vernacular version of a universal Marxism" (Dirlik 1996, 123), he is less sensitive than I would like to the complicity, in addition to opposition, between the universal and the particular. More importantly, Dirlik never takes the problem of language and translation as a question of *both* social praxis *and* theoretical praxis. Throughout Dirlik's essay, translation thus remains trapped in the straitjacket of a usage that is at once either too metaphorical or else too empirical. The operation that Dirlik variously describes as "rephras[ing] it [Marxism] in a Chinese vernacular" (Dirlik 1996, 123 and 128), or "rephras[ing] in a national voice" (Dirlik 1996, 125), or a "Marxism…spoken in a vernacular voice by a Chinese subject who expressed through Marxism local, specifically Chinese, concerns" (Dirlik 1996, 128) is never actually theorized. Instead, Dirlik uncritically relies on the framework of universalism and particularism augmented by the spatial metaphors of transfer, displacement, relocation, filtering, and adaptation that have been the hallmark of the modern regime of translation throughout the colonial–imperial modernity. Nowhere is translation taken into account in the understanding of the vast transformations occurring since

the beginning of the twentieth century in the practice and definition of the "Chinese vernacular." In other words, the role of translation in the highly theoretical operations required to manage the transition from an empire to a modern nation-state—including the creation of a national language and the representation of a national people—is simply not accounted for. Dirlik's dualism is ultimately a disappointing refutation of Schram and Knight's substantialism.

Translation and the Two Maos

For this reason, Dirlik's emphasis on the role of translation as a social praxis in Mao's theoretical formulation of Marxism deserves elaboration. The key lies in our understanding of translation as a social practice that demands a corresponding understanding of theory as a social praxis, too. Let us take our cue from Dirlik. The importance of translation was first discovered, Dirlik asserts, by Chinese revolutionaries in the midst of practical struggle that forced them to traverse a kind of *internal frontier* between urban and rural space. (In our view, a more accurate description of the spatial geography being negotiated would emphasize the difference in terms of incommensurable spaces of in-betweenness: the in-between space of the extraterritorial, financial center (Shanghai) versus the in-between space of the small-scale local city (Yanan) that has continually been a flash point for social ferment since the nineteenth century):

> The revolutionaries themselves were outsiders to this agrarian social situation (and, therefore, in contradiction to it) and had to maneuver with great care in order not antagonize the population and jeopardize their own existence. Therefore, they could not translate the multifaceted conflicts they encountered readily into *their* theoretical categories, but rather had to recognize these conflicts as irreducible features of the social situation in which to articulate theory. This is what raised the question of the language of revolution at the most fundamental level (Dirlik 1996, 130).

Here, we find a metaphorical conception of translation that sees it as the negotiation of social difference and exteriority at a linguistic level. Translation is mapped onto spatiality in terms of the static, pre-constituted frontier. A bit later, Dirlik reminds us that, "the first calls for translating Marxism into the language of the masses coincided with the appearance of a guerilla strategy of revolution (and not by Mao but by others in the Party)" (Dirlik 1996, 141). Translation in this instance is no longer simply a metaphor for the negotiation of social difference, but rather a key element of guerilla strategy against a fascist state apparatus. Dirlik's brilliant formulations suffer from a couple of serious limitations that must be removed in order to fully reap the benefits of their insight.

First, it is essential to understand that the "language of the masses" was not a given entity, but itself a site of intense struggle. Qu Qiubai, one of the founders of the CCP and its chairman before Mao, had been busy in the early 1930s (before his assassination at the hands of the fascists in 1935) developing a theory of national language that would not be based on intervention by a central state, as had been the

case in the nation-building projects animated by capitalist regimes, but rather would rely on a non-centralized, non-standardized notion of the *common*. Qu's name for this language was, tellingly, the "Common Language" (*putonghua* 普通话)—which he critically pitted against the term "national language" which he attributed to a capital–state nexus. Significantly, translation played a key role in the development of this non-national, Common Language, with regard to what Qu somewhat simplistically viewed as either external or internal sociolinguistic differences. In other words, translation, not sovereignty, would be the model of the society to which Qu's Common Language would correspond. This particular point was fundamentally at odds with Mao's investment in the model of sovereign power (and causal relations),[1] exemplified by his call, "Who are our enemies? Who are our friends? This is a question of the first importance for the revolution," in the famous speech, "Analysis of the Classes in Chinese Society," from 1926 that subsequently became the first lines of the canonical post-revolutionary text, *Selected Works of Chairman Mao*.

Second, the notion of translation as an element of revolutionary struggle really means that the negotiation of social difference is at the heart of the revolutionary enterprise. Needless to say, the kinds of social difference at stake here go well beyond the linguistic in a narrow sense. If Mao's thought, as Alain Badiou has asserted, is characterized by its penchant for an open-ended infinity of struggle (Davidson 2016; Badiou 2018, 111), we might, based on that notion, advance the concept of *infinite*

[1] For a failed analysis that focuses exclusively on the sovereigntist aspect of Maoism with respect to translation (as an exclusively linguistico-literary operation), see Guo (2017). The proposal advanced by Guo, namely that Maoism should be seen as a "political dialectics" of "translation as vaccination," is not without interest, but the author has not taken the time to consider seriously either what dialectics means in relation to translation or the extent to which the immunitarian logic is a general problem of modernity (Esposito 2011; Brossat 2003). Guo could be forgiven for some of these oversights in light of the fact that Ning Wang, considered by many inside China an authority on postmodern theory, utterly failed to see the connection between translation and the Hegelian dialectic elaborated around the word *relevant* by Jacques Derrida in a well-known essay, "What is a relevant translation?" (published in English in *Critical Inquiry* in 2001), that had been translated, poorly, into Chinese. Since *Writing and Difference* (1967), Derrida had commented at length across several works on using the French verb *relever* to translate the Hegelian term *aufheben* (often rendered into English as to sublate). Wang's apparent ignorance of this translational context leads to a comic interaction with the French philosopher during the latter's visit to Beijing, described by Wang in a footnote (Wang 2009, 69): "Within China there are some scholars, such as Cai Xinle, who have translated the title [of Derrida's essay] as '*shenme shi xiangguande fanyi* [what is related translation?].' Of course, translation from the English word 'relevant' includes the meaning 'to be related to,' yet we should be aware when it comes to Derrida, a great scholar adept at word play, that a single word invariably bears different meanings. In autumn of 2001, after having read this essay, I saw Derrida in Beijing and inquired in person whether "relevant" in this case did not mean "closest to the original," or "best," or "most pointed to" [in English in the original]? Laughing, he said that this was exactly so. Clearly, the primary meaning of the word is "appropriate [*qiadangde*]," while "to be related to [*xiangguande*]" is only secondary. In this regard, readers may consult Cai Xinle's monograph, *Xiangguan de xiangguan: Delida 'xiangguande' fanyi sixiang ji qita* [Related to being related: Derrida's philosophy of "related" translation and other concepts] (Beijing: Zhongguo Shehui Kexue Chubanshe, 2007), as well as the Chinese translation of this [Derrida's] essay in Chen Yongguo, ed., *Fanyi yu houxiandaixing* [Translation and postmodernity] (Zhongguo Renmin Daxue Chubanshe, 2005)." The object of Derrida's mirth is as ambivalent as his irreproachable tactfulness allows.

translation or *permanent translation* (to paraphrase the lovely formula proposed by Rada Ivekovic; cf. Ivekovic 2002) as the quintessential form of ideological struggle and revolutionary love.

Mao's "Sinification" of Marxism would thus be caught between the social praxis of infinite translation and the juridical model, or theory, of sovereign power. Hence, the assertion that Mao places praxis above theory needs to be re-evaluated in light of those places in Mao's discourse where a juridical model of social relations based on the sovereign distinction between friends and enemies eclipses the open-ended, horizontal plane of social relations based on the indeterminate infinity of translation. The sovereigntist in Mao betrays a praxis-first approach, revealing instead a version of Mao that is deeply, thoroughly *theoretical* in the sense of ideology: The strong form of theory in colonial–imperial modernity invariably resides in the social forms of the given, such as the anthropological difference codified in the nation-state, that legitimate and naturalize capitalist accumulation. *Nothing is more theoretical, in the final analysis, than the organization and naturalization of class reproduction as a common sense, quotidian reality* via *the institutions of the nation-state*. To summarize, then, "the Sinification of Marxism" is an ideologically ambivalent formula. At a general level, it is a mystification of social struggles in the (post)colonial condition that takes the form of the given, usually national or civilizational difference. It can, however, with some effort, be mobilized toward a revolutionary praxis of permanent translation. As Mao says in his "Sinification" speech from 1938, "organization and struggle are the only solution."

What Mao's theory of revolutionary praxis as translation (and of translation as a revolutionary social praxis) hints at, thus, is a grasp of the way in which *translation is not simply an operation that one applies to social objects in order to establish equivalence in the face of difference (the template of exchange value), but is rather the heart of subjective formation, the constitutive operation without which individuals—including collective individuals—cannot coalesce*. Translation is not simply the process of bringing Marxism into the idiom of the Chinese masses, nor is it simply a means of transferring immaterial goods across pre-defined borders. It is rather an integral element in the performative composition of the masses, the bearers of both knowledge and labor power, and the border, without which the masses would inevitably become nothing but a form of the given—commodified labor power—readily available for enclosure and value capture by the bordering operations of the capital–state nexus.

Nevertheless, the tension internal to Maoism that we noted above set a precedent difficult to overcome. The opposition between translation as a juridical, logistical project and translation as a *poietic* practice of articulating discontinuity is no longer in play. Today, that historical blind spot in Maoism has been amplified a thousandfold under General Secretary Xi Jinping, justifying the subsumption of the forms of the past into a capitalist regime of accumulation. Under Xi, "Sinification" has become a general state policy, extended to multiple domains, notably to religion,[2]

[2]In April 2016, Xi chaired a National Religious Work Conference held in Beijing, possibly the first time a general secretary attended such a meeting since Jiang Zemin did so in 2001 (Batke 2017, 1),

suggesting its transformation into a general imperative. The end result, of course, is a consolidation of the opposition between the West and the rest that is a central ideologeme of the colonial–imperial modernity—a consolidation, or metastasization, in other words, of the postcolonial condition.

I should hasten to add in my discussion of translation that I understand it not as a form of transfer or transposition between cultural individuals that preexist the translational encounter (i.e., we object to the notion of cultural translation), but rather as a moment of praxis when indeterminacy is mobilized in the service of individuation. Translation names the ontological primacy of relationship over individualization. Translation is thus precisely the form of praxis that corresponds to a theory of structural causality, i.e., a theory of social relationships in a constant state of transformation characterized at the epistemological level by ideological overdetermination. One might even hazard the maxim that a theory of structural causality bereft of a praxis of translation is a fundamental betrayal of the ideological critique at which it aims. From this perspective, Mao's greatest contribution to revolutionary thought might one day be seen as the realization that praxis is translation, while translation is a social praxis, and the praxis of translation demands intervention into the ideological struggles around theory and state apparatuses.

The Sinification of Marxism as an Apparatus of Translation

Providing an intellectual infrastructure spanning both the linguistic and the institutional aspects of discursive formation, Sinification is today variously the name for new degree-conferring graduate programs established over the past several decades in Chinese universities, an official policy and theoretical line authorized and promoted by the Chinese Communist Party that begins with socialism ("Socialism with Chinese characteristics") but has crept into multiple policy domains (including notably religious affairs and the governance of minority populations), and a general taxonomy of knowledge production grounded in national character, now reformulated into the anthropological notion of "linguistic context" introduced into China through Hong Kong since the 1990s. Comprised of various practices and institutions, Sinification might best be thought of as an *apparatus of translation* that produces subjective effects through the *spatialization of translational practice into an interface or border* between the putative exteriority of "Marxism" and the ostensible interiority of a "Chinese linguistic context."

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at which the policy of "Sinification of religion" was formally adopted. If, as Bai Xin suggests (Bai 2019), the current policy of the Sinification of Xinjiang (a border province with a large, ethnically diverse, and predominantly Muslim indigenous population) is matched by a corresponding effort to "Xinjiang-ify" the rest of China (through applying the surveillance regime developed in Xinjiang to the Chinese population as a whole), it reminds us that Sinification has always been associated with a process of self-ethnicization required by the nation-state. In that sense, *Sinification is the name for a durable biopolitics of population engineering that is integral to the postcolonial condition "in" China*.

In an attempt to sketch a genealogy of Sinification specifically in regard to Marxism, my attention is initially drawn to the way in which linguistic difference is mapped onto disciplinary differences that are then further mapped over to geopolitical differences. Putting Sinification in relation to an apparatus of translation, I place great significance on the way in which it runs parallel to Cohn's suggestion, backed by a reference to translation in Marx's *Eighteenth Brumaire*, that the recent transition in China from Marxist economics to neoclassical economics can be re-framed in terms of a linguistic paradigm: "Another way of describing the paradigm shift in Chinese economics is to characterize it as a linguistic shift" (Cohn 2017, 250). Perhaps the most intriguing aspect of the linguistic paradigm analyzed by Cohn is its implicit relation, through a cartography of differences, to translation. Expanding on the notion of the linguistic function of neoclassical economics, Cohn introduces a fascinating series of connections:

> To a large extent, the spread of neoclassical economics in China reflected its role as the *lingua franca* for formal discussions of world markets and the global capitalist system. Neoclassical economics was the language of the World Bank and IMF…Even those who did not 'formally' speak this language (such as most journalists) used the basic grammar and vocabulary of neoclassical economics to communicate about the economy…Hence, neoclassical economic discourse came to assume the appearance of a 'natural language,' that is, an 'objective' description of the economy, unmediated by a point of view. (Cohn 2017, 39).

Cohn runs his readers through a series of connections that look like this: neoclassical economics = language in its systematic aspect = the global = a world capitalist system. The series established by these successive equivalences links disciplinary knowledge to imperial spatial cartography, political economy, and finally language. Cohn's observations could be prolonged and enriched by incorporating Sandro Mezzadra's perspective on the fundamental importance of exchange value as a dominant model of translation and social relations under capitalist regimes of accumulation and labor population management (Mezzadra 2007). As Mezzadra reminds us, "Capital as translation addresses (interpellates) its subjects, at a very abstract level, prescribing forms of subjectivity that can be translated into the language of value" (Mezzadra 2007). As a *lingua franca* of discussions among institutional professionals about world markets, neoclassical economics can be seen thus in relation to the apparatus of general translation, described by Mezzadra, that converts labor into labor power and social needs into exchange value. This conversion is based on an exclusion of the materiality of translation and the labor of translation. The exclusion of materiality concerns all those aspects that are lost when translation is reduced to logistical transfer. Linguistically speaking, this view of translation excludes grammar, assumed to be part of the "code" that can be distinguished from the "message" it bears. Under the modern regime of translation, the fictive division between code and message provides support for an informational approach to communication. Only the message needs to be translated, not those elements such as grammar that constitute the putative systematicity of language and supposedly enable the transfer of information without affecting its content. This approach tries to hide the irresolvable problems of indeterminacy of meaning that become most visible in translation, con-

fining untranslatability to a phenomenon of unsuccessful transfer of meaning, rather than examining the performative conditions that *precede* the opposition between the translatable and the untranslatable. In addition, we also lose sight of the labor of the translator (Neilson and Mezzadra 2013, 270–276) and her inherently hybrid positionality (Sakai 1997, 67), as well.

The significance of Cohn's observations about the discipline of economics in China is multiplied when we take into account Sinicized Marxism Studies.

Parallel to the operations that tie disciplinary truth claims, political economy, imperial cartography, and the notion of a common global linguistic standard to neoclassical economics would be another series of operations that tie various equivalencies together to the fictive unity of the nation-state in the discipline of nativist studies. Hence, we have two assemblages: a global one, which is a chain composed of (1) an epistemological level (neoliberal economics as a discipline of truth claims); (2) a structural level (grammatical code); and (3) a translational level (where *lingua franca* means an apparatus of translation), and an opposite local one, which is a chain composed of the same levels but with figures or images drawn from a tautological Chinese identity between language and people. We could thus understand the relation between the two assemblages as an example of what Naoki Sakai describes, in his theory of translation, as "co-figuration" (Sakai 1997, 2006). A quintessentially modern construct, co-figuration is a schema according to which the distribution of the heterogeneous is funneled through the divide between the imperial and the colonial. Its primary function is to reduce the multiplicity of social practices that happen in a temporal frame to spatialized unities of cartographical areas articulated to a postcolonial capitalist regime of accumulation.

We are thus constructing a genealogy of Sinification that is attentive to both the modern regime of translation and its relation to political economy. This chapter proposes to flesh out that genealogy by situating it within the context of the concept of *postcolonial condition* elaborated by Ranabir Samaddar (2018). The condition that we have in mind is precisely the link between the process of valorization and the index of anthropological difference, in which two parallel operations of translation (our word for context-specific ontogenesis) occur: The first is the translation from use value and social value to exchange value, while the second is the translation of social difference, always in a process of becoming, into taxonomies of specific (or species) difference. The postcolonial condition is thus the name for the link between an apparatus of area and anthropological difference and the regime of capitalist accumulation. In other words, just as we need to understand how "the relative surplus population becomes differentiated, codified and individualized into heterogeneous forms of existence and segments of the 'industrial reserve army,' segments which, moreover, are compelled to compete against each other for an encounter with the wage form" (Kawashima 2005, 610), so we also need to understand how the areal appellations typical of the imperial–colonial modernity, such as "Chinese" and "Western," are the product of the modern regime of translation. Viewing these operations in parallel permits us to link up two very different kinds of translation in the social: the translation of social value into exchange value and the translation of social difference into specific or species difference.

Another crucial aspect of the essentially colonial character of the term "Sinification" concerns its ubiquitous international usage, which largely accounts for the transparency often associated with the term. Taken by "Chinese" and "non-Chinese" alike to refer to a manifest language-people binomial the individuality of which unquestionably occupies the realm of the given, Sinification has a long history of unexplained usage in Sinological studies. Needless to say, this form of *givenness* parallels the way in which Marx describes how capital would like to understand its encounter with labor power as a pregiven commodity of which people are the owners or "bearers." It is this quality of *givenness as a form of social relationship* that particularly needs to be interrogated with the resources of Marxism in relation to the general problem of the postcolonial condition. This is precisely the fundamental problem identified by Samaddar when he speaks of, "the obligation of a postcolonial argument to struggle against the condition of its own existence." Samaddar's identification of "a struggle between a critical postcolonial approach (which is transformative) and postcolonial studies (which takes the postcolonial condition as given and immutable)" is as crucial as his observation that "Marx is essential for us to make this distinction and clarify the fundamental opposition between two strands of postcolonialism" (Samaddar 2018, 23). Marxism offers us, in other words, an especially interesting opportunity to engage in *the interrogation of the given as an ideologically overdetermined form of social relations*, both on account of its own specific historical experience in traversing the imperial–colonial bipolarity of capitalist modernity and also because of its theoretical critique of ontological givenness through the description of the commodification of labor, or again, the theoretical exploration of the transformation of living labor into abstract labor. The problematic status of the categories of production, relationality, determination, and causality throughout this abstraction of social relations in the postcolonial condition all point to a rich terrain of struggle in the field of knowledge production.

Xu Guangwei: Between Ontogenesis and the Positivity of the Given

Defend Das Kapital

In the second part of this chapter, I would like to introduce an intriguing recent theorization of Sinicized Marxism from Xu Guangwei (b. 1971), Professor in the School of Economics, Jiangxi University of Finance and Economics. *Defend Das Kapital: an outline of a social theory of economic formations* is the eye-catching title of a massive tome by Xu first published in 2014. Topping out at over 700 pages, the original edition was released in a revised and expanded version three years later in time for the 150th anniversary of the first volume of *Das Kapital*. Subsequent to the publication of the first edition of *Defend Das Kapital*, Xu has published, as of early

2018, at least over a dozen articles as well as a blog that further elaborate, defend, and contextualize the arguments presented in *Defend Das Kapital*.

Xu completed a Ph.D. in the prestigious Department of Economics, People's University, Beijing. The title of his 2007 dissertation, *Marxist Corporate Ethics: A Modern Paradigm*, indicates the extent to which his educational background is very much informed by management studies. Combined with the overt investment in national culture studies (*guoxue*) that defines *Defend Das Kapital*, the work is squarely situated in, and actually quite representative of, the intellectual and institutional milieu that I described at the outset of this chapter.

Given space limitations, I will not attempt to provide an in-depth reading of *Defend Das Kapital* as a whole,[3] but rather focus on quickly summarizing aspects of the work that are pertinent to understanding how it stages the problem of the given (in the form of the historical past), or again, the problem of ontogenesis and individuation in the social, that constitutes a crucial vector of overdetermination and causality in the postcolonial condition.

First, let us start with a brief introduction to the structure of the text, which is divided into four main sections, the titles of which are as follows:

1. The linguistic context of action: critique and construction (General Introduction).
2. The base for a social theory of economic formation: a critique of social subjectivism (The unified formation of methodological critique and intellectual history).
3. The architecture of the social theory of economic formations: a critique of social objectivity (The unified formation of objective logic and subjective logic).
4. Putting to work the social theory of economic formations: inheriting and transcending the Marxist revolution.

Another useful data point for situating the text can be found in the list of bibliographic sources with which the author entertains a dialogue. While an entire chapter of the first section is devoted to Thomas Piketty's *Capital in the Twenty-First Century* (2014)—whose book cover incidentally provides the template for the graphic design of Xu's *Defend Das Kapital* (both feature the book title against a cream background bordered by a red rectangle)—there is otherwise not much dialogue with contemporary Marxist theorists and philosophers outside of China.[4] Yes, Negri's work on the *Grundrisse* (*Marx Beyond Marx: Lessons on the Grundrisse*) is cited, as are several works of a more recent date by David Harvey, but the overall impression one takes away is that the book is essentially focused, in terms of its intertextual aspects, to staging a dialogue between classics from the canon of national culture studies and classics from the canon of nineteenth- and twentieth-century Marxist and phenomenological philosophy in the West. The intensity of this focus accounts, perhaps,

[3] I neglect in this chapter to discuss the complex arguments about price and value that occupy the main body of Xu's work. While hoping to help Xu's work attract greater attention outside of China, I have set as my primary goal here to understand the postcolonial condition in light of the modern regime of translation.

[4] While Xu qualifies Piketty's work as a "top flight product" of economics, he is critical of its overwhelmingly positivist tendency that results in an insufficient or weak answer to the so-called transformation problem inherent to Marxist theory.

for the complete lack of attention to the burgeoning conversation in Marxist circles outside of China concerning the status of primary (or "primitive") accumulation, not just as a stage of history but as an apparatus integral to capitalism that manages the various kinds of transitions or bordering that it encounters, requires, and produces, as well as the crucial role such an apparatus plays in the abstraction of social relations.

Despite the apparent absence of extensive dialogue with contemporary Marxist thought outside of China, the work is still very much a part of the contemporary era. The core of the interface lies in the historicity of the concept of ontogenesis, recalling the way in which ontology has become a central issue for contemporary Western theorists such as Antonio Negri, Alain Badiou, Gilles Deleuze, and others (whose names are not cited by Xu). Unlike these Western theorists, however, Xu's original analysis expands on the notion of a particularly Chinese dialectic, exemplified by the sixth century BCE Taoist classic, *Tao Te Ching* (*Daodejing*), that had figured as a central theme a decade prior in Chen Tianshan's *Chinese Dialectics: From Yijing to Marxism* (2005). Focused on the historical dialectic between theory and practice, Xu Guangwei aims to provide a Marxist account not just for the historical transitions in the mode of production, but also for the epistemological transitions in the social organization of knowledge production, while crucially avoiding the pitfalls of modern materialist ontologies based on bourgeois assumptions pertaining to the identity of the individual as a given point of departure. Yet what is particularly surprising about Xu's project is, as we have mentioned, the extent to which resources in *Das Kapital*, such as the concept of primary accumulation that has recently received so much renewed attention among scholars outside of China, are abandoned in favor of a static, spatialized, and, ultimately given, notion of the *border* that fails to live up to the processual ontology, or ontogenesis, that occupies a central place in Xu Guangwei's theoretical enterprise.

The border at stake here is that between China and the West. By virtue of the border's givenness, production and circulation of intellectual ideas follow a strictly proprietary logic according to which historical origins are not only unambiguously associated with contemporary proprietors, but also with rights of possession. Citing Wang Ya'nan (1901-1969), one of the original translators of *Das Kapital* into Chinese, Xu writes in the preface to *Defend Das Kapital*: "If Economics, given as a foreign import, were not transformed, it would, from the perspective of the nation-state, truly constitute a kind of weapon for cultural invasion or intellectual anesthesia that would prevent the social and economic transformation of said country from proceeding according to the national will" (Xu 2014, 12). Among the overriding assumptions of the text is the notion that an absolute, and absolutely identifiable, difference divides China from the West. The kernel of this difference is to be found in the notion of "linguistic context": "*Das Kapital*'s arrival in China was simultaneous with the historical footsteps traced by the development of Oriental Economics. Since that moment, the people of our nation have ceaselessly strived to explore how to read and apply, within the Chinese linguistic context, this impressive work, especially with regard to suitably grasping the esoteric language that lies buried within it" (Xu 2014, 3). Clearly, the work has set the stage for an analytic of translation, behind which are couched the criteria that constitute the identity of the idealized Chinese

reader or subject of knowledge. Some clues are given in relation to the author's own self-description/dedication: "History, thought, language, and culture—the Sinic Filiation—have cultivated a country of the Great Unity. Principally, this means: • This work has been achieved through the working identity of an economist who also enjoys the qualifications of being a Chinese; • This is a great chapter in theoretical economics written according to the reading customs and usage habits of Chinese people; • This is a methodological systematization that takes into account our people's habits in historical writing and which adheres to Chinese people's model of thought; • In short, this book is dedicated to the construction of Chinese Economics!" (Xu 2014, 3) The apparent immodesty of this list needs to be balanced against the recognition that it is largely derived from and modeled upon ideas from Wang Ya'nan, one of the founders of Marxist Economics in Socialist China (Chen 2002 cited in Xu 2017). The "qualification of being a Chinese" concerns not simply ethnicity and a mother tongue, but also an identification with a canon of great works that becomes the figure or image of an anthropologically coded body of knowledge: "A Chinese who cannot understand *Tao Te Ching*, *Records of the Grand Historian*, or *Dream of the Red Chamber*, even though thoroughly 'familiar' with *Das Kapital*…would only be fully exposing his 'high level' of ignorance with regard to the working unity that exists between historical works and scientific works, and the articulation between the two" (Xu 2014, 5). I would like to insist that the abstraction required to articulate anthropological difference to a body of knowledge bears an analogical relation to the abstraction necessary to articulate anthropological difference to the body of the worker.

The Representation of a Border

The notion of "linguistic context" as a unified anthropological image enters Chinese language through a translation, *yujing* (语境), loosely attributed to Bronislaw Malinowski's work that culminated in anthropological linguistics (Malinowski 1923). Neither of the two sinograms that compose *yujing*, *yu* (language) and *jing* (condition or border), are to be found in the commonly used term for context, *mailuo* (脉络). I suggest we look at the ambivalence of the Chinese translation of "linguistic context" as indicative of a certain concept of a *linguistic border mediated by a representational, spatialized scheme of translation* that is central to the postcolonial condition. In the manner of bourgeois presuppositions about the individual, the so-called cultural difference is treated as an ontological given. This codified form of "difference" supposedly preexists the colonial encounter and hence preexists the capitalist mode of production that developed in historical synergy with colonialism. On the basis of this assumption, intellectual critique perennially grapples with the question of the relation between a national historical tradition, understood in terms of subjective interiority, and its outside. Yet this is invariably an outside that has been posited from *within* the presuppositions of an inside which itself is the product of a singular

encounter between "outside" and "inside" that produced state apparatuses such as the standardized national language known as Mandarin Chinese.

The potentially tautological aspect of the spatialized representation of social difference reminds us of the problems of historiographic knowledge in the wake of primary accumulation; it reminds us especially of the extensive contemporary international discussion about primary accumulation as not so much a historical stage but as a permanent feature of the way in which capitalist social formations deal with the positing and appropriation of various forms of "outsides" through dispossession, extraction, commodification, and financialization. Curiously, this by-now extensive discussion has not gained any traction in Chinese Marxist discussions. This absence is all the more surprising given the accelerated development over the past several decades in the "translate-and-introduce" industry of local import agents in Chinese academic publishing that assures the logistics of translational flow.

If, as Xu Guangwei holds, the theory of ontogenesis is a crucial site for understanding the interface between Marxism and China, then we cannot afford to exclude either of those terms from the genetic indeterminacy that characterizes the production of subjectivity. In order to fully grasp the relation between regimes of accumulation and *the apparatus of area and anthropological difference* that is characteristic of the postcolonial condition, it is imperative to return to the moment of indeterminacy that characterizes translation both as an operation of valorization and as an operation of meaning-production. The key link between the two occurs in relation to subjectivity. The production of subjectivity through linguistic translation parallels the production of subjectivity through the commodification of labor. In terms of what this means for "China," the implications could not be clearer. Our understanding of the postcolonial condition will be impossibly burdened if we simply accept as given the bourgeois forms of cultural individualization, particularly the nation-state and the civilizational area, that it has produced—or, more subtly, regard such categories as nominally legitimate for the disciplinary organization of knowledge production according to geocultural area.

The Desire for Chinese Thought

The acceptance or refusal of these presuppositions might be a question of desire more than knowledge. Sinification operates as a tangible target that substitutes for an otherwise utterly elusive and chimerical identity. As Naoki Sakai has discussed in relation to Japanese thought (Sakai 1997, Chapter two), the identity of arealized thought (including, needless to say, that of the West) marks the limit of impossibility. Disciplines organized around the notion of area, such as Japan studies, sustain themselves on the basis of a desire-for an object that substitutes itself for the impossibility of definition. While it may be impossible to produce the identity of thought (such as "Western Thought") under the sign of anthropological difference, it is entirely feasible, by contrast, to create and institutionalize a desire for that identity, no matter how unfeasible it may be. Sinicized Marxism Studies would thus seem to be

the place where that desire is provisionally located and reproduced, reinscribing the postcolonial condition in the process.

Sinification signifies disparate technologies for managing two very different population groups: one composed of living human beings or knowledgeable bodies and the other composed of epistemological objects or bodies of knowledge. Sinification is the name for the creation of both ethnicized objects of knowledge and anthropologically coded bearers of labor power (i.e., humans) that enables us to identify the topography of a postcolonial apparatus. It cannot be emphasized enough that this apparatus would have to be intrinsically inter-national[5] and the subjects operating (through) that apparatus would inherently have to be located on *both* sides of the frontier that demarcates "China" for it to be effective. My research in this chapter bears out this hypothesis. In short, "Sinification" is, conceptually speaking, part of the modern regime of translation in the postcolonial condition. While it has heretofore always been conceived in the pattern of a transitive verb, something that "Chinese" subjects "do" to "others," I have emphasized instead the way in which "Sinification" is *productive*, both in the sense of creating social subjects marked by anthropological difference and in the sense of producing effects in the social. Sinification is an inter-national operation, the locus of which can be situated neither exclusively within nor exclusively outside the boundary of the nation-state but is rather involved in the performative process of bordering and translation through which subjects are (re)produced. Sinification, whether in relation to the anthropological coding that occurs during the commodification of labor or to that which occurs during the production of knowledge, cannot be understood as an exclusively Chinese phenomenon or event, but must be understood as an integral part of the apparatus of area and anthropological difference central to the regimes of accumulation that characterize the postcolonial condition. As one part of Maoist practice has made abundantly clear, Marxism is a crucial tool for understanding and transforming that condition.

A Genealogy of "Sinification"

Unilateral Deconstruction and the Sublation of the West

At the end of this chapter, I would like to reflect more broadly on the problem of Sinification in general. The English term "Sinification" or "Sinicization" is a polyvalent term that roughly corresponds to two variants in modern Mandarin Chinese 中国化 *zhongguohua* (China-fication) and 汉化 *hanhua* (Han-ification)—the latter term referring specifically to the so-called Han ethnicity that composed over 90% of the PRC's national population according to the 2000 census. In principle, the former should be distinguished from the latter by the difference between state and nation,

[5]I use a hyphen in the term "inter-national" to indicate an investment in the ontological givenness of the nation-state, against which I would oppose the term the "transnational" or "the common" to refer to a situation *prior* to the bordering processes that create the national.

respectively. In practice, the terms' inherent polysemy produces what might be called a proliferation of metonymy, as ethnicity, race, polity, language, origin, and borders are equated with, and substitute for, one another (Mullaney et al. 2012). Where this study differs from "Critical Han Studies," however, is in its conviction that the application of "critical and deconstructive analysis" (Mullaney et al. 2012, 2) to the "Han" must be combined with concern for the way in which borders function both as epistemological devices and as social ones. To "deconstruct" an ethno-national object while preserving the institutional/disciplinary field in which that object acquires currency in another nation within the world market is to surreptitiously consolidate inequalities in the political economy of knowledge production and the types of differentially coded subjects it produces. In other words, when "deconstruction" becomes a disciplinary practice that corresponds to the cartographic opposition between "China" and "the West" (as is the case in *Critical Han Studies* cited above, whose contributors never question the putative unity of the West), it ceases to operate in a purely deconstructive mode. Revealed in the process of such *unilateral deconstruction* is instead the persistent problem of "cartographic anxiety" (Neilson and Mezzadra 2013, 29), a phenomenon that, far from being deconstructive, is rather enormously constructive and productive, especially in relation to the uneven geographies of modernity.

How is one to reconcile the embrace of the term deconstruction in this context with the repeated skeptical reception of the term, spanning several decades up to the present, by Chinese studies as a whole, and modern Chinese literature and culture studies in particular?

There is no small historical irony to be found in today's avowed "deconstruction" of Chinese nationalism undertaken by university-based scholars working in area study disciplines in nation-states outside of China. A little over a century ago, Yellow Peril discourse held that the really frightening aspect of China lay not in a series of negative traits that combined to create a defective national character, but rather in the notion that China simply had no fixed (national) character of which to speak. The racist core of Yellow Peril discourse held that "inscrutable, shiftless" Chinese were monstrous precisely because of their amorphous ambivalence—they were capable of becoming anything. We can find this both in the Yellow Peril literature and in the famous missionary rant from 1894, "Chinese Characteristics," penned by Arthur H. Smith (Button 2009). Today, however, the discourse has been reversed. China no longer suffers from heterogeneity so extensive that it confounds any attempt to ascribe a fixed (hence moral) national character to its subjects but has rather become the site of a fixation on homogeneity that has become so intense as to be virtually toxic and possibly amoral.

At the heart of the historical reversal in the image of China is a sense that China, whether too intensely homogeneous or too extensively heterogeneous, should be understood not only as essentially imperfect and possibly hideously disfigured, but as also bound to an inordinate will to power.

Behind the complicity between the two representations lies an enormous insecurity about the boundaries of the West as the region where the universal essence of the human has been realized. This is the same "cartographic anxiety" one finds in Kevin Carrico's recent work, *The Great Han: Race, Nationalism, and Tradition in*

China Today (2017). We can see it most clearly in the curious usage of the term the West. Tellingly, this term invariably appears in scare quotes; Carrico always writes "the West" instead of the West. Evidently, the scare quotes are meant to convey the author's avowed conviction that all ethnocentrisms, including that of China, should be subjected to "deconstruction" (Carrico 2017, 69). Indeed, Carrico claims as much when he writes, "On a daily basis, people discuss, question, and challenge many of the assumptions underlying 'our' existence in 'the West,'" leading him to decry what he perceives as double standards: "To hold China or any other country to a different critical standard is then a thoroughly Orientalist approach" (Carrico 2017, 10). Leaving aside the problematic parallel between a nationalism (China) and a civilizationism (the West) and the question of the historical relation between the two in the construction of the modern world system, Carrico's work inadvertently exposes the position of universalism in its complicity with imperial nationalism today. People who adopt this position *fantasize* that the West has been "deconstructed" while continuing to reproduce the social relations and institutions—such as the modern regime of translation and the trope of isolation—essential to projecting an image of the putative unity of the West. In other words, scholars like Carrico are not engaged in "deconstruction" so much as in a very old game of (Hegelian) dialectical construction: The West is the West precisely to the extent to which it alone among the regions of the imperial–colonial globe is capable of overcoming itself and transforming itself in a temporal movement of historical sublation.

As Button reminds us, one of the principal advantages of speculative dialectical thought is that it is good at grasping the transition from this reality to that reality. In their inability to grasp transitions, such as the transition from an extensively heterogeneous image of China to an intensely homogeneous one, the universalism of those area studies *faux* deconstructionists like Carrico is much closer to the form of abstract understanding that Hegel calls *Verstand* rather than the dialectic. Beyond Hegel, what this means for dialectical thought of a more materialist strain is that the area study universalists have no way to understand capitalism as an incessant process of transition, beginning with primitive accumulation.

This inability undoubtedly is what accounts for yet another form of historical irony that plagues Carrico's work. Carrico's "deconstruction" of Han nationalism undertaken by his ethnography of the contemporary "Han Clothing Movement" notably erases (or, more likely, just remains blissfully ignorant of) that movement's historical antecedents in the twentieth century. Readers of Carrico's work would never know that Yang Mo's classic *Bildungsroman* of revolutionary aesthetic transformation, *Song of Youth* (1958), had already considered and rejected the "Han Clothing Movement" prevalent among anti-communist intellectuals in the post-May Fourth era. The novel's engagement with this problem is seen in the characterization of Yu Yongze, an avid reader of the modern Western literature who eventually gives up his exotic tastes in favor of the project led by nationalist intellectuals like Hu Shi (1891–1962) to rationalize archival knowledge about the imperial past with a view toward establishing the epistemological basis for nationalism (*zhengli guogu* 整理國故). As one of the other characters in the novel comments about Yu's transformation: "[Yu's] form [of politics] is to change new foreign-style books for old Chinese style

books (*xianzhuang shu* 线装书), to change a student's uniform for a long gown." The novel's heroine Daojing, who entertained an amorous relation with Yu, can barely contain her frustration with his new, conservative dress. "According to [Yu], the processing of the national essence (*zhengli guocui*) and the wearing of national costume were concrete expressions of patriotism" (cited in Button 2009, 221). Nowhere in *The Great Han* does Carrico take up the question of the extent to which the contemporary "Han Clothing Movement" that he takes as an index of odious nationalism might not be connected in an intrinsic way to the historical defeat of Chinese socialism[6]? More to the point, Carrico ignores the way the founding exclusions of the North American area study field in which he received his doctoral training were precisely predicated on actively producing that historical defeat, much less the way the meaning of that defeat has been taken up by the field precisely as a question of a *return* to proper "Chineseness."

To the extent that we only "deconstruct" one side of the opposition, content with "applying Said's analysis of the East/West binary to that of the Han/non-Han" (Mullaney et al. 2012, 17), our understanding of Sinification can only contribute through displacement to the proliferation of cartographical anxiety. Or again, to "deconstruct" some borders while not paying attention to the way in which unilateral deconstruction traces *new* borders, producing new maps of domination and exploitation, is, at best, simply disingenuous, at worst, complicitous with the weaponization of knowledge.

Hence, my goal in this essay has been not to "deconstruct" the concept of Sinification, but rather *to politicize it by reading it transnationally*. As such, I think it is useful to approach the problem of Sinification from the vector between translation and primary accumulation. In order to highlight the problematic nature of the translational complex, *Zhongguohua/Hanhua/*Sinification, it is useful to review its enormous semantic range, variously covering: (1) a series of policies or social and political technologies applied by (or submitted to by) successive imperial dynasties with regard to the borderlands and population management; (2) a process of epistemological adaptation or filtering that ostensibly occurs in the transfer or translation of foreign concepts, religions, discourses, institutions, and practices into and out of the "Chinese" social space; and (3) any kind of social, political, or cultural process mediated by, or participating in, the determining effect of national cultural forms. As can be seen from above, *Sinification is inseparable from the conceptual genealogy of the border as both a cognitive process and a social one*. As such, it lies at a crucial node in the modern reorganization of archival knowledge, intellectual production and circulation, and population management that has transformed the concepts and practices of language, people, and intellectual discipline.

For that reason, it is important to recognize that scholarly attention to "Sinification" must be on guard against participation in a subtle form of displacement and repression, which Naoki Sakai calls "civilizational transference," characteristic of

[6]Carrico's understanding of the Maoist legacy is caricatural and, hence unsurprisingly, inaccurate: "Maoist socialism was nothing less than a harshly enforced state capitalism overseen by vigilant cadres in the false name of 'liberation'" (Carrico 2017, 207). The lack of a *labor market* in China during the 1950s and 1960s certainly had "harsh" elements to it, but to describe that as "state capitalism" is terminologically incorrect.

the modern regime of translation in the postcolonial condition. Civilizational transference names the operation that sets up and depicts a polar opposition, like that between China and the West, in terms of a relation between parallel totalities. The totalizing quality of the opposition sustained by civilizational difference lends to each of the terms of the relation a quality of autonomy that unleashes a subsequent repression of the conditions that made the parallel possible. Chief among these would be an implicit operation of translation, used to articulate the conceptual distinction between two mirrored identities, that serves to efface the discontinuity, or quality of unknownness, that calls for translation in the first place. Politically, translation is closely related to processes of bordering. In that context, civilizational transference serves as a pretext to precipitously rewrite colonial modernity as the story of "Westernization" without interrogating the way in which successive *transitions* toward and within capitalist regimes of accumulation (Mezzadra 2007; Neilson and Mezzadra 2019) are processes that exceed—and in important ways, precede—the cartographical space of the so-called civilizational difference.

Sinification and the Aesthetic Ideology of Colonial–Imperial Modernity

In discursive terms, the discourse of national character is probably the single most important genealogical locus for Sinification. This discourse, a building block of the imperial–colonial modernity, derives its roots from the presuppositions of international law developed by Francisco de Vitoria, who held that all peoples were possessed of the same capacity for reason, while some peoples were burdened by cultural traits that ineluctably led to deviation from its universal norms. The positing of cultural difference based on a theory of collective traits that deviate from a universal norm is, as Antony Anghie has described, the foundational moment of modern international law (Anghie 2004, 16). Clearly, the presuppositions of this discourse extend well beyond the confines of a single domain or discipline, delineating what might be called an archaeology of national character. According to the structure of abnormal deviation, national character invariably operates according to a schema of return. In failing to live up to the universal norm of reason, cultural traits specific to a national people exercise, it is held, a determining influence upon social action. The colonial discourse of national character is thus at once an ontology of individuation (it tells us how to recognize collective individuals) and a theory of causal relations (it explains why some things happen and others do not).

Peter Button was undoubtedly the first to contemplate fully the implications of Chinese intellectuals' critical engagement with the discourse of national character, imposed through a concatenation of metaphysical discourses ranging from the theological, deployed by missionaries such as Arthur H. Smith in his infamous *Chinese Characteristics* (1899), to the philosophical, used by G. W. F. Hegel in his *Philosophy of History* (1837). As Button explains in a brilliant analysis of Lu Xun's

Nietzschean Marxism, the critical appropriation of the discourse of national character by Lu Xun (1881–1936) in his paradigmatic novella, *The True Story of Ah Q* (1921), was based on an acute awareness of the way in which the capitalist transition simultaneously producing and produced by China-the-modern-nation-state was inextricably connected to a quest for "metaphysical…completion in the figure of Man as species-being and type" (Button 2009, 116). Caught in the midst of social relations mediated by exploitation (capitalism) and domination (colonialism), Chinese writers such as Lu Xun and Mao Dun (1896–1981) recognized, albeit in different ways, that the historical transition from a multicultural, multiethnic, multilingual empire into a rationalized apparatus of capitalist value capture was accompanied by the insertion of that "China" construction into a metaphysical discourse about the essence of the human and its realization in a specific "Chinese" type. Hence, a nation-state called "China" composed of majority and minority populations fits into a humanist ideology of anthropological difference.

It goes without saying that one of the meanings of "the West," precisely the Hegelian not Marxist meaning, is the area in which "human essence" is historically perfected and under which particularities such as "Chineseness" could be subsumed. When Neilson and Mezzadra introduce the concept of *fabrica mundi*, or "world-making," in their conceptually innovative study, *Border as Method*, they explicitly relate the concept to the Renaissance notion of "*homo faber fortunae suae* ("man as master and creator of his own destiny")" (Neilson and Mezzadra 2013, 30). This connection points to the metaphysical basis of the modern cartographical imaginary. The modern appropriation of Renaissance thought, as Neilson and Mezzadra point out, brings the notion of human perfection to an anthropological cartography of colonial difference in which the process of creation of the anthropological "types" fetishized by colonial knowledge is repressed and disavowed. A proper genealogy of Sinification, of which I can barely sketch an outline here, needs thus to account for the crystallization of such metaphysics in the aesthetic ideology of the type and to make visible the production of subjectivity that naturalizes such ideology through the device of disciplinary divisions in the human sciences and geopolitical divisions in the system of the world. What Button calls "the logic of aesthetic exemplarity" at work in the institution of the literature, or again, what Sakai calls the "logical economy of genus and species" at work in the modern regime of translation, concerns a powerful generative act that creates a typology of anthropological difference, represented, in both senses of the word, by the nation-state, configured not only in relation to the plurality of nation-states, but also in relation to the notion of humanity as an exceptional species among other species.

Among the long list of eye-opening lessons that I have learned from Button's unprecedented reconceptualization of Chinese aesthetic modernity, principle among these would be the idea that "Sinification" is, first and foremost, an aesthetic process that happens to populations that are putatively "Chinese" by agents that are (un)decidedly both/neither. As we try today to understand the politics of engineering (including both geoengineering and bioengineering or population engineering) in which the Chinese state and society are deeply invested, our efforts will be seriously compromised to the extent that we do not recognize that the transition toward

China-the-nation-state was itself a project of colonial population engineering based on an assimilation of the aesthetic ideology of the nation-state within the opposition between the West and the non-West.

To argue for a transnational reconceptualization of Sinification in relation to the modern regime of translation and the aesthetic ideology of colonial–imperial modernity is thus to acknowledge the possibility of a non-colonial world. To explore how this aesthetic ideology and regime of translation have played out specifically in relation to Marxism in China is to further acknowledge that a non-capitalist approach is absolutely essential to the non-colonial critique.

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Capital in Bangla: Postcolonial Translation of Marx

Rajarshi Dasgupta

Abstract The direction of socialist, communist, and broadly left politics in India has a lot to do with the material nature of Marxism as a discourse in the subcontinent. It is mediated by a different set of vernacular languages, conceptual repertoire, and regional cultures. Certain scholars have pointed out that it involves a complex process of postcolonial translation that is ongoing. However, this recognition has not come together with a close examination of the texts that are involved in the process, for example, a critical reading of the translated works of Marx and broadly Marxism in the different languages, especially contexts where they became powerful. This essay will offer such a reading in the context of late colonial Bengal and later West Bengal. The first part of the essay will outline a background of the early translations and adaptations, their experiments as well as the setting down of certain rules of discourse on Marxism in the Bangla language. The second part of the essay will offer a close reading of the vernacular translations of Marx's Capital, especially volume one. We will discuss a certain edition at length, published in the late twentieth century by a communist intellectual, who fell out of favor with the new party leadership. It is the first unabridged Bangla translation of Capital, published in seven volumes. For a close reading of the different dimensions of translation involved in such a process, we are going to look at specific passages from the section on commodity fetishism, which follow in the Bangla edition under the heading *PanyaPouttalikata Ebang tar Rahasya*. The essay will conclude with some remarks on the comparative strategies of translation and the shifting nature of Marxist discourse in the postcolonial period and its broad relations with politics.

Keywords Capital · Translation · Discourse · Vernacular marxism · Commodity fetishism

Very few scholars have paid serious attention to the relationship of Marxist politics in India and the material nature or the immediate language of dissemination of Marx's discourse in our context, which is mediated by an astonishing range of vernaculars and regional cultures. Some do recognize that it involved a complex process of

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postcolonial translation of Marx, but this mainly conceptual recognition seldom involves a discussion of the translated works or texts. This essay attempts such a reading in the context of Bengal. It offers the basic contours of the vernacular translations of Marx in India and more specifically discusses the Bangla translation of Marx's writings, especially that of Capital, volume one. Given the persistent accusation against Marxism as an imported thought despite its presence for a century in contexts like India, the question of translation must be seen as fundamental to its history of practice. The complex cultural embedding of Marxism among its middle-class intelligentsia and the long political sway enjoyed by the left in the region makes Bengal an important site for operationalizing such a question. How far did the Indian Marxists succeed in translating Marx, in literal, idiomatic as well as conceptual terms in the different languages of this country? The political predicament that seems to currently encumber this powerful force especially in the wake of its electoral defeat in the state of West Bengal and the parliamentary elections since 2010 makes this question not only relevant but highly urgent at the same time. It is important to ask how far this predicament has to do with, among other things, the limitations and failure of a much-needed project of postcolonial translation of Marx. At the same time, it is no less important to appreciate and map the manner and extent to which such a translation has been undertaken till date, which should explain the persistence of Marxism as a political force, regardless of its global crisis since the end of the twentieth century. The essay tries to address this in a modest way by laying out in broad strokes the historical outlines of this project in Bengal.

There are two larger reasons that call for fresh attention to the question of translating Marx. First, it increasingly appears that the relevance of Marxism as a political, economic, and philosophical discourse remains not only unabated with the introduction of neoliberal capitalism but has in fact intensified despite so many affirming its demise after the Soviet fall. Indeed, scholars like Harvey and Piketty are both reinterpreting and reemphasizing the importance of Marx today, while others like Marcello Musto are pointing out a veritable 'Marx renaissance' taking place. Musto has recently highlighted how *Capital* has once more become a bestseller in Germany, while a *manga* version of Capital has been recently published in Japan, illustrating its popularity among the youth. A new edition of the collected works of Marx and Engels, translated from German rather than Russian as done in the past, is being published in China while a new demand for Marx is clearly visible in Latin America. Indeed, a large number of websites, newspapers, journals, television programs and radio stations have started fervently discussing Marx especially in the wake of the economic crisis in 2008.[1]

Secondly, we are slowly coming around to an important recognition of the fact that the philosophical legacy of critique and political practice as envisaged by Marx has a profound relationship to the task of translation, which creates the actual universal basis of Marxism. Apart from its conceptual implications that demand why such a task cannot be mechanical as often the case in the past, there is a need for Marxists to attend carefully to the cultural habitus and materiality of language in different

[1] Musto (2018).

contexts. It is no coincidence that a large number of important Marxist theorists and leaders, like Lenin, for example, constantly worked hard on learning new languages. Scholars have recently pointed out two important things in this regard. One, we are still quite far from fully realizing how our access to the entire corpus of Marx's original body of works suffers from serious lacunae in translation and publication. Two, the more we are beginning to access the notes and reading excerpts of Marx and Engels that have been published as the Marx–Engels Gesamtausgabe (MEGA) the more we are struck with what Nergis Ertürk and Özge Serin[2] describe as the 'constitutive role for translation' in their works. On the one hand, the extracts on Epicurean philosophy and the works of Leibniz and Spinoza in his early notebooks illustrate the command and knowledge Marx had in ancient Greek and Latin. On the other hand, Ertürk and Serin point out how the copious reading notes on figures like Adam Smith, John Stuart Mill, and David Ricardo in the 1844 manuscripts, which form the basis of his critical discussion of their economic concepts, illustrate how translation was 'a methodological condition of the critique of classical political economy.' As we know well from his letters, Marx did not stop there and started learning Russian when he was well into in his fifties, which gave him the resources to reconsider his historical schema of the transition from feudalism to capitalism in Europe. Perhaps there can be no better lesson to underline the significance of language and translation to Marxism.

What follows will offer a broad outline of the different historical attempts at the translation of Marx's texts in India, especially, focusing on the translation of Capital, volume one, and discussing at some length particularly the two major translations of Capital in Bangla. The essay draws attention to certain strands and important threads as well as what can be described as strategies of translation in the process, along with the somewhat tense and fraught relationship the communist party has had with this process. It is difficult to avoid a note of irony in recounting this history, especially the larger Marxist engagement with cultural and intellectual practices in India, which remained crucial in creating the basis of a limited political hegemony in Kerala and West Bengal. As we shall see in the limited scope of this essay, this engagement was frequently seen at the same time as problematic and secondary to more hardcore activism, apart from in need of constant supervision and censoring if necessary by the more pragmatic leaders of the communist party. This modest narrative of the early translations of Marx hopes to activate a critique, in the sense in which translation and critique, and theory and politics, continue to remain inseparable in Marx, directed against our collective current amnesia.

[2]Ertürk and Serin (2016, p. 8).

Early Efforts

As we know, the earliest discourses on Marxism and communist politics started appearing in India during the inter-World War Years, especially after the Bolshevik Revolution in Russia. Even as the nationalist tide was soaring and taking the shape of a mass movement under the emerging leadership of Gandhi, important segments of the revolutionary and extremist organizations, especially in Punjab, Maharashtra and Bengal, were getting drawn to what they saw as the success of another form of mass politics that dreamed of establishing an equal society going beyond political independence. Much of the early commentaries were, however, focused on Russia and the thoughts of Lenin in particular, apart from explaining the basic tenets of socialism. From the available literature, it seems that direct references to Marx and Engels and their thoughts only began to appear in the 1920s. The following decades witnessed a visible emergence of communists as a strong political force along with a nascent body of the literature in different vernaculars associated with Marxist thought, with translations of 'The Communist Manifesto', 'Socialism: Utopian and Scientific' by Engels and Lenin's 'State and Revolution' coming to be published in several Indian languages.

The earliest translations of Capital, in abridged and somewhat simplified forms, seem to have simultaneously appeared in Bangla and Marathi in 1938. Before we discuss the Bangla translation, let us take a brief look at the translations published in other languages.[3] In Marathi, a short version of Capital was published by P. V. Gadgil in 1938, possibly based on Gabriel Deville's 'The People's Marx' published in 1883. Strictly speaking, one may not consider this to be a direct translation of Capital. In 1961, Rajaram Kokil published *Majoori, Kimmat ani Nafa* (PPH Book Stall), which was a translation of *Value, Price and Profit*, originally a speech given to the First International Working Men's Association on June 20 and 27, 1865, by Karl Marx, and published in 1898 by Eleanor Marx. The full length and unabridged translations of the three volumes of Capital began appearing in different languages only around 1970. In Marathi, all the three volumes were translated from English by Vasant Tulpule, using the 1954 edition of Capital published by the Moscow based Foreign Language Publishing House. They came out as *'Bhandval' Khand 1: Bhandvali Utpaadanaachi Moolgaami Mimamsa* in 1970, *'Bhandval' Khand 2: Rajakiya Arthashastra chi Mimansa*, 1975, and *'Bhandval' Khand 3* in 1980, all published by the Praagatik Prakashan Pune. Tulpule mentioned that the Marathi terms for the scientific terminology in English were developed by the *Marathi Paribhasha Samiti* and ratified by the Pune University in 1958. In Hindi, the first full-length translation of Capital volume one was done by Omprakash Sangal, which came out as *Punji1*: *Punji ke utpadan ki prakriya* in 1965. The second volume was translated

[3]This is not a definitive account of the other language translations but largely based on information accessed from sources available in the public domain. I am extremely grateful to Alok Oak, Abhishek Pandey and Nirmala for providing the information on the Marathi, Hindi, and Malayalam translations. Also, see in this regard, the discussion of the first Marathi translation of 'The Communist Manifesto' in Shaikh (2011).

by the famous literary critic Ram Vilas Sharma and published as *Punji 2* in 1979. The third volume was translated by Naresh Bedi and published as *Punji 3* in 1983. All three volumes were published by the Pragati Prakashan Moscow. In Malayalam, early translations of certain parts and excerpts of Capital appeared in the journal *Thozhilali* under the pen name Manoharan in the 1940s. However, it was a committee chaired by Kuttipuzha Krishna Pilla, including EMS Namboodiripad, C Unniraja, NE Balaram, Pavanan, TKG Nair, PT Bhaskara Panikkar, and others, that did the first full-length Malayalam translation of all three volumes, titled *Mooladhanam*, which were published by the Sahithya Pravarthaka Cooperative Society in1968. In Punjabi, Bhapa Pritam Singh from Navyug Publishers commissioned the writers Piara Singh Sehrai, Karanjeet Singh, Gurbachan Bhullar and Prof Prem Singh for the translation of Capital. According to available information, only the first volume was published in 1975 from Delhi, titled *Sarmaya*.[4]

According to Samik Lahiri, the first unabridged Bangla translation of the first volume of Capital was done by Bhavani Sen, Panchugopal Bhaduri and Somnath Lahiri around the late 1960s that was supposed to be published from Moscow but did not ultimately materialize.[5] The first full length Bangla translation of Capital finally came out in 1974, titled as *Capital: Dhanataantrik Utpaadaner Bichaarmoolak Bishleshan*. It was done by a professor of economics, Piyush Dasgupta and published by BaniPrakash, Kolkata. Before taking it up, however, we need to discuss the first abridged translation of Capital by Rebati Barman. It was published in 1938, the same year as P. V. Gadgil's Marathi translation, but the Bangla version was translated from the original. Let me provide a short outline of the reception of Marxist ideas in the late colonial Bengal before we take a look at this early Bangla translation. There is of course a long history of the reception of socialist ideas in Bengal. Rammohan Roy's exposure to Robert Owen's ideas and Bankim's early essays (Bankim Chandra Chattopadhyaya, "Samya", *Bangadarshan*, Calcutta, 1874–76) are important signposts in the process. However, it seems that the direct ideas of Marx and what may be described as a noticeable circulation of Marxist discourse only gained pace after the Bolshevik revolution and the formation of a nascent communist movement roughly around 1920. Much of the early texts on Marxism are familiar to us through the important work of Shipra Sarkar and Anamitra Das who provided an invaluable anthology of significant excerpts from such texts.[6] As we know, apart from certain rare and creative adaptations,[7] the texts more widely circulated in the late colonial Bengal were often those authored by Lenin, like *Rashtra o Biplab* (State and Revolution), and translations of selected texts put out by the Marx–Engels Institute in Moscow under the supervision of David Riazanov. Although an abridged version, Rebati Barman's lucid translation of Capital was an important and integral part of the earliest Marxist literature in Bangla.

[4] "200 years of Karl Marx: 'Capital' lost in Punjabi translation", *The Tribune*, May 11, 2018.

[5] Samik Lahiri, 'Amader Kathaa' in Nag and Barman (2018, p. 18).

[6] Sarkar and Das (1998).

[7] For instance, Surendranath Thakur, *Biswamanaber Laxmilabh*, Biswabharati Granthhalay, Bengali year 1347.

An outstanding example of early communist figures in India, Rebati Barman was born in Shimulkandi village in Mymensingh district of Bangladesh roughly around 1905 and died in 1952, suffering from ailments contracted from a long stint of eight years in different jails. A highly meritorious student, Barman joined the revolutionary association 'Sreesangha' in Dhaka and published a book on Russia, titled *Torun Rush* as early as 1929. Only twenty-five years old, he was jailed in 1930 and remained imprisoned until 1938 in different jails, including in Rajasthan. Like many communists who would follow in his steps, it was in the different jails that he studied sociology and anthropology along with the fundamental texts of Marxism, which he taught other prisoners and translated. In order to be thorough in his understanding, Barman read Capital no less than six times. Another early communist leader, Muzaffar Ahmad tells us that Barman used to keep copious notes on examples and instances from India on the margins of his own copy of Capital wherever they seemed relevant, including notes on small pieces of paper stuck on the page next to the relevant sections. Several anecdotes also bear testimony to Barman's seriousness and rigor as a translator. There is, for instance, a letter he wrote to Rabindranath Tagore on January 5, 1932, asking for an appropriate term to translate 'nation' and 'nationalism' as he felt unhappy with the term commonly used that were provided by Jogesh Vidyanidhi. Such was his commitment to Marxist pedagogy that Barman founded the 'National Book Agency' with Dharani Goswami, Muzaffar Ahmad, Gopal Ghosh and Suren Datta in order to publish books on Marxism and translations of Marx in Bangla. By the time he passed away, Barman had written seventeen books and produced a big chunk of the early Marxist literature in Bangla. Apart from his 1938 translation of Capital, his important translations included texts by Engels, like, *Samaajtantrabaad-Baignanik O Kaalpanik* (Socialism: Utopian and Scientific), and *Paribaar, Byaktigata Sampatti O Rashtrer Utpatti* (The Origin of the Family, Private Property and the State).[8] Despite the brevity of his translation, looking at the text Barman had authored more than ninety years ago, one cannot appreciate enough the lucidity of his understanding and the precision of his discourse while unpacking the frequently dense segments in Marx's writing. Let me conclude the discussion on Barman, by quoting his translation of a particularly difficult part in the Capital about the production of surplus value. Readers familiar with Bangla will be able to get an immediate sense of the simplicity and ingenuity that Barman brought to bear on his translation from this brief excerpt. In the section titled, *'Udbritta-Moolya Kibhabe Tairi Hay'*, in the fourth chapter titled *Mudraar Punji te Roopantar*, Barman writes as follows:

> *Shramashaktir bikri ebang kreta jakhan eke kene – ei samaytir madhye ekta byabadhaan aachhe. Ekti bishay ekhaane lakshya karaa prayojan. Shramik shramashakti bikri karla bate, kintu takhano taar moolya payni, Shramikke khatiye arthhaat taar shramashaktike karyakaree kare tabe punjipati taar moolya diye thhake. Shramik moolya na niyei gatar khaataate raaji halo. Shramashaktir byabahaar-moolya punjipati agrim pelo.*[9]

[8] Muzaffar Ahmad, 'Rebati Barman', in Nag and Barman (2018, p. 22).

[9] Nag and Barman (2018, p. 57). The language has been marginally modified in later editions, bringing the use of grammar closer to colloquial Bangla. This excerpt represents a radically abridged

Postcolonial Translation

Piyush Dasgupta, who did the first full-length Bangla translation of all three volumes of Capital, was born on October 28, 1922, in Madaripur, Bangladesh. As a teenager, he became close to the revolutionary Anukul Chatterjee, who was the leader of the Anushilan Samiti in the area. Dasgupta had a fairly tumultuous life, characteristic of many communists in the early postcolonial India. Having completed his Intermediate of Arts from Rajendra College in Faridpur, he enrolled as an undergraduate student in economics at the Scottish Church College in Calcutta and joined the Communist Party of India (CPI) around 1940. After doing his Masters from Calcutta University, he started teaching at the Vidyasagar College in 1944. When his family members migrated to Nabadwip from Faridpur after the partition, Dasgupta started teaching at the Scottish Church College in 1948. However, Dasgupta lost his job after he was arrested in 1949 when the CPI was banned. Thereafter, he taught at the Maharaja Manindra Chandra College until 1960, when he joined the National Book Agency (NBA), originally set up by Rebati Barman. After the Communist Party split, Dasgupta went underground between 1963 and 1966. In 1967, he contested the assembly elections from CPI (M) from the Kashipur constituency, without success. In 1968, he joined the Netaji Nagar College. Around this time, however, he earned the hostility of a powerful section of the party leadership, headed by Pramod Dasgupta, who suspected him of harboring sympathies for the ultra-left and anti-party activities. Dasgupta was expelled from the party in 1974, the very year his translation of the first volume of Capital was published. As the CPI (M) came to power in 1977, Dasgupta was suspended from his job and terminated in 1978. He fought a case and won at the High Court but by that time he was already past the age of retirement. He devoted himself to completing the translation of all the three volumes of Capital, which were finally published by 1988. Dasgupta passed away on August 12, 2002.[10]

It is important to remember that the year of publication of the first volume of translation was 1974, seven years after the first bitter split of the communist movement and five years after the second one. As we have noted above, this decade from the late 1960s to 1970s turned out to be the period when most unabridged translations of Marx started to appear in India. The first volume translated by Dasgupta was published in August 1974. The second volume was published in 1983, third volume in 1984, fourth volume in 1985, fifth volume in 1987, and the sixth and final volume in September 1988. However, unlike the other language editions, the publisher was neither the Peoples' Publishing House nor the NBA where Dasgupta had briefly worked, but a small concern, named Bani Prakash, owned by an individual,

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version of the discussion in the English translation by Moore and Aveling, and edited by Engels that comes at the end of Chap. 6, titled, 'The Buying and Selling of Labor-Power.' The sentences close to Barman's excerpt read as follows: 'The price of the labor power is fixed by the contract, although it is not realised till later, like the rent of a house. The labor power is sold, although it is only paid for at a later period'.

[10]Interview with Soham Dasgupta, the elder son of Piyush Dasgupta conducted in January and November 2018 and January 2019.

Akhtar Hossain, who kindly compiled and edited the volumes. The translator was a professor of economics, a refugee, leader and communist party member since early youth, but who was on the verge of expulsion from the party. As Dasgupta writes in the preface, the task was entrusted to him by 'Kakababu' Muzaffar Ahmad, and it was meant to be published from Moscow. Instead, it was quietly published from A129 College Street market. Although its circulation has been limited, and few in the two Communist parties saw fit to review this labor of love, a second edition of the first volume came out in 1981, a third edition in 1986, and the copy I possess is the fourth edition, printed in 2009.

Compared to the translated texts of Marx available in Bangla, Piyush Dasgupta's work stands out for a number of reasons. As we have seen, the older translations were abridged and many of them tried to simplify the discourse, mostly however without the clarity of someone like Rebati Barman. The dominant tendency was to make a pragmatic choice, that is, to avoid the more complex nuances of economic and political theory in trying to create a wide readership among people with presumably little cultural capital. What was lost in the process is the rigor of arguments without which many theoretical formulations began to morph into opaque maxims and slogans increasingly resembling a faith not unlike religion. Dasgupta's translation was a telling departure in this regard. His translation was faithful to Marx in a highly rigorous and scholarly manner, with elaborate annotations and painstaking explanations of the footnotes translated from the original in their entirety, unlike most other editions. Being from a disciplinary background of economics, the terminology was technically precise and imaginative at the same time, often referring to a wider body of literature of political economy. Perhaps it was not so much meant to be used in the manner that theory is often made use of in activist rhetoric. Yet, this hardly undermined its accessibility, all the more because his translation arrived in the 1970s, in the background of a significant tradition of political, economic and philosophic–al debates in Bangla, participated by middle-class intelligentsia, growing familiar with not only Marx and Engels but also the likes of Regis Debray, Maurice Dobb, and Sartre in the left quarters.

The perspicuity and accessibility of Dasgupta's translation are most evident in the famous chapter on commodity fetishism, conceptually one of the more tricky and complicated segments of Capital volume one. As we know from the remarks of several commentators like Althusser, the difficulties in parsing this chapter has much to do with not only Marx's criticism of the lack of distinction between use value and exchange value in Ricardo but also taking his critique of ideology to a much higher degree of sophistication than *The German Ideology* with striking insights overlapping with psychoanalysis. Besides theoretical erudition, the language in the 1886 edition edited by Engels and Aveling and translated by Samuel Moore, which Dasgupta relied on, is very often reminiscent of the verve and sarcastic wit of Manifesto. These qualities are perhaps most palpable in the paragraph on what Marx elaborates as 'post-festum' thinking—the commonest doxa and key opponent of materialist thinking and theory. In his translation, Dasgupta not only manages to retain the sophistication of the exposition but at the same time renders it extremely

clear and approachable, using a Bangla that is both efficient and refreshing. Consider the following passage:

> *Saamaajik jibaner roop je aitihaashik kramabikaasher raastaa dhare agrasar hay, manusher chintaar bhitar taa pratifalita hay thhik taar biparitbhaabe, sutaraang biparit bhaabei taar baignaanik bishleshan haye thhaake. Haater kaachhe jug paribartaner je falaafal paoa jaay taai niyei lok saamajik rooper bisleshan aarambha kare pichhan dike mukh kare. Je charitra dwaaraa shramotpanna drabya panyaroope chinhita hay ebang panya binimayer praathhamik shartaswarup shramajaata drabyake je charitra laabh kartei habe, loke tar arthha aabiskar aarambha karar agei taa samaajer swaabhaabik ebang swatasidhha roop hisebe pratisthita haye gechhe. Takhan taar arthha ki taai khnoj kara hay, tar aitihaasik charitra ki loke taa khnojenaa, kenanaa, taar chokhe sei charitrati hala sanatan satya.* [11]

Despite the four editions of this remarkable Bangla translation, I must admit to a deep sense of disappointment with the lack of attention, circulation, and recognition suffered by such texts with regard to the communist parties and the wider movement. Is this studied neglect because Dasgupta fell out with the leadership and was expelled from the party? Is it due to the fact that Dasgupta's translation was more technical and rigorous and therefore unfit for the everyday political work of the communist party? Could it be the case that communist politics actually called for much more accessible and imaginative translations that could better serve its pedagogic needs for spreading among the peasants and workers who Marx wanted to address after all? Indeed, there have been some exceptional efforts at translating Marx more freely in the past, which were less pedantic and bolder in their approach. A few of them were experimental in a way that took a certain measure of creative license with the literal text, adapting the essence of Marx's critique to a narrative tradition that is based on the folk and oral culture of the specific region and language context. Such was the case with *Bhooter Begaar*, Subhash Mukhopadhyay's brilliant translation of 'Wage Labour and Capital', which deserves a brief consideration before we conclude the essay.[12] *Bhooter Begaar* was a creative translation and partly adaptation of the famous 1849 text by Marx, which was published in 1954. Its peculiar trajectory should help to clarify the communist party's larger attitude to the task of translation at different historical junctures.

Bhooter Begaar is an idiomatic phrase in Bangla that basically means 'unrewarding labor', and therefore, exploitation. What Mukhopadhyay did was highly original and radical for his times. Using localisms, aphorisms, traditional rhymes and ditties, he turned the story of capital into a ghost story, where the abstractions in the text of Marx became alive as concept-metaphors. As the dead labor of capital lacks human

[11] Dasgupta (2009, p. 102). The English version of this part, translated by Samuel Moore and Edward Aveling, edited by Frederick Engels, reads as follows: 'Man's reflections on the forms of social life, and consequently, also, his scientific analysis of those forms, take a course directly opposite to that of their actual historical development. He begins, post-festum, with the results of the process of development ready to hand before him. The characters that stamp products as commodities, and whose establishment is a necessary preliminary to the circulation of commodities, have already acquired the stability of natural, self-understood forms of social life, before man seeks to decipher, not their historical character, for in his eyes they are immutable, but their meaning.'

[12] Mukhopadhyay (1954/2008).

substance, 'money power' became a ghost in Mukhopadhyay's story, which sucked the blood from the corporeal bodies of workers, and brutally exploited their 'labor power'—what the poet described as *gatar khaataano*. As I have explained elsewhere in more detail, the use of the word *gatar* denoted several things—a sensuousness that is missing from the more chaste words used about body derived from Sanskrit like *deha* or *shareer*.[13] At the same time, the use of such words immediately brought the translated discourse into close proximity with spoken Bangla and the oral culture common to narrative practices found in the countryside, which the poet knew intimately from his extensive travel and reporting of the Bengal famine for the party newspaper. However, several leaders of the party and prominent members of the editorial board of *Swadhinata*, the party newspaper, were seriously distraught with Mukhopadhyay's poetic license in the translation and especially his choice of words like *bhoot* and *gatar*. The discourse of Marxism as they saw it must not be sullied with the inappropriate use of idioms and localism, what they described as *apaprayog* of *vaagdhaaraa*. Marxism should have been treated, according to them, strictly as a scientific discourse that has no place for superstition like ghosts. Nor should it allude to laboring bodies in vulgar terms like *gatar* that reminded one of prostitution. What was entirely lost sight of in the ensuing acrimonious debate is the use of the same word *gatar* in Rebati Barman's first abridged translation of Capital (the fifth word in the penultimate sentence quoted in page 5).[14] Such was the puritan zeal for policing that nobody pointed out how The Communist Manifesto begins with a haunting figure. Mukhopadhyay's book was severely criticized and denounced in the party newspaper *Swadhinata*, and certain important leaders, like Pramod Dasgupta and Sushital Raychowdhury, played an instrumental role in proscribing the book and withdrawing the copies, effectively spelling an end to such original adventures in translating Marx in Bangla.[15]

Conclusion

The Bangla translation of Marx's original texts started by pioneers like Rebati Barman slowed down to a trickle after the 1940s and 1950s. The books sold at communist party kiosks mainly featured abridged and working translations of a set of pamphlets authored mostly by Stalin and Lenin, besides, of course, a delightful body of Soviet children's literature growing in the following decades. There was a renewed and concerted attempt to return to the original texts of Marx and Engels in their unabridged form, especially, Capital, only in the late 1960s and 1970s, partly as a response to the need for ideological clarification in the wake of bitter splits in the Indian communist movement. However, apart from the exception of the translations in Malayalam and Marathi, such efforts did not appear to be organized in a very systematic manner.

[13] For a detailed discussion see Dasgupta (2014).

[14] *Shramik moolya na niyei* ***gatar*** *khaataate raaji halo.* See Footnote 9 for reference.

[15] See for an extensive discussion of the controversy around the book, Bhattacharya (2005).

Even when certain editions, like the Hindi translations, were published from Moscow, they had different individuals in charge of translating the different volumes, with little coordination among them. The translation in several other languages, like Punjabi, seemed to depend entirely on individual initiatives, often with little assistance from the communist parties. Consequently, the full translations of all three volumes of Capital became available in certain languages only by the late 1980s and 1990s, often at great personal cost to the translators, like in the case of Bangla.

As we have seen, there were interesting variations in the translation strategies over the years, with the decision about the words, idioms, and terminologies coined and used by the successive translators changing significantly in keeping with the readership in mind. However, what remained consistent and common to the undertakings of both Rebati Barman and Piyush Dasgupta, in the case of translating Capital, as well as that of Subhash Mukhopadhyay, in the broader sense of translating Marx, is their painstaking insistence on precision, clarity, and approachability. If we set aside for a moment the distinction between translating Capital and other texts by Marx, we will stumble upon another telling commonality between them, especially Dasgupta and Mukhopadhyay, but also including Barman. The wider communist movement and the dominant leadership of respective communist parties have shown a strangely consistent indifference to their efforts. They have not only refused to lend the deserved support and assistance to such undertakings but acted with peculiar hostility and sat on judgment over anything they regarded as an aberration of proper Marxism. In doing so what the Communist Parties seem to reveal is the singular lack in their official understanding of the vital relationship between translation and practice, despite several early communists grasping this connection intuitively. It is precisely where the potential lay for connecting with the masses, the opportunity for creating the material basis of Marxist practice in the different vernacular languages, one that was missed by the early Marxists despite the efforts of a few, who kept this potential alive in India.

Interestingly, recent scholarship shows some striking parallels of similar efforts at translating Marx, especially in countries like China and Turkey. Tani Barlow suggests that Qu Qiubai, who was one of the early translators of Marx, saw the traditional Chinese language as inaccessible and an impediment for the task at hand. Qu wanted to create a new 'common' Chinese language, largely drawing on available aphorisms and idioms of spoken Chinese.[16] Similarly, Kıvılcımlı, who was the key figure in the case of Turkish translations of Marx, strongly insisted on the idiomatic use of Marx's concepts in his work. Reading Kıvılcımlı's translation of Marx's 'Wage Labor and Capital' Özge Serin highlights how he created a new kind of literary communism by opening up the concept-metaphors of Marx in a manner that could be used by everyone and which traced these concept-metaphors back to their sensuous origins.[17] Will it be too far-fetched to suggest that *Bhooter Begaar* was attempting something similar? Is it mistaken to think that Barman's struggle with terminologies was kindred with the same spirit? How do we then make sense of the persistent

[16] Barlow (2016).

[17] Serin (2016).

neglect and marginalization of the attempts at translating Marx by sections of the communist party leadership in India? It shows a serious lack on the part of the party and the wider movement in realizing the fundamental significance of translating Marx and extending communist politics to ordinary language and existence of people. Translation is fundamental for Marxism not to become capital of the few. The early translators of Capital have laid the foundations of that labor.

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Communism and Capital: Marxists Literature in Southeast Asia

Bertil Lintner

Abstract This paper traces the history of reception of "Capital" and other texts of Marx and Engels in the Southeast Asian region in the backdrop of its twentieth-century political history in which communism played an important role. However, the issues of anti-colonial struggles, nationalism and ethnic identification dented the influence of once-powerful communist parties in Southeast Asia and eventually led to the demise of those movements they steered. Moreover, the fact that these communist movements with their widely disparate agendas and sometimes idiosyncratic policies were at times only tangentially related to the ideas of Marx and Engels also contributed to this fall. Yet, 150 years after the publication of Capital, Marxism is not dead in Southeast Asia. It continues to influence young, and some old, activists and social reformers. In Myanmar as well as in Thailand, where the countries' respective militaries are still powerful, Marxist theory is seen by many as an 'antidote' to military rule.

Keywords Partai Komunis Indonesia · Suharto · Communist Party of Thailand · Communist Party of Malaya · Jit Phumisak · Mao's Red Book

It is 150 years since the first publication of Karl Marx's monumental study of capitalism, *das Kapital* in German and *Capital* in English. Despite the fact that all Southeast Asian nations have had influential communist parties that played important roles in the struggle against colonial rulers as well as military dictatorships in the respective countries, *Capital* has been translated into relatively few Southeast Asian languages. Other works by Marx and his companion Friedrich Engels have been much more widely published and read, notably their studies of societies, visions of a new social order and the evolution of the human race. However, the emergence of powerful communist parties in Southeast Asia with their widely disparate agendas and sometimes idiosyncratic policies were not based solely on different interpretations of Marxist literature. Anti-colonial struggles, nationalism and ethnic identification were in

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most cases more important factors, which, as the Southeast Asian countries developed politically, socially and economically, eventually led to the demise of those movements.

The world's largest and most powerful non-governing communist party well into the 1960s was *Partai Komunis Indonesia* (PKI). At the height of its strength in 1964, it had more than two million members or 3.8% of the country's working population (Törnquist 1984; Hindley 1966). But PKI was mainly an anti-colonial and anti-imperialist mass movement where various studies of Marxist literature of any kind played a fairly minor role among its members and sympathizers. It was founded in 1914 by the Dutch socialist Henk Sneevlietasa social democrat party and, in 1920, became *Perserikatan Komunis di Hindia*, or the Communist Union of the Indies. It was the first Asian communist party to become a section of the Komintern. Sneevliet represented his party at the Komintern's second congress in 1921 and he also played a role in establishment of the Communist Party of China in the same year.

Sneelivet later returned to the Netherlands, and the party gradually attracted more indigenous members. In 1924, it adopted the name PKI and led several labour strikes and, in the mid-1920s, even called for a revolution against Dutch colonial rule that failed and thousands of members were imprisoned. The PKI was banned in 1927 but continued to work underground. It played no significant role during the Japanese occupation in the 1940s, but when World War II was over, it remerged as a powerful anti-colonial force. Following Indonesia's independence—proclaimed in 1945 and eventually recognized by the Dutch in 1949—the PKI grew into a mass movement mainly because of its anti-colonialist and anti-western policies. Through its influence over the trade unions, the PKI led the takeover of Dutch-owned companies and supported the then anti-western and ultranationalist policies of Indonesia's President Sukarno.

The PKI and its various front organizations grew rapidly, and in just a few years in the early 1950s increased its membership from 10,000 to over half a million. In the 1955 elections, the PKI became Indonesia's fourth-largest party with 16% of the vote (Törnquist 1984; Hindley 1966). It continued to grow in the late 1950s and early 1960s, and, in 1962 joined Sukarno's government. Its leaders Dipa Nusantara Aidit and Njoto (only one name) became ministers, who were perceived as a threat by the country's conservative military officers and Muslim groups. This led to a military takeover in 1965—and mass killings of communists as well as ethnic Chinese.

The rightwing played on religious and nationalist sentiments among the population at large, claiming that PKI was anti-Muslim and dominated by ethnic Chinese ideologues. Hundreds of thousands of PKI members and suspected sympathizers were killed by ravaging mobs, backed by the military. Both Aidit and Njoto were among those killed and the PKI was banned in 1966. It was widely reported at the time that the US embassy in Jakarta provided the Indonesian military with 'kill lists' containing the names of thousands of suspected communists.

The bloody events of the mid-1960s led to the iron-fisted rule of General Suharto, who remained in power until the Asian financial crisis in 1997 triggered mass protest all over the country. Suharto was forced to resign in 1998, and a more democratic order was introduced but attempts to revive the PKI have not been successful. But,

in 2004, the first translation of *Capital* was published. The translator was Oey Hay Djoen (1929–2008), who among many other communists had been interned on Buru Island after the crackdown on the PKI in the mid-1960s.

In 1933, the first sections of *Capital* had been translated into Indonesian, but Oey's translation was the first complete translation of the entire work. Oey also translated many other works of Marx and Engels. Those translations are read by many older, former PKI members and some younger activists. But communism no longer is a political force to be reckoned with in Indonesian politics.

The development of a communist movement in today's Malaysia follows an entirely different pattern. Given the country's ethnic composition—about a quarter of the population has always consisted of ethnic Chinese, who originally were brought in by the British colonial power as labourers—it was a mainly Chinese party. Originally part of the South Seas Communist Party when the Communist Party of China (CPC) separated its overseas branches to establish local communist parties, it became the Communist Party of Malaya (CPM) in 1930. But links with the CPC remained strong, and, when the Japanese invaded China in 1937, the CPM formed an alliance with local, pro-Guomindang groups in Malaya.

CPM became part of the anti-Japanese struggle, which, when the Japanese invaded Malaya in 1941, led to a seemingly unlikely alliance between it and the British. CPM, with British support, fought against the Japanese. The most outstanding leader of the CPM's armed forces called the Malayan People's Anti-Japanese Army was Chin Peng, who was awarded an Order of the British Empire (OBE) by Lord Mountbatten at a ceremony in Singapore after the war (Chapman 1949; Bayly and Harper 2007). In 1947, Chin Peng became the general secretary of the CPM following the betrayal of its previous top leader, Lai Teck, who had turned out to be a Japanese agent during the war.

The CPM, which was not content with only driving the Japanese out of Malaya but wanted to turn that struggle into a fight for independence, now turned against their former allies, the British colonial power (Cheah 1979). The CPM was declared illegal on July 23, 1948 and was forced to go underground. A bloody civil war ensued that saw British forces fighting the communists during a campaign which was euphemistically called "the Emergency". Malaya became independent in 1957, and, in 1960, the government declared that "the Emergency" was over. Chin Peng went into exile in China (Chin and Hack 2004). Meanwhile, the British territories of Singapore, Sarawak and Sabah (North Borneo) joined the federation which was renamed as Malaysia in 1963. Two years later, Singapore left the federation, but Malaysia survived as a new entity—which was never recognized by the CPM, which continued to call itself the Communist Party of Malaya, not Malaysia. Communist forces in Sarawak and Sabah operated under the name the Communist Party of North Kalimantan.

The armed struggle came to a definite end when, in 1989, Chin Peng signed a peace treaty with the Malaysian government. But the agreement was signed in Hat Yai in southern Thailand, and the remaining CPM forces settled in camps on the Thai side of the border. Chin Peng was never allowed to return to Malaysia and died in Bangkok in 2013 (Chin Peng 2003; Ratanachaya 1996).

The CPM's main weakness was that it remained a predominantly Chinese party and never managed to get any noteworthy support from the majority Malaya population. Party literature was almost exclusively in the Chinese language. And the long, armed struggle—first against the Japanese and then during "the Emergency"—did not make it possible to print and distribute more than propaganda leaflets and some brochures. If anyone in Malaysia read Capital, it would have been in English or Chinese.

Thailand or Siam, which it was called before 1939, was never a colony, making conditions for the emergence of a communist movement there very different from those in other Southeast Asian countries. A communist movement emerged in the 1930s, and, as in Malaya, it was dominated by ethnic Chinese migrants. But it was small, had no allies other than the CPC, and could not play on anti-colonial sentiments.

The Communist Party of Thailand (CPT) was formed in 1942 and went underground during World War II to wage guerrilla warfare against the Japanese—and the then allied Thai state. It was staunchly Maoist and, in the beginning, dominated by ethnic Sino-Thais. It was only in the 1950s that a leftist movement emerged among the ethnic Thai population and it did not merge with the Chinese segment until the 1960s. The first Thai intellectual to join the CPT was a remarkable young intellectual called Jit (or Chit) Phumisak. He was born into a family of low-level government officials in Parchinburi, a province in eastern Thailand. His family was not rich, but, even so, he managed to be admitted to the prestigious Chulalongkorn University in Bangkok, which was normally reserved for the elite.

Jit studied philology at Chulalongkorn, learned several foreign languages and, in 1953, was hired by the US embassy in Bangkok to assist William Gladney, an American linguist, to translate Marx's and Engels' *The Communist Manifesto* into Thai. The purpose was to convince the Thai government that it should take firmer action against the country's small cells of mainly Sino-Thai communist cadre.

But the outcome turned out to be just the opposite. Jit became influenced by what he had read and was arrested in 1957 for spreading Marxist ideas. He remained in jail till 1963, and, two years later, joined the CPT's then small and fledgling guerrilla forces in northeastern Thailand, the most impoverished part of the country. On May 5, 1966, Jit was shot dead in the Phuphan Mountains in the northeast. He became the first martyr of Thailand's communist movement—and a role model for many of the young people, who in the 1970s was attracted by leftist ideas (Prizza and Sinsawasdi 1974). It was Jit's writings, more than those of Marx and Engels and even Mao Zedong that inspired the young pro-democracy and anti-establishment activists of the 1970s and 1980s (Turton, Fast and Caldwell 1978).

Jit's most celebrated work is *Chomna Saktina Thai* ("The Face of Thai Feudalism"), which has also been translated, into English (Reynolds 1987). It remains the most thorough study of Thai society from a Marxist point of view. Jit did not translate any communist work other than the Communist Manifesto but he did translate other literature into Thai. His most famous translation is that of Maxim Gorky's *The Mother*. More than fifty years after his death, Jit remains an icon among many young and even older Thai political activists.

Despite the fact that communist cells had been active in Thailand since the 1920s, there was no Thai translation of *Capital* until 1999. Thousands of young intellectuals, and a few Thai trade unionists joined the CPT's forces after a massacre at Bangkok's Thammasat University on October 1976 (Wedel and Wedel 1987). The armed struggle came to an end following a general amnesty in 1980, and those who then returned to the cities and towns recall that the book everyone had to study, while in the jungle was Mao's Little Red Book, not anything written by Marx, Engels or Lenin.

The Thai translation of Marx's *Capital* was done from English and Chinese version, not the German original, by Matee Eamwara who until then was known mostly for writing dictionaries. Although influenced by Marxism, he was never a member of the CPT. Matee managed to complete the translation of volumes 1 and 2, but not the 3rd volume. In 2016 an abridged version of all three volumes, translated by Boonssak Sangrawee, was published in Bangkok. Matee's first translation was influenced by the Chinese version and difficult to read. Matee's abridged and somewhat simplified version has reached a wider range of people in Thailand, but Marxist literature, by Marx himself and others, has not been as widespread as in neighbouring Myanmar, where it had a profound impact on that country's struggle for independence from British colonial rule.

In 1930, a peasant revolt, led by Saya San, broke out in central Myanmar (then Burma) from where it spread to other parts of the country. Saya San's followers styled themselves as *galons* (after the garuda, a powerful bird in Hindu mythology) and believed that their tattoos and amulets would make them invulnerable to British bullets. Saya San was not a Marxist but the traditional *minlaung* (pretender) to the old Burmese throne, a figure often produced in times of crises.

The rebellion was eventually crushed and Saya San was executed, but it paved the way for a more ideologically motivated independence movement. Radical ideas had entered Burma from India and Britain, and royalties from a book ostensibly written by Saya San funded the establishment of a library of the first Marxist literature to reach Burma. A number of book clubs, notably the *Nagani* ("Red Dragon") Book Club, were set-up in the then capital Rangoon (now Yangon) and elsewhere. One of the young independence activists, a student leader called Thakin Nu, translated portions of *Capital* into Burmese, but never a complete version of Marx's work. Thakin Nu, later known as U Nu, served as independent Burma's first prime minister, a post he held most of the time until he was ousted in a military coup d'état in 1962.

In August 1939, some of the *thakins* (an honorific used by the nationalists) formed the Communist Party of Burma (CPB) and its first general secretary was Aung San, the father of today's state counsellor, Aung San Suu Kyi, and considered the father of Burma's independence movement. What appealed to those young Burmese activists in the writings of Marx and Engels was, as historian Trevor Ling puts it, "not so much the doctrine of historical materialism, but the criticism by Marx of the grossly materialistic capitalism of the West". Marxism merged with Buddhism, and some leftist leaders in the 1950s maintained that socialism was "nirvana on earth". U Ba Swe, a socialist leader at that time, wrote that "Marxist theory is not antagonistic to Buddhist philosophy. The two are, frankly speaking, not merely similar. In fact, they

are the same in concept". Marx, he wrote, "must have been influenced if not directly so at least indirectly by the Buddha" (Lintner 2011).

This curious blend of Buddhism and Marxism may be unique to Myanmar but should be seen as having its roots in radical nationalism rather than socialist ideology. One of the founders of Myanmar's leftist movements, a well-known writer called Thakin Kodaw Hmaing, was even the closest adviser to the last Queen of Myanmar, Supayalat, who had been allowed to return to the then British colony after the death of her husband, King Thibaw, in Ratnagiri in India in 1916. She and the king had been taken as prisoners and exiled in India when the British conquered the old royal capital of Mandalay in 1885. Strange at it may seem, Thakin Kodaw Hmaing admired Supayalat for her stand against colonialism. In 1885, he had been a young monastery novice in Mandalay, and witnessed Thibaw and Supayalat being taken away by the British (Lintner 2011).

After Myanmar's independence in 1948, Thakin Kodaw Hmaing became a prominent peace activist and as such travelled to China, Mongolia, the Soviet Union and Hungary. In 1954, he was awarded the Stalin Peace Prize. He died in 1976 at the age of 88 and remains the single most revered literary figure in modern Myanmar. And his writings are popular even today.

The CPB, which went underground to resort to armed struggle shortly after independence in 1948, became gradually more influenced by Mao Zedong and his theories of peasant guerrilla warfare. Mao's Little Read Book became compulsory reading for CPB cadres and soldiers in its army in the 1960s and 1970s, when it had a formidable fighting force controlling more than 20,000 square kilometres of territory in Myanmar's north and northeast. Other Marxist literature never played any important role in the "new" CPB that emerged after its fighters entered northeastern Myanmar from China on January 1, 1968. Then there was also a shift from the early communist movement, which has been inspired by the Communist Party of India and had several ethnic Indians among its leaders, to a staunchly pro-Maoist guerrilla army supported by China.

The government realized that it would not be able to defeat the CPB in the northeastern regions bordering China, so it concentrated on wiping out its old strongholds in central Myanmar. Those campaigns were successful, and the CPB became isolated in the mountainous northeast, where most people belonged to various hill tribes and other ethnic minorities. The "post-1968 CPB" never managed to reach central Myanmar, where its future, if any, should have been.

Frictions between the ageing, orthodox mainly Bamar leadership of the CPB and the hill tribe rank and file of its army led to a mutiny in 1989, and the collapse of the party. The leadership went into exile in China, while its armed forces were divided into four regional, ethnic armies of which the United Wa State Army is the strongest (the Wa are a hill tribe in northeastern Myanmar who made up the bulk of the CPB's fighting force).

Myanmar remained under iron-fisted rule until 2010, when an election was held and a quasi-civilian government took over. The military is still the country's most powerful political force, but press freedom has been allowed and political parties can operate freely. In 2015, another election was held and a new government led by

Aung San Suu Kyi and her party, the National League for Democracy, formed a new government—with the military maintaining its autonomy and controlling not only a quarter of all parliamentary seats but also the three most important ministries, those of defence, home affairs and border affairs.

In real terms, the military remains in power in Myanmar, but since the opening of the country in 2011–2012, there has been a renaissance for Marxist thinking among many urban intellectuals and activists. Portraits of Thakin Kodaw Hmaing and Takhin Ba Hein—who died in 1946 before the CPB went underground and is considered Myanmar's first Marxist ideologue—can be seen when the students demonstrate in towns and cities. But while Marxist literature is once again available in Yangon bookstores there is, to date, no complete translation into Burmese of Marx's *Capital*.

One hundred fifty years after the publication of *Capital*, the once-powerful communist parties in Indonesia, Malaysia, Thailand and Myanmar are more or less defunct. But Marxism is not entirely dead in Southeast Asia. It continues to influence young, and some old, activists and social reformers in Myanmar as well as in Thailand, where the countries' respective militaries are still powerful and Marxist theory is seen by many as an "antidote" to military rule.

It would be nice to have some references in the text and at the end so that the readers can consult them when required.

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The Homeland(s) of Marxism: Labor Power, Race, and Nation After *Capital*

Gavin Walker

Abstract At the end of the twentieth century, Alain Badiou once wrote that "Marxism no longer has a historical homeland," but had instead at last been "expatriated" from the burden of its apparent "origins." There exists a long polemical history, often within the framework of postcolonial studies, which posits the Marxist tradition as something fundamentally "Western," something that never fit "the world," but only its supposed "homeland." But what truly is the "homeland" of Marxism, if we can even put it this way at all? My principle thesis here is the following: If Marxism's homeland in the nineteenth century was Western Europe, then its homeland in the twentieth century was above all the Tricontinental—Asia, Africa, and Latin America. This thesis is a polemic, intended to radically alter our view of the intellectual history of Marxism, which methodologically remains deeply fixed to a narrative about itself that is structured according to a model of diffusion. But what if we chose concretely to theorize it another way, to emphasize that the seed of this transfer between centuries lay already in Marx's work in the years following Capital, and that the global impetus to understand the function of Capital as a guide to the "critical analysis of capitalist production" came principally from the situation of the "non-West"? This itself would lead us, in a circular fashion, back to the beginning, to formulate a new historical trajectory of development for Capital, as the pivotal text of a new global centrality of the categories of "race" and "nation" to the enclosure of the world by capital itself.

Keywords Labour power · Race · Nation · National question · Capital · Japan · Marxism · Marx

> Commodities cannot themselves go to market and perform exchanges in their own right. We must, therefore, have recourse to their guardians (*Hütern*), who are the possessors of commodities (*Warenbesitzern*). Marx, *Capital*, vol. 1: 94/99
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> The owner of labour-power is mortal. If then his appearance in the market is to be continuous, and the continuous conversion of money into capital assumes this, the seller of labour-power

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> must perpetuate himself, "in the way that every living individual perpetuates himself, by procreation." The labour-power withdrawn from the market by wear and tear and death, must be continually replaced by, at the very least, an equal amount of fresh labour-power. Hence the sum of the means of subsistence necessary for the production of labour-power must include the means necessary for the labourer's substitutes, i.e., his children, in order that *this race of peculiar commodity-owners* (*diese Race eigentümlicher Warenbesitzer*) may perpetuate its appearance in the market. Marx, *Capital*, vol. 1: 182/186.

At the end of the twentieth century, Alain Badiou once wrote that "Marxism no longer has a historical homeland," but had instead at last been "expatriated" from the burden of its apparent "origins." There exists a long polemical history, often within the framework of postcolonial studies, which posits the Marxist tradition as something fundamentally "Western," something that never fit "the world," but only its supposed "homeland." But what truly is the "homeland" of Marxism, if we can even put it this way at all? My principle thesis in the following pages rests first on an intellectual-historical assertion: If Marxism's homeland in the nineteenth century was Western Europe, then its homeland in the twentieth century was above all the Tricontinental—Asia, Africa, and Latin America. This thesis is a polemic, intended to radically alter our view of the intellectual history of Marxism, which methodologically remains deeply fixed to a narrative about itself that is structured according to a model of diffusion. But what if we chose concretely to theorize it another way, to emphasize that the seed of this transfer between centuries lay already in Marx's work in the years following *Capital*, and that the global impetus to understand the function of *Capital* as a guide to the "critical analysis of capitalist production" came principally from the situation of the "non-West"? This itself would lead us, in a circular fashion, back to the beginning, to formulate a new historical trajectory of development for *Capital*, as the pivotal text of a new global centrality of the categories of "race" and "nation" to the enclosure of the world by capital itself.

In the following pages, I want to draw two conclusions that I will advertise from the very beginning. The first is the underlying belief that, in intellectual-historical terms as well as political conclusions, Marxism's typical theoretical core and periphery ought to be reversed. It is, in fact, the Marxisms of Asia, Africa, and Latin America—and in some ways, their early theoretical genesis in institutions like *The Communist University of the Toilers of the East (KUTVA)* in the early Soviet Union—that ought to be understood as the central and most topical trends of Marxist thought in the twentieth century, following from the global experience of 1917. Second is the insistence that Marx's *Capital* has never been a text that must be "adapted" to ostensibly "other" realities, but rather one that already contains a theoretical arsenal for the analysis of a global modernity, conditioned by a specific unevenness always-already located not simply at the geopolitical level, but interior to the logic of capital itself—and particularly the uncanny link between the form of labour power and the national question—that is, something itself global from the very outset.

Globalities of Marxist Theory: The Debate on Japanese Capitalism

Marxist theory, whose fundamental object of analysis has always been a "world" composed by capital, has nevertheless often remained cloistered within a national linguistic landscape and local canonical boundaries. The Marxist *theoretical* tradition in Asia, Africa, and Latin America has often been excessively localized as data rather than conceptualized as theory, treated as a horizon solely for the local political resolution of the national question. Yet for Marx, the national question itself was always-already global in character, insofar as he noted that the sole "precondition" for "world history" was the moment "when the owner of the means of production and subsistence finds the free worker selling his own labor power on the market," a meeting that nevertheless must be *historically* mediated within a local conjuncture. This conundrum, then, linked from the outset the clarification of capital's *formal* emergence locally to the emergence of the world as such as an object of analysis. This tension of the national capital and the "world of capital" constituted the central problematic for the late-developing capitalist nations, particularly Japan in the 1920s–30s. The theoretical innovations that were required in the conjuncture not only had to contend with their direct political application but also formed a space in which theory served to allegorically deal with problems of history, from the unstable historicity of the capital-relation, itself torn between its local and general aspects, to the conjunctural pressures of a rapid insertion into the category of "world history." We ourselves ought to develop this historical tension of globality within theory today, in order to productively complicate the conflation of "universality" under capitalist society with "the West," and in turn to generate in theory *new universalities* for Marxist thought.

In the autumn of 1904, the Sixth General Congress of the Second International was held in Amsterdam. The world situation, preceding the abortive 1905 Petrograd Revolution, was poised on a knife-edge, nowhere more than Northeast Asia, where the region was engulfed in the Russo-Japanese War. Since the mid-Meiji period, in particular by the 1890s, the Japanese empire had expanded in an ever-increasing circular movement out from its central islands, with troops extensively stationed in the Korean peninsula in the aftermath of its historic defeat of the Qing in the Sino-Japanese War of 1894–95 (which saw the Japanese come to dominance in Taiwan and the beginnings of colonial presence in Korea) coming gradually into conflict with the Russian empire's far eastern edges, setting up a confrontation of two "late-coming" imperial powers. At the Sixth Congress, the most memorable and powerful address in the minds of the delegates of world revolutionary politics was that of the Japanese socialist theoretician and social revolutionary Katayama Sen. Katayama's remarks were transcribed by another active transnational militant from the Polish section of the Russian Social-Democrats named Rosa Luxemburg, whose own writings on the national question would become central documents of twentieth-

century Marxism.[1] Katayama did something quite unprecedented in the midst of war: He declared openly that the interests of the Japanese working and popular classes and all nationally oppressed peoples in the Japanese empire lay not with "their" nation, but against it. Plekhanov gave a similar speech from the Russian group. In essence, this episode can be seen in part as one of the first historical moments that twenty years later, in the mid-1920s, would lead to the debate on Japanese capitalism.

Although it is a remarkably little-known fact outside of research on the history of Japanese philosophy and social thought, Marxism was one of the most dominant strands of theoretical inquiry in Japanese intellectual life throughout the bulk of the twentieth century: From its initial entry into the Japanese intellectual world in the late 1800s, Marxist analysis quickly came to constitute a vast and osmotic field that permeated all aspects of academic life, artistic practices, forms of political organization, and ways of analyzing the social situation. Numerous episodes testify to this: For example, the first language in which a *Collected Works* of Marx and Engels was published was not German, Russian, English, nor any other European language, but was in fact, Japanese.[2]

As the major "developed" country relative to its neighboring states and primary imperialist power in East Asia, the Comintern considered Japan the most important and pivotal target for the revolutionary project, but in the wake of the '1927 Thesis, which emphasized that the 1868 Meiji Restoration had not yet been fully accomplished as the necessary bourgeois-democratic revolution and transition to modern world capitalism, the question thus emerged: Was Japanese capitalism in the 1930s ready for socialist revolution—in the conditions on the ground, was it possible to discover the revolutionary subject of this process? In the clarification of this question emerged the famous and influential "debate on Japanese capitalism" (*Nihon shihonshugironsō*), a debate whose centerpiece was the clarification of the essential questions of mode of production and the historical process of articulation of the social formation: What stage of development was Japan actually in—how, and by what means, had Japanese capitalist development proceeded, and did there exist a concomitant total development of the social formation as a whole, thus producing the political consciousness necessary for the revolutionary transition? Was the basic economic category of social life in the villages—the form of land-tenancy rent (*kosakuryō*) – a "holdover" or "remnant" of feudalism, something *partially* feudal, or a product of the development of modern world capitalism? The debate on

[1]Reading the first-hand reports of the famous American socialist Daniel de Leon, the Chairman of the delegation of the Socialist Labor Party of America, written for the *Daily People* from August–December 1904, we encounter de Leon's memory of the Katayama-Plekhanov handshake: "Apart from rousing the Congress from the languor it was drooping into, and driving it to frenzied applause, the handshake of Plechanoff [sic] and Katayama at that place was a pathetic rebuke to Capitalism, whose code of practical morality was at the very hour being exemplified in the heaped-up corpses of Russians and Japanese on the battlefields of Manchuria. It contrasted the gospel of practical humanity that Socialism is ushering into life, with the gospel of practical rapine that Capitalism apotheosizes." See the articles reprinted in Daniel De Leon, *Flashlights of the Amsterdam International Socialist Congress 1904* (New York: New York Labor News Company, 1924), 20.

[2]This section draws from my longer discussion of the debate on Japanese capitalism in Walker (2016), especially chapters 1 and 2.

Japanese capitalism, in its encyclopedic sense, took place between the mid-1920s and the mid-to-late 1930s, a concentrated period of approximately 12–15 years. This debate, while unquestionably central to Marxist theory, had an exceptionally broad influence on the formation of Japanese social thought, and on the formation of the modern Japanese social sciences.

In the debate on these questions, there emerged roughly two positions: One, which became that of the Rōnō ("Labor-Farmer") faction, who argued that the land reforms instituted in the 1868 Meiji Restoration—a bourgeois-democratic revolution—had begun the solution to the "backwardness" of the countryside, planting the initial seeds that would lead to full capitalist development; and another, which became that of the Kōza ("Lectures") faction (representing the mainstream line of the JCP and the Comintern), who argued that the Restoration had not been a full bourgeois-democratic revolution, but rather an incomplete transition to modernity, and that Japanese capitalism was only partially developed, on a primarily feudal basis. The '1927 Thesis, in splitting from earlier emphases on the immediate socialist revolutionary process, installed the conditions for the split between the JCP and the Rōnō faction (particularly Yamakawa Hitoshi and Inomata Tsunao). But in its '1932 Thesis, the Comintern position reinforced this line even further in parallel to the world situation, by calling for a mass-based bourgeois-democratic revolution against absolutism and feudalism concretized in the form of the emperor system (*tennōsei*).[3] The primary authorial and conceptual influence on this period of Comintern policy on the "national question" was Otto Kuusinen, who, in the 12th Plenum of the Comintern in this same year, called in general for mass-based actions which subordinated communist demands to the immediate needs of the broad mass front. By arguing that a directly communist political platform would alienate and keep the party separate from the rural poor and the "non-advanced" strata of the working class, this call essentially began the transition in the Comintern to the line of the popular front adopted a few years later in 1935.

In Japan, the Kōza faction's position and dominance of this debate were comprehensively established with the publication of their 8-volume *Lectures on the History of the Development of Japanese Capitalism* (*Nihon shihonshugihattatsushikōza*) in 1932.[4]The works in this volume were in preparation well before the publication of the '1932 Thesis and therefore should be seen not as an expansion of the position of this Thesis, but rather as preparing the ground for the hegemony of its position in the wake of the '1927 Thesis. Noro Eitarō, a leader of the JCP, who was arrested and died in prison two years later in 1934, oversaw the compilation of the *Lectures*. Noro could be seen as the one who most concretely laid the groundwork for the overall conceptions of the Kōza faction. For him, the only way to truly and effectively articulate the political consequence of the theory, the proletarian strategy, was to focus on the "particularity" (*tokushusei*) of Japanese capitalist development. The reason for this, Noro claimed, was that, without understanding the "dominated" (*hishihaiteki*) mode of production (i.e., the agrarian semifeudal structure of the countryside), one

[3]See *Kominterun: Nihon ni kan suru teze-shū* (Tokyo: Aoki Shoten, 1961).

[4]Noro Eitarō, ed. *Nihon shihonshugi hattatsu-shi kōza*, 8 vols. (Iwanami Shoten, 1932–33).

could not understand the particular way in which the development of the productive forces had necessitated a turn to imperialism. This basic logic could be understood as the backbone of the position staked out throughout the volumes of the *Lectures*.[5]

Outside Japan, on March 2, 1932, at a meeting of the Executive Committee of the Comintern, Kuusinen, then the leader of its Eastern Bureau, and charged with preparing analyses of revolutionary conditions in East Asia, made a presentation on Japanese imperialism and the nature of the Japanese revolution, in which he argued that the Communist Party of Japan had at the time made errors in its underestimation of the role of the imperial system and the struggle against feudalism.[6] In this text, Kuusinen makes a number of decisive points, highly influential on but also influenced by certain existing positions within Marxist theory in Japan. Perhaps the most important formulation is as follows: "We observe the uninterrupted and limitless oppression of the peasantry, conditioned by the exceptionally powerful *remnants of feudalism* (*hōkensei no zansonbutsu*). The Japanese village is for Japanese capitalism a colony contained within its own domestic limits (*Nihon shihonshuginitottejikokunaichiniokerushokuminchi de aru*)." He continues: "Japan's bourgeois transformation remains remarkably incomplete (*ichijirushikumikansei de ari*), remarkably inconclusive or non-determinate (*ichijirushikuhiketteiteki de ari*), and is in essence *partial and unfinished* (*chūtohanpa*)."[7] Precisely because of these features, he argues, Japanese capitalism is crippled or deformed. In May of the same year, 1932, the Western European Bureau of the Comintern released their decisive statement, "Theses on the Situation in Japan and the Tasks of the Japanese Communist Party," the so-called '1932 Thesis mentioned previously, based in large part on the analysis undertaken by Kuusinen in the March documents.[8] The '1932 Thesis is not a purely historical document; quite to the contrary. It is a document of revolutionary strategy and tactical considerations in the immediate situation. By focusing on the nature of Japanese capitalism, the Comintern highlighted precisely Kuusinen's "three features" above: They focused on the emperor system, not only as a "feudal remnant," but as the living and institutional concretization of Japanese imperialism, the thing that linked together both external plunder and internal oppression.

When I wrote my recent book, *The Sublime Perversion of Capital*, which utilizes the above scenario as a point of theoretical departure, my main sense was that the

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[5]On this point, see Norō Eitarō's earlier *Nihon shihonshugi hattatsu-shi*, 2 vols. (Tokyo: Iwanami Shoten, 1930).

[6]Otto Kuusinen, "Nihon teikokushugi to Nihon kakumei no seishitsu: 1932 nen sangatsu futsuka no Kominterun shikkō i'inkai, jōnin i'inkai kaigi ni okeru dōshi Kūshinen no hōkoku" [Japanese imperialism and the characteristics of the Japanese revolution: Comrade Kuusinen's presentation to the Exectutive Committee of the Comintern, Meeting of the Standing Committee on March 2, 1932] in *Kominterun: Nihon ni kan suru teze-shū* (Aoki Shoten, 1962), 102–119. For a general overview of this period of the Comintern's international policy, see *The Communist International, 1919–1943: Documents*, vol. 3: 1929–1943, ed. Jane Degras (Oxford: Oxford University Press, 1960).

[7]Kuusinen, "Nihon teikokushugi to Nihon kakumei no seishitsu," 104.

[8]"Nihon ni okeru jōsei to Nihon kyōsantō no ninmu ni kan suru teze" in *Kominterun: Nihon ni kan suru teze-shū* (Tokyo: Aoki Shoten, 1962), 76–101.

previous existing studies of the debate on Japanese capitalism, in all languages, particularly English, Japanese, French, and German, but also Russian, had emphasized excessively a sort of *delimited and nationally or civilizationally bounded* documentary history of this debate at the expense of understanding its *globality* and its *theoretical* core, and this fact has implications for what the tasks of historiography are at all. That is, what interested me then, when I began this project, and what continues to interest me, was the question of what really was at stake in this debate after all. In the end, I thought, the terms in which the debate on Japanese capitalism took place served to occasionally obscure the genuine struggles at issue in its essence. To cut a long story short, the specific nature of the "transition debate," as it took place in Japan, was not so much a social-historical reckoning with the origins of *Japanese* capitalism, so much as it was an indirect debate on the global status of the subject in history, and the relationship between the theoretical content of Marx's *Capital*, and the immediate political-historical scenario, in which knowledge of the direct conjuncture always furnishes the necessary background to political action.

The trends of historiographical analysis, largely associated with the JCP historians, always emphasized this sublime and deterministic concept of "feudalism"—"feudalism" became in this optic, a stand-in or container of significations for all that was "premodern," "backward," inadequately social or civic in the modern sense. In turn, this entire field of understanding tended to position a clear and orthodox continuum from primitive society to its capitalist present, relegating the feudal to an index of failure, a failed leap or incomplete transition to the modern and immediate now. Thus, feudalism was generally understood in two ways: either as the remote and overcome past, which was now falling into an infinite regress of meaninglessness, or it was understood paradoxically *as* the present, as a discursive marker for Japan's supposed inadequacy on the scale of modern life—in this latter sense, feudalism came to be a marker for an entire series of supposedly "cultural" features: tendency toward bureaucratization, stagnation in the labor market, hyperexploitation in the countryside occasioned by the ideological backwardness of the peasantry, tendencies toward militarism, secrecy, and mystification at the political level, an inability to overcome the features of a putatively "closed" and coercive social order. The main tendency in theory, installed by the JCP historians, was precisely to link up those features of nominal "Japaneseness" at the common-sensical level with a world-historical program that would not only "explain" these features on a global scale, but that would also provide a master narrative for the inability of politics to sufficiently respond to the immediate situation. Here, politics proper was rendered impossible or structurally stillborn by means of the national formation's incapacity to objectively leap to a new basis of accumulation, which would therefore produce, in the course of generating new social and economic forms, a new political subject.

Let us recall the formulations of Kuusinen and the Comintern's Eastern Bureau, practically shared by the majority of the Koza-ha thinkers and their disciples throughout the discipline of history: Japanese capitalism was for them characterized as "incomplete" (*mikansei*), "inconclusive or non-determinate" (*hiketteiteki*), and "partial

and unfinished" (*chūtohanpa*).[9] That is, for the Comintern, Japanese capitalism as such *does not yet exist*—the total social system that an economic life founded on the category of free labor would produce has not yet emerged. And it is this that is treated as the "precursor" (or indeed the "preface"—this somewhat "literary" question of narrative should be kept in mind) to the possibilities, not only of another social order, but the possibilities of politics as such. Here, I think it is extremely important to point out that one co-thinker of this tendency, Yamada Moritarō, put forward a significant and widely misunderstood version of this argument in the early 1930s, when he argued, not that capitalism in Japan did not exist, but rather that it did exist, and this was not disabled by putatively feudal features, but rather precisely *enabled* by them. By describing the "thought-image" of Japanese capitalism as "semifeudal," Yamada made a decisive wager by inserting this "semi," this weird element of undecidability that refused the substantialist fantasy of the transition as a "single and contentless" leap from one modality of life to another, as if these were clearly bordered and bounded entities from which one was either "inside" or "outside."

In some sense, this "feudality" for Japanese Marxist theory in the 1930s functioned as a kind of *sublime*. But why describe this multivalent concept of the feudal as something "sublime?" What is intended by this formulation? I want to emphasize this point in two directions: In essence, the debate on Japanese capitalism was a debate on the nature of feudalism in Japan (the nature of *kosakuryō*, or tenant farm rent, for instance), but it was also a debate over the meaning of modes of production themselves. That is, it was a debate that considered the truly essential meaning of the analysis of modes of production: the relationship between structure and subject, the possibility or closure of politics—of class struggle—within the analysis of the overall structural features of the economic and social scenario, one that was conditioned by forces outside the purely subjective and experiential. In this sense, the feudal was always remote from this debate—it enabled a set of discursive operations that made the feudal a metonymic device: It could stand in for backwardness, it could generate in one word a whole morphology of development, it could stand in for "Japaneseness," an inadequately modernized conception of culture as a stable stratum of givenness, for example.

Let us return then to the peculiarity of this feudal sublime, located around the emphasis on two questions: The insistence that "free labor" is the condition *sine qua non* for the establishment of modern capitalism, and therefore in turn, for the emergence of the modern political subject of a stable and "normal" national society. In essence, in contrast to Weber, Yamada reminds us that this absolutely did not characterize the employment of labor at the outset of the Meiji period, when the legal character of state formation did not serve to free the Bakumatsu peasantry from its extensive oppression, but rather enforced the already-existing oppressions by means of a new legitimacy. But does this mean that what emerged in Japan in the Meiji period was an "incomplete" or only "partial" capitalism? We have here recourse to Marx to clarify this point for us. If, as we recall in Marx's own terms, the "normal" transition to capitalism in the English countryside is one "fable" or

[9] Kuusinen, "Nihon teikokushugi to Nihon kakumei no seishitsu," 104.

story among others, what sets it in motion? What is the "prelude" or "preface" for the development of this "normal" narrative of capitalist development that Weber imagines and was *negatively* imagined in the debate on Japanese capitalism? For Marx, there is a specific answer:

> The purchase of labour power for a fixed period is the prelude (*Einleitung*) to the process of production; and this prelude is constantly repeated when the stipulated term comes to an end, when a definite period of production, such as a week or a month, has elapsed.[10]

This *Einleitung*—and we see clearly the literary term here: preface, introduction, preamble, prelude—shows us that it is above all the *purchase* of the labor-power commodity that is the necessary moment of commencement for capital, and the emergence of labor power, as we now know from texts like Yann Moulier-Boutang's crucial *De l'esclavage au salariat*, is in no way dependent on the specifically European presupposition of "free labor" as conditioned by juridical or de facto "freedoms."

To return to the "prelude" of this discussion, the transition debates on the origins of capitalism have tended, all over the world, to share similar visions of these competing narratives staked out in the earliest of the major theoretical debates worldwide on the transition, the Japanese one. This is not to suggest that the many later debates on the transition merely reproduced the same schema of analysis, but rather to emphasize that the Japanese debate, the Indian debates of the subsequent decades, the debates in China, in Latin America, and elsewhere in the non-Western world, were not merely parochial or provincial debates on "national development," but of global significance, insofar as their object was the *local* inflection of *global* capitalism. If anything is "sorted out" or "concluded" from this earliest debate—or indeed from the debates of the 50s, 60s, and 70s—it is precisely that *the* transition, understood as a unitary and single moment of the spark of modern social and economic systems, has always been absent, and no amount of documentary evidence has ever changed this; but that its meaning, and the struggle over its allegorical content, has never ceased to function. In thinking the nature of this debate—so formative for the humanities in the Japanese case that we can scarcely find a field it did not impact—historical analysis runs up against the limits of its ceaseless drive or compulsion for data because nothing in the debate could be settled except by that older model of historical analysis, a form suspended between philology and philosophy, in Croce's terms. It is in this sense that a thinking of the contemporaneity and direct globality of the formative moments of the Marxist tradition in Japan remind us: Its point of departure was not "Japan" as some sort of alien, remote situation of excessive theoretical peculiarity, it was the nexus of social forms generated between global capital and the form of the nation-state, a nexus which continues to structure our conjuncture in the present.

So let us attempt to expand, in broader theoretical terms, what the analytical framework of Marx's *Capital* offered to the world of Asia, Africa, and Latin America—its real twentieth century homeland—on the decisive questions of race and of nation,

[10]Marx, *Capital*, vol. 1 in *MECW*, vol. 35 (New York: International Publishers, 1996), 567; Marx, *Das Kapital*, Bd 1 in *MEW*, vol. 23 (Berlin: Dietz Verlag, 1962), 592.

two terms that were assured a central analytical place for Marxists in the non-West as a function of the specificities of the local advent of capitalism and its inevitable intertwining with the history of colonialism.

The Nation Form and the Labor-Power Commodity

die Erbsündewirktüberall. ["…the "original sin" is at work everywhere."].[11]

Although the national question has a long polemical history, not only within Marxist theory but in the most broad political sense,[12] the relation between the supposedly "political" content of the national question and the supposedly "theoretical" content of the critique of the political economy remains complex and open.[13] Typically, this relation was posed in a structure of two separate strata: Theoretical analysis of capitalism's local development would furnish the basis on which the national question could be resolved on the level of strategy with an accompanying specific political line. But this tendency therefore treats the national question as something inherently separate from the inner logic of capital itself. In order to disrupt this prior reading, and reassert the centrality of the national question to the capital-relation itself, we will investigate certain paradoxes that characterize the labor-power commodity. This strange commodity, which never attains a stable existence, but that is rather always within capital's circuit of positing (*Setzung*) and presupposition (*Voraussetzung*), must be assumed to be capable of reproduction. But its reproduction does not take place in the style of any other commodity: It is something *indirect* for capital, an effect of the worker's body that must, in effect, be given from the outside so that the inside may function in the style of a logical process. Because of this exteriority, Marx emphasizes to us that the value and price of labor power can only be determined by means of a whole field of "historical and moral factors." Here is where the "nation form" is always entering the picture, but not merely as a corollary moment: Rather the nation form is a mechanism that is always-already located at the alpha and omega of capital, where the volatile play of force and torsion cyclically repeats itself in the form of crisis.

Labor power and land are the two elements of capitalist production that can be circulated as commodities, but that *cannot be originally produced as commodities*. Rather, they must be "encountered" or "stumbled upon" *historically*—in the process of the "so-called primitive accumulation"—in order to function thereafter *logically*. Already this introduces a rupture or gap into capital's own image of itself as a social totality in which all social relations are expressed (*darstellt*) as a pure field

[11] Marx, *Capital*, vol. 1 in *MECW*, vol. 35 (New York: International Publishers, 1996), 589; Marx, *Das Kapital*, Bd 1 in *MEW*, vol. 23 (Berlin: Dietz Verlag, 1962), 620.

[12] See Haupt, Löwy, and Weill 1997.

[13] The following two sections draw from Gavin Walker, "Citizen-Subject and the National Question: On the Logic of Capital in Balibar," in *Postmodern Culture* 22, no. 3 (Baltimore: Johns Hopkins University Press, 2012).

of exchange. Because labor power cannot be produced *directly*, as in the case of all other commodities, its presence can never be assumed to be stable or assured. Therefore, in order to traverse this gap so that capitalist production can be established as a circuit process, capital must continuously utilize the form of the *relative surplus population* to pretend or act *as if* the labor-power commodity can be limitlessly supplied, or to *indirectly* produce it, so to speak. Only by means of this "immaculate deception" can capital expand itself in the form of the business cycle. In turn, the relative surplus population must always be formed through something that appears *external* to capital, through which it can be aggregated and managed. This typically appears in the modern world in the form of the *border*, or in the form that Balibar has often referred to as "the anthropological difference." In other words, when Marx describes the irrationality that characterizes the form of labor power as a commodity, it is no accident that he refers to the modern proletariat as "this *race* of peculiar commodity-owners."[14]

In order to clarify how "the anthropological difference," based on the fundamental figure of the "citizen subject," can be understood in the social logic of capitalist society, we must also look for the antecedents of this theoretical problem in the historical production of the *individual*, a continual movement of inclusion and exclusion with which the individual is imagined and constructed. This production of difference by means of an oscillation or torsion between inclusion and exclusion culminates in the discourse of citizenship, which underpins not only the modern state form but its genesis in the form of empire and colony. Here, we confront immediately the "logic of contractualism" that grounds the creation of the citizen, the "free" contractuality of social life that stabilizes the "enclosures" or "borders" of the regime of citizenship, installing a discourse of governing and managing the state centered around what Locke called "property in his own person." This logic of the citizen as the bearer of this strange "property" of his or her own person called "labor power" shows us how the contemporary management of the nation-state is inseparably linked to the reproduction of the aggregate capital. In turn, this mode of analysis can also show us how the figure of the *citizen* is the nodal point through which we can see the function of racism *within* contemporary global capitalism.

The operation of this strange thing can therefore be summed up by emphasizing that labor power, while it can function as a commodity (as variable capital in the production process), *cannot be a commodity as a direct product of capital*. Thus, the whole issue of labor power shows us this torsional and recurrent loop, whereby it must be presumed in order to exist, yet the condition of its very presupposition itself presumes that what should be a *result* of the process must somehow be there *at the beginning*. That is, in order to control and maintain something which it, in fact, cannot control, capitalism forms a means of producing the labor-power commodity "as if" it were, in fact, under its direct jurisdiction. What it requires is the formation of social-historical institutions capable of inciting forms of the "historical" and "moral" aspects of the field of physical life (from which labor power is drawn) that are "suitable" for

[14]Marx, *Capital*, vol. 1 in *MECW*, vol. 35 (New York: International Publishers, 1996), 182; Marx, *Das Kapital*, Bd 1 in *MEW*, vol. 23 (Berlin: Dietz Verlag, 1962), 186.

capitalism's own reproduction. Thus, capitalism's specific form of population is a complex aggregate of techniques that are overlaid like a grid on the existing "natural" stratum of bodies, words, physiognomies, affects, desires, etc., which recalibrates and reformulates them as "countable" or "computable" by capital as inputs for its circuit process:

> Capitalism turns all products into commodities – it turns labor power itself into a commodity as well, but it cannot produce this labor power *as a commodity by means of capital*. As a result, in order to completely commodify labor power, capital requires the industrial reserve army. *Yet, unless this industrial reserve army is formed by capital itself, capitalism cannot posit the social foundations of its own establishment as one historical form of society*. (Uno 1973: 497)

That is, capital is repeatedly exposed to its inability to produce the foundations of its own order. Yet, without in effect "convincing itself" of the possibility to generate itself, capital cannot expand, because its expansion presumes the availability of labor power, which in turn presumes the industrial reserve army effect. Capital can give form or direction to the relative surplus populations that appear in the territorial domains of capital's manifestation, but the industrial reserve army effect paradoxically presupposes that wage labor, and therefore, a working population exist. Because of this presumption, the excess population that would guarantee capital's ability to act *as if* it were capable of producing labor power directly is a *result* of capital's untraceable "beginning" (*Anfang*), which should always logically precede the ordering of the population, at least the concept of population as presupposed by the modern state. But if capital therefore presumes this *Anfang*, it must silently or magically repeat the beginning over and over again every time the circuit C–M–C′ reaches its end. In effect, because the labor-power commodity cannot be presupposed as a stable input for the production cycle—owing to the fact that it itself must be produced *by other means* on the *outside* of the capital-relation—the circuit of capitalist development is always passing through conditions that mimic its origins, conditions that always insert an element of chance or contingency into a process that capital itself would prefer to represent as "smooth" and stable.

Capital must repeat the violent capture of the "beginning," the violent verso of the supposedly "smooth" cycle of circulation, but this cannot rid itself of this fundamental "condition of violence" (*Gewaltverhältnis*) (Balibar 2009: 110), located in its logical alpha and omega, the labor-power commodity, whose "indirect" production is located paradoxically outside commodity relations. An excess of violence is haunting the capital's interior by means of this constantly liminalizing/volatilizing forcible "production" of labor power. Precisely by this excessive violence, capital endangers itself and opens itself up to a whole continent of raw violence, and it is exactly on this point that we see something important in terms of the question of how capital utilizes the "anthropological difference" to effect the "indirect" production of labor power, how the nation form is entering into this historical circuit of violence to "force" labor power into existence.

The primal violence, sustained as a continuum or "status quo," appears as a smooth state, a cyclical reproduction cycle without edges. But this appearance or semblance of smooth continuity is, in fact, a product of the working of violence upon itself:

Violence must erase and recode itself as peace *by means of violence*. In other words, when we encounter the basic social scenario of capitalist society, the exchange of a product for money, we are already in a situation in which the raw violence of subjectivation—whereby some absent potentiality within the worker's body is exchanged *as if* it is a substance called labor power which can be commodified—is covered over by the form of money, which appears as a smooth container of significations that can serve as a *measure* of this potentiality. But in order for labor power to be measured and exchanged *as* money, there must be a repeated doubling of violence. What must remain on the outside of the capital as a social relation is paradoxically what must also be forced into its inside, perpetually torn between the forms of subjectivation that produce labor power as an inside, and the historical field of reproduction in which the worker's body is produced on the violent outside of the capital.

In this sense, the commodification of labor power is the "degree zero" of the social itself, the apex or pinnacle of the social relation called capital. But this "thing" indicated by the problem of the commodification of labor power, or more specifically the excess or seeming (im)possibility of the commodification of labor power,[15] is also an analytical or theoretical object that "discloses" the limits of the social itself. In other words, the original "accident," the chance or hazardous historical encounter between capital and the owner of labor power, is continuously being set in motion by capital in the circulation form of the buying and selling of labor power, where we see the basic social "antagonism" (*Gegensatz*) between capital and labor. Yet when we enter the "hidden abode of production," we discover not the stable yet concealed ground of this relation, rather we discover the site of its ultimate expression of "contradiction" (*Widerspruch*): We are immediately thrown back on the fact that although labor power cannot be originally produced by capital as a commodity, it can be *circulated on the surface as a commodity*; that is, the excess or absurdity of the commodification of labor power can be overcome without being resolved. Thus, this historically excessive or irrational accident of the original encounter that is being incessantly reinscribed on the circulation surface of social life, leads us from history to logic in the sphere of production. But critically, we are not presented here with something like the "truth" or pure relation of "depth" that lies "behind" or "below" the surface. Rather, we see that a certain process of coding is always taking place. What is coded as free contractual exchange between substantial entities of purely random origin is recoded in the sphere of production as the logical impossibility or even absurdity of the stability of this relation itself.

This relation of (im)possibility—in which capital cannot produce labor power directly, but can circulate it on its surface *as if it had*—is above all a question of *reproduction*, a question that returns us to the link between the national question and the form of labor power as a commodity. The paradox of the modern nation-state is that, while the nation and the state cannot be said to coincide, but rather must be kept separate in order for there to be a process of referral between them, nevertheless the

[15]This is the point on which Uno Kozo's work has developed a set of important and original theses related to the originary and unavoidable absence or impasseof rationality characterizing the position of the labor power commodity. See on this point Walker (2016).

nation is always utilized by the state in order to trace the contours of its interiority. Thus, this installs a permanent site of slippage within the nation-state as a form. On the one hand, the state must utilize the nation in order to imagine itself as an interiority with clear borders and demarcations that would separate it from a general exterior, itself composed of other interiorities. In turn, the nation, as a purely ideational link between individuals that cannot be strictly located in terms of territory, institutions, or boundaries, must rely on the form of the state to provide it with a determinate field of localization, a concrete sphere within which one nation form can be said to be dominant or hegemonic. This process of referral, in which state and nation essentially require each other in order to image themselves as pure interiorities that could then legitimate a given hierarchical arrangement of phenomena in the form of a community, is therefore always linked to the question of *reproduction*. On this point, we can turn to a famous letter of Engels:

> According to the materialist view of history, the determining factor in history is, *in the final analysis* (*das in letzterInstanzbestimmende Moment*), the production and reproduction of actual life (*wirklichen Lebens*). More than that was never maintained by Marx or myself. (Engels 1967: 462–465; Engels 2005: 34–36)

What is intriguing and important here is the concept of the production and reproduction of "actual life" (*wirklichen Lebens*),[16] that is, the reproduction not only of the "social factory" that is the worker's physical body (itself the site of production of labor power), in other words, the literal reproduction of the body through the consumption of means of subsistence, which takes place *outside* yet internal to the sphere of circulation; it also means something much broader, what Foucault called, in the *History of Sexuality*, the "entire political technology of life" (Foucault 1979: 145). Here, we would require a focus not only on labor power, and its complex role within the dynamics of capital, but especially on its "bearers" or "guardians." Marx reminds us that precisely because commodities, including labor power, cannot themselves go to the market and sell themselves, we must have analytical recourse to their "bearers" (*Hütern*). That is, we must have recourse to the historical forms of individuality that furnish the social bodies within which labor power, the *archi*-commodity at the origin of all other commodities, could be produced, reproduced, and "borne" to the market so as to be exchanged. Paradoxically therefore, we see something crucial here that once again Balibar has drawn our attention to: the somewhat "absent" or "blank" character of the proletariat that position most central to the sphere of circulation, wherein the possessor of nothing but labor power exchanges it as a commodity for a wage. Let me quote an especially crucial passage from Balibar here at some length:

> Everything takes place as if the proletariat as such had nothing to do with the positive function that exploited labor power carries out in the sphere of production, as the "productive force' par excellence; as if it had nothing to do with the formation of value, the transformation of surplus labor into surplus value, the metamorphosis of "living labor" into capital. Everything

[16] We should note that the concept of "actual life" in Marx and Engels cannot be encompassed in the vitalist understanding of life: Rather it is here specifically *social life* that is at stake, the entire life of a social formation, not an abstract and quasi-mystical conception of life. I owe thanks to Benjamin Noys for discussions on this point.

> occurs as if this term connoted merely *the "transitional" character of the working class* in a triple sense:
>
> (1) The condition of the worker is an unstable state, perhaps even a state of "marginality", of exclusion from a relation to "normal" social existence (a society that proletarianizes itself thus tends towards a situation of generalized insecurity).
>
> (2) It perpetuates a violence that characterized initially, in a open and "political" manner, the transition from feudalism to capitalism, and for which it later substitutes a mechanism that is purely "economic" in appearance, simply because it is juridically normalized.
>
> (3) It is historically untenable and thus implies another transition that erases the previous one, and through which capitalist accumulation prepared its material conditions. (Balibar 1997: 223)

In essence, Balibar links together two critical moments in the unfolding of the capital-relation: Its unstable *history* in the "so-called primitive accumulation" or process of enclosure, and its unstable *logic* in the form of exchange, the moment in which labor power, itself generated in the volatile contingency of history, must be *presupposed* in order to "convoke" itself when its "bearer" exchanges this inner potential for a wage. In essence, therefore, we see that the entire question of how something like the nation form could constitute one of the crucial "historical and moral factors" of the formation of value is linked to *repetition*, a repetition that defectively erases its own defects in order to operate as logical rationality. The transition here thus indicates not only the transition from feudalism to capitalism, but the constantly repeating transition of the *saltomortale*, or "fatal leap" of exchange, the irruption into existence of the labor-power commodity, this absent potential that links together capital's history and capital's logic in an intimate relation to the nation form.

Translation and Transition

The concept of transition is not only concerned with the historiographical identification of the transformation of the basis of a given social order, or the "articulation of modes of production."[17] It is also a temporal question, beyond simply the possibility of *periodization*, and encompassing the question of how divergent temporalities, divergent trajectories of development, could be located within the same sphere and within the same overall site, that is, the *world*. The transition is thus not simply a notion of how an individual social formation or a given "nation form" can be understood in its emergence, maintenance, and transformation; more broadly, the transition is a concept central to the historiographical discovery of "the world" as itself an integrated unit of analysis. In turn, the transition itself has long been a crucial site of contestation around the ways in which the world could or could not be understood as a unity. That is, the concept of the transition has always been profoundly linked to

[17]For reasons of length and topicality, I cannot extensively enter into a re-examination of the "articulation" debate here, but it is necessary to read and re-read this debate in our current moment. For an overview of the questions at stake, see Foster-Carter 1978.

the history of *representations of the world*, a history that links together the national question and the inner logic of capital.

Capital is always operating retrospectively as a relation, preparing the ground of its outside from within its logical orbit. This perverse irredeemable quality of capital's historical time is miniaturized within the *logic* of "civil society"—the citizen, whose existence cannot be grounded in any substance, but only abstractly in the law, must be legitimated by the retrojection of a "national subject" that would give continuity to something purely discontinuous, heterogeneous, and contingent. This process of "fixing" or "ordering" is always-already present in capital's form of *presupposition*. That is, by "presupposing" its own "suppositions," capital acts in such a way as to ensure that its limits are sealed off, removed from the historical process. Yet, precisely by therefore according such an essential place to history, capital acknowledges at all times its fundamental weakness or the defective moment in its logic: The contingent "continent of history" is the field of flux wherein the practical expressions of the *representations* essential to the image of a continuous subject are inscribed, and this field of history cannot be accounted for in capital's logic as such. But capital attempts to do just that in the form of its own peculiar historical time. It conjures itself up from history that it inscribes back onto the historical process, giving consistency and continuity to an accidental moment, a continuity that then serves as a legitimating device, a narrative that capital appeals to in order to prove itself.

It is precisely on this point that Sandro Mezzadra underscores the importance of the "postcolonial condition" that contemporary capitalism inhabits.[18] In other words, because the reliance by capital on the schematic array of differences furnished and maintained in the contemporary world constitutes the concrete reality of the globality of the present, we must connect contemporary capitalism to the long and complex history of "the continual movement of inclusion and exclusion with which the individual is imagined and constructed" (Mezzadra 2008: 43). This production of difference by means of an oscillation or torsion between inclusion and exclusion culminates in the discourse of citizenship, which underpins not only the modern state form but its genesis in the form of empire and colony. Through a "prehistory" of the postcolonial condition, we are alerted immediately to the chain of signification between the logic of the citizen as image of the state and the logic of property (Locke's "property in his own person," or labor power) as a microphysics of capitalist development as a whole. This dual homology traces for us the inscriptions of power that irreparably condition the modern regimes of citizenship and that continue to show to us what is at stake in the state's policing of the figure of the citizen.

It is no longer a surprising or shocking historical intervention to note that the regime of control constituted by the discourse of citizenship is something that has a directly colonial legacy, but it remains an important task to theoretically demonstrate *how* the political and juridical theorizations that accompanied the colonial project attempted to *naturalize* "precise racial hierarchies" in the division of the earth itself, recalling among others Schmitt's notion of the originary *nomos of the earth* that char-

[18] See Mezzadra 2008, and on Mezzadra's work see Walker (2011a).

acterized the juridical field of the colonial era, the *jus publicum europaeum*.[19] What we must constantly emphasize is the cyclical deployment of borders, margins, limits, interiors, and exteriors, in the historical production of the "colonial difference," the means of recoding the "incommensurabilities" of the world as hierarchical commensurabilities, whereby the underdeveloped or colonized are temporally located in a permanent "waiting room of history." It is no surprise therefore that these conditions of the historical production of difference, located within the production of the nation form itself, not only condition the emergence of labor power, but therefore condition the entire circuit of capital itself:

> The historical conditions of [capital's] existence are by no means *given* with the mere circulation of money and commodities. Capital only arises when the owner of the means of production and subsistence finds the free worker selling his own labor-power on the market. This one historical precondition comprises a world's history [or, a *world-history*] (*dieseeinehistorischeBedingungumschließteineWeltgeschichte*). Capital, therefore, ushers in from the outset (*von vornherein*) a new epoch in the process of social production. (Marx 1962: 184; Marx 1996: 180)[20]

We see here a complex integration of the formation of the *world* with the production of labor power as a commodity, two moments without which the concept *world* itself is unthinkable, the *single* and decisive precondition of world history itself. Without this precondition, a concept like "world" could not be produced precisely because labor power, while generated in relation to the nation form, also reveals a new universality of the possibility of *proletarianization*. In this sense, it is only because the logical world of commodities (what Marx called the *Warenwelt*) and the historical world of bodies are volatilely amalgamated together in the form of labor power that we can have a concept of "world" at all. Yet, this systematic logic of capture is only part of the story. The paradox of the historical formation of the colonial difference and its juridical recoding is that it is being continuously undermined from within by the "discovery of equality" (in Fanon's phrase) that the increasing integration of the world implied (see Mezzadra 2008: 28; 52–55). In other words, by integrating the world into a single schematic, based on the unit of the nation-state, the colonial project also produced the conditions for a global politics of equality, by placing "difference" into an overall framework of "commensurability." It is precisely this moment that shows us the way in which the history of the anti-colonial movements, those political irruptions that demanded the nascent equality implied in the organization of the world be raised to a principle of society, continue to impact our world today, insofar as it is irreversibly and irrevocably "a" world. Therefore, the experience of the twentieth century, which we are living through, can be characterized by this colonial paradox—on the one hand, this "discovery" of the world as a world produced an "irreversible threshold" in the historical process of planetary unification. On the other hand, insofar as this unification is a historical

[19] See Walker (2011b).

[20] Translation modified. The term "comprises" in the second to last sentence ("…umschließt eine Weltgeschichte") also indicates an "enveloping," "enclosing," or "encompassing." This "topological" sense should be kept in mind.

tendency that emerges from the colonial scenario, it also shows us that the colonial project is always tensely moving in two directions at once: It requires the form of *confinement* above all else (and it is on this point that Mezzadra's work has opened new and complementary analytical directions to Balibar's thought)—the bordering of groups, national languages, racial hierarchies, bounded spaces, and so forth—and at the same time the principle of equality or globality that is produced under the effect of the colonial enclosures is precisely the revolt against this confinement or bordering itself, the development for the first time of a world *as* world (rather than a world as collection of divergent parts); therefore, this form of enclosure "constitutes the fundamental principle and at the same time, the internal limit, of the colonial project" (Mezzadra 2008: 53–54).

Today, we remain within this tension or paradox, in a world in which "humanity" itself is framed, in the final analysis, through its historical character of *irreversibility*. This irreversibility is contained in the fact that "the violence of origin imposes a common language which erases forever any experience of difference that has not been mediated by the colonial relations of power and by the logic of global capital" (Mezzadra 2008: 65). It is here that we see the link to the transition.

The transition, Balibar argues, takes shape in a particular way, what we might call a dialectic of *limit and threshold*, through the gradual emergence of the "elements of the nation-state," those elements that have gradually begun to "nationalize" society. Here, we can think not only of socioeconomic apparatuses, such as the examples Balibar provides of the reemergence of Roman law, the development of broad mercantilism, and the "domestication of the feudal aristocracies." We can also conceive here of a certain dynamics of *translation*, wherein the historical forms of language, diffused in entirely different arrangements according to localities, rituals, and so forth, experience an increasing concentration into the early elements through which the nation is concatenated and pulled together. Translation, in this sense, would be precisely the experience of the historical formation of the national border as an *ideational* moment, the process through which "this side" and "that side" of a gap could be posited, the moment when two sides are presupposed, in turn necessitating a *regime of translation* between them.[21] Thus, "the closer we come to the modern period, the greater the constraint imposed by the accumulation of these elements seems to be. Which raises the crucial question of the *threshold* of irreversibility" (Balibar and Wallerstein 1991: 88).

The question of the "transition" therefore, is linked in Balibar's work, to this concept of "threshold," a concept for which Foucault provides us a careful formulation: "What might be called a society's "threshold of modernity" has been reached when the life of the species is wagered on its own political strategies. For millennia, the man remained what he was for Aristotle: a living animal with the additional capacity for a political existence; modern man is an animal whose politics place his existence as a living being in question" (Foucault 1979: 143). Foucault's vocabulary here of "wager" as the key to the transition between *apparatuses of the limit* and *apparatuses of the threshold* should be linked back into the interior of the social relationality that

[21] On this crucial concept of the "regime of translation," see the many works of Naoki Sakai.

composes "capital." What is wagered is the capacity of "life"—that is, specifically *social life*—to both generate the building blocks and shoulder the burden of this social relation that is capital. Capital originates as a social relation capable of initiating and rejuvenating certain internally produced formations of relation. This is the sense in which Althusser long pointed out that capitalist reproduction is never the simple reproduction of the material basis of capitalist society, but rather the reproduction of *the relations that allow for this reproduction itself*. Capital, as a social relation, can initiate and maintain itself but only as a *defective* circle, or a circuit process that never quite reaches its cyclical starting point (see Nagahara 2008, 2012). In order, therefore, to bridge this gap marked by the (im)possibility of the labor-power commodity, the "whole political technology of life"—the statements, formations, apparatuses, modalities, and so forth that sustain the arrangement called "life"—must be mobilized to seal over the contingency of this "wager." And it is exactly this constancy or inseparability of capital from its putative "outside"—the form of the nation and so forth—that Althusser identified as the "naïve anthropology" of humanism haunting the world of capital (Althusser 1970). Capital's "wager" on "life" constitutes a "vicious circle," one which never adequately returns to its starting point, because the whole sequence of presupposition forms an abyssal and regressive chain, in which something must *always* be given: "the homogeneous given space of economic phenomena is thus doubly given by the anthropology which grips it in the vice of origins and ends" (Althusser 1970: 163).

In the final analysis, Balibar reminds us that "it is the concrete configurations of the class struggle and not "pure" economic logic which explain the constitutions of nation-states" (Balibar and Wallerstein 1991: 90). Without a doubt, this is correct. But is it not also the case that the entire schematic of Marx's *critique* of political economy is devoted to showing us precisely that the "concrete configurations of the class struggle" always haunt and contaminate the supposedly "pure" interiority of the logic of capital? The labor-power commodity, the product of a historical accident in the form of a contingent encounter (the "so-called primitive accumulation"), is given a central role within the *logical drive* of the capital. How could the relation of self-expanding value form itself as a circuit, as a cyclical and repeating process without *presupposing* the presence of the labor-power commodity, which is precisely that which can *never* be strictly presupposed in capital's interior? In other words, from the very outset of the form of exchange relations, the labor-power commodity, which is a product of a volatile and purely contingent history, is made to function *as if* it could be assumed to be "pure economic logic." This is exactly where the secretive role of the form of the nation comes into the most inner moment of the logic of capital, a moment which behaves as if historical considerations are axiomatically excluded, a moment intimately related to capital's most fundamental phenomenological "conjuring trick" (*escamotage*) (Derrida 1994). In this sense, we ought to push Balibar's argument slightly further by emphasizing that the "concrete configurations of the class struggle" and "pure economic logic" are in fact *always contaminated with each other* in the historical experience of capitalist society.

In other words, this "naïve anthropology" or "the anthropological difference," which is supposedly excluded from the circulation process or the "total material

exchange" between "rational" individuals, is in fact located at its very core. The form of "the nation" is already contained at the very origin of the supposedly "rational" and "universal" process of exchange, a process that acts as if it represents the smooth and perfect circle of pure rationality, but that is permanently suspended between its impossible origin, which it is compelled to cyclically repeat, and its end, which is equally impossible because it would relativize the circuit of exchange and expose it to its outside, which it must constantly erase. Thus "civil society" itself must remain in its state of insanity or "derangement" forever pulled in two directions of the production of subjects. It cannot exit this "deranged form," but must try perpetually to prove its "universality" simply by oscillating between these two boundaries, two impossibilities: its underlying *schema of the world*, which "seems *absent* from the immediate reality of the phenomena themselves" because it is permanently located in "the interval between origins and ends," a short circuit that incessantly reveals to us that "its universality is merely repetition" (Althusser 1970: 163).

Just like the representation of translation as pure exchange (Sakai and Solomon 2006), the *transition* must always be represented as if it were a natural growth, a "simple and contentless" leap of inevitability from "one side" to "the other." But when we closely examine the transition, we find something truly disquieting: We discover not that the transition is an accomplished fact of history or a necessary step in the evolution of social life, but rather that the transition is an endless loop of "falling short," never accomplishing its task, but always erasing or recoding its failure. In this sense, the paradox of civil society is not that it is "strong," "weak," "absent," "inverted," and so forth. It is rather that civil society is never fully established anywhere, precisely because the exchange process on which it is based must always "traverse" the historical outside while pretending to be a pure interiority, a pure logical circle. What sustains this circle that is always not quite returning to itself is its repetition. But because this circular logic of civil society in the world of capital is compelled to repeat, it is also compelled to constantly re-remember its incompleteness, contingency, and relativity, a problem that remains in the everyday life of society in the form of the "indetermination" of the citizen (Balibar 1991: 53). In other words, the figure of the citizen itself, the juridical and political figure in whom is incarnated the historical body producing labor power, remains in a permanent state of incompleteness or chance, a figure that depends "entirely on an encounter between a statement and situations or movements that, from the point of view of the concept, are contingent. If the citizen's becoming-a-subject takes the form of dialectic, it is precisely because *both* the necessity of "founding" institutional definitions of the citizen and the impossibility of ignoring their contestation—the infinite contradiction within which they are caught—are crystallized in it" (Balibar 1991: 53).

Marx's *Capital* shows us—and showed generations of thinkers throughout the non-West—that "world" as a concept, "world" as a project, remains incomplete. But this incompleteness also restores to us a politics of the world, a politics that would restore precisely those "concrete struggles" to their central place in its "incompleteness." Above all else, it is in linking together the logic of capital, the history of capitalism outside Western Europe and North America, the transition from subjects to citizens and back again, the emergence of the nation form and its regime of

"anthropological difference," that can show us the *persistence of politics*, the open politicality that always remains within the core of the supposedly "rational" and closed social forms we inhabit. In the face of another world crisis, a crisis in which the reproduction of the aggregate capital has come into a clear conflict with the tendency toward an increase in the rate of appropriation of surplus value, we also see that this moment of crisis in the capital-relation is mirrored in a crisis of the nation form and the existing arrangements of the "anthropological difference." By repeatedly exposing us to the politicality that can never be erased from the logic of capital and its complicitous inner relation to the nation form, what discloses itself to us in the text of *Capital* is the fact that another arrangement of social life is always possible that another sociality, beyond the enclosure into capital and the nation, remains a potential in the history of the present.

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Value, Commodity and Forms of Capital

Marx and the Enigma of Commodity

Pranab Kanti Basu

Abstract We take off from Althusser's contrast between the idealist/mechanical materialist method of abstraction, which, Althusser argues are different forms of essentialism and Marx's materialism grounded in overdetermination–contradiction. Our central proposition is that the mode of analysis of commodity employed by Hegel and the neoclassical is based on essentialist modes of reasoning while that used by Marx is based on overdetermination–contradiction. The paper tries to establish this through the elaboration of Marx's critique of commodity fetishism. The relation between Marx's idea of fetishism, in general, and commodity fetishism is explored through the twin concepts of alienation and reification, which are argued to be the two pillars of fetishism. The critical role of interpellation is brought to the fore in the course of this exploration. The article then moves on to examine how the analyses of commodities in Hegel and in neoclassical economics are both governed by the figure of commodity fetishism.

Keywords Fetishism · Alienation · Reification · Commodity · Interpellation

Introduction

Our purpose is to explore the reasons why a mono-centred or essentialist analysis of a social phenomenon fails to be critical in the sense of thinking counter-hegemony and counter subjectivities while Marx's overdeterministic analysis succeeds. We will attempt this exploration through comparison of the analyses of commodities in Hegel and the neoclassical, on the one hand, and in Marx, on the other. Amariglio and Callari (1989) offer us a good point of departure.

I am deeply indebted to the late Pradip Bannerjee, who died while writing his Ph.D. dissertation. He first pointed out to me the significance of the simultaneous existence of the concrete and the abstract in Marx's method. Hope someday I can manage to edit and publish his unfinished thesis.

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"The theoretical problem that *Capital* presents is the resolution of this (theoretically posed) contradiction [between qualitatively different labours rendered quantitatively comparable, hence qualitatively same]…Commodity fetishism, then, summarizes the qualities of individuals that transform the unequal exchange of actual labor times into an exchange of equivalents…It was in order to provide a resolution to this contradiction that Marx developed the concept of commodity fetishism. **A** resolution of the contradiction that affirms the existence of individuals must theorize the possibilities for a transformation of trade (of unequal quantities of actual labor times) into exchange (of equivalents). Such a transformation is possible only on the condition that the object of exchange not be, and not be conceived as, actual labor time. Equality of exchange can be theorized only by reference to a property of the objects of trade other than actual labor times. It is possible to define this property in a variety of ways, each of which signifies particular, hence, different forms of consciousness and agency" (Amariglio and Callari 1989, emphasis added). What Amariglio and Callari say is that this contradiction does not have a unique solution. The different solutions each have their own political connotation. We will first examine Marx's analysis and then move on to contrast it with Hegel's and that of the neoclassical economists.

Our Reading of Marx

In this centenary year of the publication of *Capital Vol. I (C 1)*, it is appropriate that we recognise the iconic value of this work. At the same time, it is necessary to re-read or reconstruct *Capital* not just to make it up-to-date, but also to rethink a lot of the orthodox interpretations of processes delineated in *Capital.* This is above all a political necessity. We believe that with the increasing hegemonic character of the interpellated subjectivity of the individual, it is necessary to go to the depth of many of the concepts inaugurated by Marx to uncover the possibilities of a critique of the subjectivities that are the unconscious product of the capitalist order.

We subscribe to the readings that ascribe the logic of overdetermination (OD) to Marxian analysis. Althusser first indicated that this OD logic of Marx marked his distance from Hegel's dialectics and, he contended, it was never simply a matter of putting matter in place of spirit. We have a disagreement with the reading by Althusser at this moment: materiality itself is overdetermined and contradictory, so the displacement of idea by matter[1] itself implies a different logical process. There are important political implications of the dethroning of dialectics of Hegel as a constituent of dialectical materialism that Althusser has elaborated in different places. As we elaborate the departure of Marxian OD logic through the problem of

[1]We know that matter, as such never enters our consciousness. The difference then is between what thought concrete and thought abstract; the former is an overdetermined totality ever escaping encapsulation of its essence; thought abstract is an idealist notion that is completely self-contained. (Incomplete: correct the sentence).

commodity fetishism (CF), we will simultaneously show the role of *interpellation* and so of the need of intertwining cultural counter-hegemonic strategies with the political counter-hegemonic practices of those organising to affect social change.

Let us listen to Althusser for the difference between the two methods: "a Hegelian contradiction is never *really overdetermined*, even though it frequently has all the appearances of being so… Hegel… argues that every consciousness has a suppressed-conserved (*aufgehoben*) *past* even in its present, and *a world* (the world whose consciousness it could be, but which is marginal in the *Phenomenology*, its presence virtual and latent), and that therefore it also has as its past *the worlds of its superseded essences.* But these past *images* of consciousness and these latent *worlds* (corresponding to the images) never affect present consciousness as *effective determinations different from itself:* these images and worlds concern it only *as echoes* (memories, phantoms of its historicity) of what it has become, that is, *as anticipations of or allusions to itself…A circle of circles*, *consciousness has only one centre*, which solely determines it; it would need, circles *with another centre than itself—decentred circles*—for it to be affected at its centre by their effectivity, in short for its essence to be over-determined by them" (Althusser 1969).

As we go along, we will be elaborating on what sense the suppressed latent worlds do not impact the present in a Hegelian or a neoclassical analysis while the past is never past (in fact, there is no linearity of time) in our reading of Marx. We will attempt this by contrasting the analysis of commodity by Hegel and the neoclassical, on the one hand, and by Marx, on the other.

Commodity Fetishism: The Dual Character of Commodities

Marx had abiding interest in the process of structural concealment of class rule (hegemony) in the capital-commodity order. This led to interest in the idea of the fetish: the attribution of supernatural abilities to inanimate objects like idols, charms, etc., i.e. in the appearance of power where it is not. This inevitably took the route of a critique of religion, which is an area where the fetish plays a crucial role.

The idea of religion as fetish is developed by Marx's contemporary, Ludwig Feuerbach. Feuerbach's interpretation was that individuals or the "earthly family" projects its best or *alienates* its goodness to image god or the "holy family", which then appears to determine the earthly family's fate. In Thesis IV on Feuerbach Marx critiques his position. Feuerbach theorised the genesis of the religious world as the product of projection of secular traits of man. This was based on his conception of man as ahistorical individual as opposed to *social man*—a distinction Marx highlights in Thesis VI. To Marx, the problem is to locate the contradictions and conflicts in real society that impels man to religious self-alienation and to practice to remove this cause (class exploitation, consequent subjectivities). Unlike Feuerbach, this was not a one-sided criticism of idealism or spiritualism intended to show the "falsity" of religious beliefs. Marx's materialism argues that all so-called false notions emerge from material contradictions and so are real.

In Marxian analysis commodity fetishism (CF), like every fetish that he discusses is constituted by the twin social phenomena of *alienation* and *reification.* In religion: class contradictions tear apart the earthly family; alienation of humanity from itself. The lost unity is projected outward to the holy family, reified in idols, rituals, etc.

The premise of CF is social materiality. Social division of labour requires allocation of labour into different activities. In direct allocation (as in command and consent-based economy), the concreteness of the labours performed is realised as such. I am not alienated from what I produce. In indirect allocation, working through the market I produce to sell. I am alienated from my product. Marx remarks that the product has no use value to the producer/seller but only exchange value. To the buyer, it has use value. The ultimate form of this alienation occurs when labour power has become a commodity. Man is alienated from his own labour.

Though Marx starts his analysis of commodities assuming petty production economy (PPE), he remarks later "[T]he *economic categories*, already discussed by us [in discussing PPE], *bear the stamp of history*. Definite *historical conditions* are necessary that a product may become a commodity. It must not be produced as the immediate means of subsistence of the producer himself. Had we gone further, and inquired under what circumstances all, or even the majority of products take the form of commodities, we should have found that this can only happen with production of a very specific kind, capitalist production" (C1, 118, emphasis added).

The alienation of man from his labour is the result of a historical process that involves dispossession/accumulation, etc. giving birth to capitalism. CF is the result of political, cultural and economic processes that led to the interpellation of individual as subject through the violent processes of birth and sustenance of capitalism.

This interpellation is based on the reduction of social relations marked by *difference* (that includes social division of labour but also the underlying class and other antagonistic processes) into the *sameness* of "individuals" and the reification of an illusory *sameness* in the *quantitative* relations between the fruits of alienated labour—commodities. The notion of the individual (equality and harmony) is grounded in this reification.

Let us read Marx on the meaning and genesis of CF."There it is a definite social relation between men, that assumes, in their eyes, the *fantastic* form of a relation between things. In order, therefore, to find an analogy, we must have recourse to the mist-enveloped regions of the religious world. In that world the productions of the human brain appear as independent beings endowed with life, and entering into relation both with one another and the human race. So it is in the world of commodities with the products of men's hands. This I call the Fetishism which attaches itself to the products of labour, so soon as they are produced as commodities, and which is therefore inseparable from the production of commodities" (C 1, 47, emphasis added).

It arises, therefore, from the very concept of exchange. Through exchange, two qualitatively different commodities (i.e. goods that are bought and sold) are treated as comparable. What was the material, as historical, basis of the *emergence* of this particular problem—quantitative equalisation of unequal qualities? Say, two shirts exchange for a chair. You sold the table because you had produced it but did not need

it and because you needed the shirts and did not produce them. Converse is true for the buyer of table and seller of shirt. So, there must be a developed *social division of labour*. Some people specialise in the production of this thing and some others in the production of that thing. But this too is not sufficient ground for exchange. "This division of labour is a necessary condition for the production of commodities, but it does not follow, conversely, that the production of commodities is a necessary condition for the division of labour" (C 1, 30) *Exchange is a particular solution to the need for economic interaction caused by social division of labour.* Social division of labour among the members of a society demands economic interaction. But this does not have to take the form of exchange. For one, the producers may not be free to exchange. The lord may take their produce and distribute some of it at will among the producers and enrich himself with the rest. Alternately, there could be common rights over all products, which may then be distributed according to some community norms.

So, exchange is a particular solution to the problem of allocation of social labour or the problem of social division of labour. With the emergence of exchange as the dominant motive of production, the problem of social division of labour is solved through the quantitative equalisation of commodities that are, obviously, of different qualities. What is the analytic/philosophic explanation/connotation of this solution? We will examine the analysis offered by Hegel and see that it is simply reflected in neoclassical economics. We will then come back to the analysis of Marx; establish its difference from Hegelian logic and see the conceptual role of CF in this context.

Let us state at the outset our basic proposition regarding the two approaches to the process of quantitative equalisation of qualitative differences—in Hegel and neoclassical economics, on the one hand, and in Marx, on the other. The process of equalisation in Hegel as well as in neoclassical economics starts from the premise of individual. In Hegel, the essence of the individual is free will from which through deductive triadic logic he arrives at the concept of *abstract utility*. In neoclassical economics, the point of departure is *homo economicus* who is a maximiser of *abstract utility.* In either case, the process of equalisation becomes self-referential, bereft of the pulls, pushes and violence of social relations. The reduction of qualitative difference to quantitative equality is attributed to the eternal *nature* of man. *This way of looking at the resolution of the conflict between qualitative difference and quantitative comparison is itself a product of CF—the thinking of the contradiction by an individual interpellated by capital-commodity order.* In Marx, in contrast, the premise is capitalist commodity production[2] and is, hence, shot through and through with the contradictions of the capitalist order. It is based on a critical assessment of the order from the outside. In the former, therefore, the question of interpellation cannot be situated; in the latter, it assumes central significance. In the Hegelian and neoclassical world, therefore, the veil of "magic and necromancy that surrounds the

[2] In the sequence of presentation in *Capital,* the starting point is exchange by petty producers. Labour power has not yet become a commodity. However, as we will show, in the same volume, Marx says that capitalist order is necessary for production to be dominated by the motive of commodity exchange.

products of labour as long as they take the form of commodities" cannot be lifted while this becomes the central objective of Marx's analysis of commodities.

Hegel's and Neoclassical Economics' Resolution of the Duality

We start from Hegel. Hegel deals with the analytics of exchange in his *Philosophy of Right* (Hegel 2001).

The *thesis is pure free will*.[3] The *anti-thesis* or *negation* of free will *is pure externality.*[4] The *synthesis* or the *negation of negation* is *property* "A person has the right to direct his will upon any object, as his real and positive end. The object thus becomes his. As it has no end in itself, it receives its meaning and soul from his will. Mankind has the absolute right to appropriate all that is a thing" (Para 44). Thus, through the triadic dialectics of Hegel from pure free will, through pure externality, we reach the first generality—property. It is to be noticed that the lower moments (purely subjective free will, pure externality, etc.) are only partial in themselves and attain their sufficiency in the higher generality (property), which thus absorbs them totally. They are *sublimated* and become just lower moments of the universal.

But the journey does not end here. And, we are particularly interested in the next sublimation because of its contrast with Marx's analysis of the same journey: the journey to contract and exchange. The objectification of free will in own property is still purely subjective, i.e. recognised only by the individual property owner, self. As we shall see presently, in Hegel, it is only through contract and exchange that "private" property becomes social.

The *thesis* in this second sublimation is *my property.* It does not exist unless it is recognised by another free will. It must be "unowned". This is the negation or *anti-thesis.* Unowning my property means giving it up to gain ownership of another's property—the act of exchange.[5] The other's will is manifest only in the *other's property* that the other, too, must unown for the other's will to be recognised. This

[3] "The will which exists absolutely is truly infinite, because its object being the will itself, is for it not another or a limitation. In the object the will has simply reverted into itself" (Para 22). "This subjectivity is (a) pure form or absolute unity of self-consciousness with itself. This unity is the equation "I = I," consciousness being characterised by a thoroughly inward and abstract self-dependence" (Para 25).

[4] "A person in his direct and definite individuality is related to a given external nature. To this outer world the personality is opposed as something subjective. But to confine to mere subjectivity the personality, which is meant to be infinite and universal, contradicts and destroys its nature. It bestirs itself to abrogate the limitation by giving itself reality, and proceeds to make the outer visible existence its own" (Para 39).

[5] "In order to fix property as the outward symbol of my personality, it is not enough that I represent it as name and internally will it to be mine; I must also take it over into my possession. The embodiment of my will can then be recognised by others as mine. That the object, of which I take possession be unowned is a self-evident, negative condition. Rather it is more than a bare negative, since it anticipates a relation to others. A person's putting his will into an object is the conception of

simultaneous "unowning" is exchange based on contract.[6] So freedom of will is realised/recognised when we treat each other's wills as free through contract. In *contract,* occurs the *synthesis*. It is the realisation of a common will in contract that lifts up and absorbs (sublimates) the wills of the two. This is yet not the true universal because exchange is an accidental occurrence (we may say that it occurs when there is mutually consistent demand–supply). We will not go into the development of the true or necessary universal through morality, ethics and state. At this juncture, Hegel offers his solution to the problem of exchange or the problem of quantitative equalisation of qualitatively different things, and this is topical to us.

Consciousness starts from awareness of differences in (concrete) use values. At the moment of entering, the act of exchange individual is indifferent about the concrete uses; the difference (thesis) and indifference (antithesis) are sublimated in the notion of abstract utilities, which Hegel calls "want". "[q]uality here becomes quantity".[7] "Want" is clearly what the neoclassical economists were to later call utility or what should, more appropriately, be called *abstract* utility, i.e. utility that is not specific to each concrete commodity but is utility in general, say, the utility signified by the utility function of an individual in neoclassical economics. The price ratios are therefore determined in both Hegel's scheme as well as in the scheme of the neoclassical economists by the ratio of abstract utilities that can be derived from the consumption of unit commodities. We need not go into the technicalities here. Hegel's "value" or the abstract utility of a unit of a commodity is entirely one's personal evaluation. This makes utility private and hence not communicable. This is exactly what the neoclassical too admit in saying that interpersonal comparison is not possible. This cloisters mainstream economics from social tension. Neoclassical economics encloses "individuals" in glass bubbles through its entry point of ahistorical *homo economicus*. There is only an apparent difference between the analysis of exchange offered by Hegel and that offered by the neoclassical economists. The difference appears in the initial point of departure: while for Hegel, it is pure, free will, and for neoclassical economics, it is *homo economicus.* But individual defined by free will and individual defined as *homo economicus*, are both only self-referential—bereft of social history and so of any kind of tension, constituted only by their eternal nature. In the case of Hegel, abstract utility is the result of a process, and in the case of neoclassical

property, and the next step is the realising of it. The inner act of my will, which says that something is mine, must be made recognisable for others." (51).

[6]"Outward and visible existence, as definite, is essentially existence for another thing… But property is also a manifestation of will, and the other, for which it exists, is the will of another person. This reference of will to will is the true and peculiar ground on which freedom is realised. The means by which I hold property, not by virtue of the relation of an object to my subjective will, but by virtue of another will, and hence share in a common will, is contract" (Para 71).

[7]"In use the object is a single one, definite in quality and quantity, and answers to a special need. But its special usefulness, when fixed quantitatively, can be compared with other objects capable of being put to the same use, and a special want, served by the object, and indeed any want may be compared with other wants; and their corresponding objects may be also compared. This universal characteristic, which proceeds from the particular object and yet abstracts from its special qualities is the value. Value is the true essence or substance of the object, and the object by possessing value becomes an object for consciousness" (para 63).

economics, it is the premise. In either case, however, the exchange ratios or relative prices are derived as ratio of abstract utilities of unit commodities exchanged.

Let us also remark here on the method of abstraction "[q]uality here **becomes** quantity …[want] in its progress starts from the special quality of an object, passes through indifference with regard to the quality, and finally reaches quantity"(Hegel 2001, Addition to para 63). The process of Hegelian sublimation is succinctly stated. There is no residual of the specificity or concreteness of the commodity as quality (use value to Marx) is totally subsumed in quantity (abstract utility).

Marx's Solution of the Duality

Let us examine Marx's approach to the same problem—quantitative equalisation of qualitative differences of commodities.

Capital Vol. I (C1) begins thus "The wealth of those societies in which the capitalist mode of production prevails, presents itself as "an immense accumulation of commodities," its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity" (C1, 26).

We have to be a bit more specific: we have to indicate the organisational form under which these commodities are produced. "The mode of production in which the *product takes the form of a commodity*, or is produced directly for exchange, *is the most general and most embryonic form of bourgeois production*" (C1, 51, emphasis added). The product, not the labour power used in production, takes the form of commodities. The commodities are produced by what is termed "petty producers" with own tools and with own or family labour. Importantly, they do not employ wage labour. This is like the cottage industry producing for exchange. This mode of production has also been called "Simple Commodity Production" (SCP).

In this economy, the problem posed by existence of social division of labour, which we have already mentioned, is resolved through exchange. It is necessary that the simple commodity producers independently take their decisions. A host of cultural changes and changes in psyche or subjectivity are necessary for this to be feasible.[8]

Commodities are whatever is exchanged in the market. Exchange cannot take place without prices. Relative prices are simply the ratios that equate qualitatively different things quantitatively. So exchange values enter the discussion. Marx argues that since prices are common to all commodities, they must be explained by something else that is also common to all commodities. What is this common something? There are two other attributes that are common to all commodities: one, they have use values or are useful things; two, they are products of labour. So, prices must be

[8]"In order that these objects may enter into relation with each other as commodities, their guardians must place themselves in relation to one another, as persons whose will resides in those object, and must behave in such a way that each does not appropriate the commodity of the other, and part with his own, except by means of an act done by mutual consent. They must therefore, mutually recognise in each other the rights of private proprietors" (C1, 59).

explained by either of these attributes. But they cannot be explained by their utilities because "As use values, commodities are, above all, of different qualities, but as exchange values they are merely different quantities, and consequently do not contain an atom of use value" (C1, 27). So, prices must be explained by the labour expended in their production. But when we reject use values as possible determinant of exchange values or prices "[a]long with the useful qualities of the products themselves, we *put out of sight both the useful character of the various kinds of labour embodied in them*, and the concrete forms of that labour; there is nothing left but what is common to them all; all are reduced to one and the same sort of labour, human labour in the abstract" (Ibid, 27, emphasis added).

We should point out that the use values that Marx is referring to are the *concrete* use values (the specific uses of things) to be differentiated from the *abstract* utility that Hegel talks of and which neoclassical analysis uses. The fact that neoclassical economics proposes utility as determinant of prices is not per se open to the criticism of being illogical. Because, as Marx mentions in the quote, if we rule out concrete utilities as determinants of prices, we also have to rule out concrete labour, which can be measured in clock hours. If one abstraction (abstract labour) can be used, it is perfectly logical to use some other abstraction (abstract utility). The point is that there is a choice involved and this has cultural-political connotations. The choice is between matter and idea/spirit, i.e. pure subjectivity. The choice is between socialised subjectivity and asocial individual subjectivity. As we pointed out in our initial statement of intent, this choice involves also a displacement of logical method. This takes us back to the question of OD of the various processes that Marxism announces or reaffirms and neoclassical economics, among so many other theories, suppresses. Without suggesting any other concrete possibilities, we can say that *logically* there could be other abstractions apart from abstract utility and abstract labour. In any case, abstract utility was always an available choice. One of the reasons for Marx's inclination towards abstract labour was, as Gibson-Graham points out,[9] the prevailing atmosphere supportive of humanism. In fact, political economists like Ricardo and Smith attributed the wealth of the nation to the labour of the producers. There was probably a more important reason for the choice of the abstract substance as labour. We know now that what we have is just the truth effect, not *the truth.* This is where political and cultural processes intersect though not always in a conspiratorial sense. The political objective of Marx was to show the source of exploitation, to motivate action against exploitation, which he defined as the appropriation of surplus labour performed by the working classes. This reinforced the choice of the abstract unit as labour. To Marx, products acquire a peculiar character on becoming commodities, i.e. exchangeable things: "It is only by being exchanged that the products of labour acquire, as values, one uniform social status, distinct from their varied forms of existence as objects of utility… From this moment the labour of the individual producer

[9]"Despite Marx's strong disavowals, *Capital is* indebted for much of its potency and resonance to ideas he disavowed, including most notably an Enlightenment humanist understanding of labour as the origin of all wealth and a discourse of rights in which man's entitlement to the fruits of his labour is naturally ordained" (Gibson-Graham 2000).

acquires socially a twofold character. On the one hand, it must, as a definite useful kind of labour, satisfy a definite social want, and thus hold its place as part and parcel of the collective labour of all, as a branch of a social division of labour that has sprung up spontaneously. On the other hand, it can satisfy the manifold wants of the individual producer himself, only in so far as the mutual exchangeability of all kinds of useful private labour is an established social fact, and therefore the private useful labour of each producer ranks on an equality with that of all others… The twofold social character of the labour of the individual appears to him, when reflected in his brain, only under those forms which are impressed upon that labour in every-day practice by the exchange of products" C1, 47–48).

On close reading of the passage, the enigma of commodities is revealed. Marx remarks on the significance of "put[ting] *out of sight*… the useful character of the various kinds of labour embodied in them [commodities]". What does this connote? If you are putting something out of sight, it means it is there (not absorbed/sublimated in any observed thing/attribute); you are just shifting the gaze. When he marks the "The *twofold social character* of the labour", he is also simultaneously talking of the two-fold character of the product of labour that has now become a commodity. In Hegel's analysis, there is only a single *essential* characteristic of commodities "Value is the *true essence* or substance of the object, and the object by possessing value becomes an object for consciousness… Quality here *becomes* quantity". Quality is here uplifted/sublated into quantity. The process of sublimation is implicit, already there in its premise of rational man or *homoeconomicus* who at every event computes and compares the utility gained and sacrificed. This includes the moment of exchange. So to the neoclassical rational, individual concreteness of the commodities has already been rendered into their essence—abstract utility—that is comparable. Neoclassical economics' *abstract utility* (encapsulated in the utility function) and Hegel's *abstract want* are evaluated privately or personally and so cannot be compared with another's evaluation. This explains the emergence of a new concept of social welfare—Paretian Welfare. This branch of welfare economics pleads for policy evaluation in the absence of interpersonal utility comparison. Amariglio and Callari also seem to be hinting at a similar realisation: "In this neoclassical theoretical construct, a property is chosen—to serve as a standard for the measurement of equality in exchange—which is contained within the relationship of one human being, or of a group of human beings (e.g., a household), to nature and which thus preserves the individuality of these human beings" (Amaraglio and Callari 1989, 48).

Marx, on the other hand, as we have remarked, talks of just putting the concrete aspect of commodities and hence of concrete labour *out of sight*. He also talks of the two-fold character of labour. Thus, there is no work of sublimation/sublation. Hegelian dialectics is not the method of this examination. The qualitative and quantitative aspects of commodities and, hence, of labour continue to exist, the problem is then one of repression (putting out of sight) of the qualitative aspect. As Amariglio and Callari elaborate "The theoretical problem that *Capital* presents is the resolution of this (theoretically posed) contradiction [between concrete and abstract labour]…Commodity fetishism, then, summarizes the qualities of individuals that transform the unequal exchange of actual labor times into an exchange of equiva-

lents…It was in order to provide a resolution to this contradiction that Marx developed the concept of commodity fetishism. **A** resolution of the contradiction that affirms the existence of individuals must theorize the possibilities for a transformation of trade (of unequal quantities of actual labor times) into exchange (of equivalents). Such a transformation is possible only on the condition that the object of exchange not be, and not be conceived as, actual labor time. Equality of exchange can be theorized only by reference to a property of the objects of trade other than actual labor times. It is possible to define this property in a variety of ways, each of which signifies particular, hence, different forms of consciousness and agency" (Amariglio and Callari 1989, 48 emphasis added). We have already seen that this property is defined as abstract utility by Hegel and the neoclassical economists and as abstract labour by Marx.

With the beginning of market-mediated distribution of products commodities, their dual aspects of concreteness and abstractness come into being and dichotomous nature of things continues to affect both the social allocation of labour as well as its theorisation. To the uncritical gaze of those who participate in the exchange, this duality is not apparent—they see the surface of the market where commodities are equalised. It is the same uncritical gaze that informs the theories that form a part of Althusser's Ideological State Apparatus. This is where we would place both Hegel's and neoclassical economics' theorising of exchange. The uncriticality of the gaze is rooted in the interpellation of a certain subjectivity that is born of the historical process through which exchange becomes the dominant motive of economic activity that is subjectivities interpellated by the order of commodity-capital.

Marx's gaze is critical. Retaining the dual aspect of commodities is possible because he is looking at the commodity-capital world as an outsider—one to whom this order, indeed no order, is natural. But, did not Marx begin his analysis of commodities from the SCP economy? And does he not mark CF as a necessary closure of exchange within the SCP economy? So where does the interpellation of subjectivity constituting and constituted by the *capitalist* order come?

To Marx, the equalisation, which is the significance of commodity fetishism, is the result of interpellation of individualism through a historical process. "[T]he *economic categories*, already discussed by us [in discussing PPE], *bear the stamp of history*. Definite *historical conditions* are necessary that a product may become a commodity. It must not be produced as the immediate means of subsistence of the producer himself. Had we gone further, and inquired under what circumstances all, or even the majority of products take the form of commodities, we should have found that this can only happen with production of a very specific kind, capitalist production. *Such an inquiry, however, would have been foreign to the analysis of commodities*" (C1, 118, emphasis added). This takes us back to an enigma that has been the subject of much controversy: why does Marx start *Capital* from commodities and exchange when he wants to dig below the surface of the market, which was the preserve of vulgar economists, and show the "master-servant relation" within the factory while "freedom, equality, property and Bentham" presided outside? What he is saying amounts to the assertion that SCP economy is a historical absurdity. The majority of products can be produced for the market only when production is

capitalist, i.e. not only products but also labour power has also become a commodity. Nevertheless, he is starting from SCP because to start from capitalist production "*would have been foreign to the analysis of commodities*". I read this to mean that in his presentation, he uses a *semblance* of the method of Hegel, though in his enquiry he has already established that this is not the proper logic. His method of presentation *appears* to proceed from simple categories to the more complex. In this sense, there is some similarity with Hegel's method.[10] But even this similarity is only apparent. As Althusser observes in the quote we have mentioned in an earlier section, in Hegel's logic, the higher generalities are complex only in appearance: the lower moments being totally sublimated and remaining as phantoms or memories. In Marx's scheme, however, the movement from simpler determinants towards social complexity involves OD and not sublimation. That is why commodities in Marx's scheme retain both their concrete (use value) and abstract (AL) aspects.

But to come back to his enquiry: this passage (CI, 118) clearly states that commodity fetishism the process that reconciles the dual aspects of products; the moment they have become commodities (viz. their qualitative differences and their quantitative sameness) is the result of political, cultural, economic processes that led to the interpellation of individual as subject through the violent processes of birth and sustenance of capitalism. Violence implies the absence of linear, fated logical process, of which triadic logic would be an example and simultaneously the installation of the logic of overdetermination. Violence is an autonomous intervention in the logical journey, which is inconceivable in the triadic movement from lower to higher generalities.

Marx says that most of products become commodities only with the spread of capitalism. One of the reasons behind this assertion is that primitive accumulation involves the breakup of the community. Within a community, the allocation of social labour is direct (by consent or command) taking into account only the aspect of difference of goods and the labours that go into their production. It is only with the breakup of the communities, urbanisation, etc. that the direct allocation of labour breaks down and together with it the direct relations between human beings in society. With capitalism also comes a new commodity, which is absent in the SCP economy—labour-power commodity. This brings in its train, the new violence or illogic of alienation and degradation of labour. Through all these and other interwoven political, cultural and economic processes is born the dichotomous character of goods as commodities buttressed (i.e. made socially acceptable) by subjectivities interpellated by CF. These processes interact to give birth to particular subjectivities that can reconcile the dichotomy (between qualitative difference and quantitative identity of commodities), in other words, subjectivities that manage to reconcile living in societies that appear not to be societies.

[10]In his exposition of the method of enquiry and presentation/analysis in Grundrisse (100) Marx says that first the simple or elementary aspects or 'simplest determinations' of a complex whole are discovered then starting from the simple determinants the complex totality is constructed in thought 'as a rich totality of many determinations and relations'.

Capital just like neoclassical economics was written from a particular perspective, producing its own truth. Neoclassical economics produced and continues to produce a truth that is part of the ideological state apparatus; *Capital* produced a truth that belongs to critical, counter-hegemonic venture. This is one way we can understand Amariglio and Callari's contention "Equality of exchange can be theorized only by reference to a property of the objects of trade other than actual labor times. *It is possible to define this property in a variety of ways*, each of which signifies particular, hence, different forms of consciousness and agency" (already quoted).

Hegel, Neoclassical and Marxian: Fetishism One Final Time

The analogy that Marx draws between CF and God fetishism is appropriate for the Hegelian or neoclassical definition of the "property of the object that trade". It is not proper for Marx's own reading of this property, viz. abstract labour. Subjective utilities are eternally given by the autonomous preferences of individuals and, in the Hegelian or neoclassical reading, their ratios forever relate as equalities to the price ratios. The qualitative differences are sublimated in the quantitative equalities following the Hegelian process of movement to higher universals. In Marxian analysis of CF, both quality and quantity remain embedded in the product. Thus, Marx's CF is a tense field that undergoes mutations and can be deployed to understand certain capitalist crises and for cultural counter mobilisation.

Hegelian and neoclassical commodity fetishism is unchanging in content, being determined purely by subjective valuation, independent of social order; Marx's treatment however is thoroughly materialist, rooted in the specific social order that produces commodity. This is also related to the retention of the two-fold character of labour and commodity. While in the SCP economy, the law of value (exchange values proportional to AL values) holds; in the capitalist economy, the values are transformed to prices of production because of the differences in the organic composition in the different lines of production. This transformation, that has generated a lot of controversies, indicates, as pointed out by Bannerjee,[11] that the differences in the qualities of commodities—here reflected in the differences in organic composition—influence the relation between the values and prices. This transformation is also related to the political and cultural processes that determine the value of labour power in a particular productive activity in a social conjuncture, as this influences the organic composition of capital.

[11] Chapter 5 of the unfinished Ph.D. thesis of Pradip Bannerjee.

Conclusion

Because of the social, hence historical, character of the mode of equalisation of the qualitatively unequal commodities, it is susceptible to changes in the character of capital. Without going into the important debates regarding the characterisation of the current era of capital, variously termed as post-Fordism, autonomisation of capital, etc., we can make some preliminary suggestions for enquiry of lines along which CF may be further rethought.[12]

Recollect Rubin's (Rubin 2008) claim that CF has a material basis as it is through the equalisation (in terms of exchange values) of commodities that are qualitatively different (in terms of use value) that social division of labour is achieved in a commodity-producing economy. Financialisation gives at least two twists to this deployment of CF. In the age of financialisation that is necessarily coupled with the post-Fordist age of fragmentation of production processes and their global outsourcing, this link becomes tenuous and has to be rethought. Hilferding (1981, 10) hits the nail right on the head when he comments: "The producer does not learn whether his commodity really satisfies a social need or whether he has made the correct use of his labour time until after the completion of the exchange". When we have global value chains, the question of "completion of exchange" has to be fundamentally re-examined. Apart from this, the fact that the value chain extends downwards into non-capitalist class process or feudo-capitalist class process-based productive units means that the relation between the unequal (quality) and equal (quantity) relation that constitutes the problem of CF requires to be revisited. This will also bring in its train the rethinking the categories of fundamental and subsumed class payments as rent and interest move to centre stage in the play of exploitative payments.

Another insight from Hilferding needs to be pondered: "As an exchange value, however, a commodity finds its immediate expression in money, the use value of which is nothing but the embodiment of socially necessary labour time, that is, exchange value. Money, therefore, makes the exchange value of a commodity independent of its use value. Only the transformation of money into a good realizes the use value of the good" (ibid, 10). This introduction of the time factor is an important element that has to be explored. You can continuously go on deferring the realisation. This was the promise on which most of the bubbles and most particularly the housing bubble were based. If everyone thought that realty prices would keep increasing, they would have been increasing. In this case, how do we make sense of the independence of use value and exchange value?

We conclude by reading an important political connotation of CF that is largely ignored by the communist parties though we find the statement of the problem in the *Communist Manifesto*. The analysis of commodity fetishism through the analytical field generated by abstract labour shows that the subjectivities interpellated by capitalist commodity production are shot through and through with bourgeois individuality and equality. As I had pointed out in an earlier piece (Basu 2012), Marx, in talking of the immediate post-revolutionary society, mentions in *The Critique of the*

[12] I have attempted to work out some of these connotations in a recent article (Basu 2018).

Gotha Program "Hence, equal right here is still in principle—bourgeois right … this equal right is still constantly stigmatized by a bourgeois limitation. The right of the producers is proportional to the labor they supply; the equality consists in the fact that measurement is made with an equal standard, labor" (Marx 1875, 5). In other words, even the consciousness of the working class for itself is stigmatized by this limitation of subjectivity constituted by CF. The principle of quantitative equalisation of unequal qualities in commodities works in the case of labour-power commodity. This brings to the fore the problem that Gramsci was to talk of later: the problem of struggle for cultural hegemony as an autonomous component of workers' struggles. This relates to the imagination, construction and struggle for socialist consciousness.

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Global Production Network: The New Template of Power and Profit in the Regime of *Empire*

Satyaki Roy

Abstract Functional fragmentation of production and spatial dispersion actualized through global production networks (GPN) increases participation of developing South in global trade by way of specializing in particular tasks. This change in production organization as conceived in GPN literature is a new phase of fast-tracking industrialization in developing countries. A continuous process of upgradation and efficient governance would allow developing countries to move up the value ladder. The paper first of all argues that because of higher participation rate, it is largely the advanced countries who accounted net gain in returns while most of the developing countries incurred a net loss with increased participation in global production network. The paper then questions the notion of 'value added' and analyses the asymmetry as a structural phenomenon of global capitalism invoking Marxian notion of production, appropriation of surplus value and its distribution in the form of rent and profit. Value capture takes place by inter- and intra-industry transfer of surplus and through asymmetric distribution of potential rents conditioned through the new architecture of institutions in the era of globalization. Finally, the paper concludes that global production network emerges as the new template of power and profit in the age of *Empire.*

Keywords GPN · Surplus value · Value added · Rent · Profit

The functional fragmentation and spatial dispersion of production in the current phase of capitalist production organization is a result of unbundling of production due to huge decline in transportation and transmission costs. Such unbundling of production facilitated by use of steam power separated production and consumption in the early nineteenth century. It was actually a division of the world between the North and the South where the former overtook the latter in terms of growth and

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income. Rising divergence, increased trade and migration, exchanges on the basis of comparative advantage and expansion to reap benefits on scale economies were the dominant features of capitalist reproduction. Increased global trade however led to local concentration of production giving rise to agglomerations and industrial districts because although communication costs declined coordination costs became important over time. The advantage that the current phase of ICT revolution offers is the possibility of handling complex coordination problems from a distance. This technological change since mid-eighties together with a liberal regime adopted across the world allowed gains from huge wage difference between the North and the South. In other words, technology of the North was coupled with cheap labour of the South giving rise to a division of the world between 'head quarter' economies and 'factory' economies.[1] The crux of this re-organization of global production taking advantage of technology and labour arbitrage emerged as a way of reducing labour turnover costs and wage costs at the same time. Global production networks led by MNCs and TNCs became the archetypal vehicle of integrating producers into global production processes.

The 2013 World Investment Report estimates that now over 80% of global trade flows through global production networks led by transnational corporations.[2] The ILO on the other hand estimates that one in five jobs in the world are somehow linked to global value chains. The conventional North–South divide is also undergoing change. It is no longer the case that the South only produces and the North consumes; instead China, India and parts of Africa are emerging as destinations for MNCs and TNCs causing a shift in the geographical share of FDI towards developing countries. The OECD report in 2012 further indicates that between 1990 and 2010, the share of BRICS economies in the exports of parts and components increased from 0.78% to over 14%. Non-OECD, non-BRICS, Asia more than doubled their share in the same time period recording a rise from 4.6% to over 9% in 2010. OECD countries' share, at the same time, declines from over 92% of all exports of parts and components to 70% by 2010.[3] The share of advanced countries in global manufacturing value added might have declined in the past two decades; nonetheless, high-income countries still account for 69% of manufacturing value added although accounting for only 17% of manufacturing employment.[4] The overarching argument put forward in the context of industrialization in developing countries in the world of GPNs today is that developing nations do not require to build a deeper and wider industrial base in order to get inserted into the global scenario. Rather participating in production networks and specializing on particular tasks would allow them to industrialize without necessarily being competitive in producing and trading final products. Porter (1985) applied Ricardian theory of comparative advantage in the current context of fragmentation and dispersion of production arguing that countries and spaces would rather specialize on particular tasks or stages of production instead

[1] Baldwin (2012).
[2] UNCTAD (2013).
[3] OECD (2012).
[4] World Bank (2018).

of sectors and the optimal allocation of such tasks based on a trade-off between specialization and coordination determines the spatial distribution of production in a global value chain.[5]

Taking off from world-systems theory GPN analyses in its initial phase was devoted to understanding the details of production chain that ultimately realizes the dependency between core and periphery. In course of time, however, it went beyond offering a heuristic framework of analysing flows from input to output passing through various stages and conceived this division of labour as a new feature of industrializing that could escape structural asymmetries often paraphrased as dependency.[6] The theoretical mould of this new turning point involves analysing gains as rents captured due to creation and protection of scarce assets. The underlying proposition follows largely from Schumpeterian notion of rent and its distribution in Ricardian lines. Firms and spaces linked to global production network can upgrade their technology through innovation and improve upon governance structures of coordination and hence can increase their share in the global value added by moving up the value ladder. Wide range of empirical studies looking closely into the distribution of gains within the value chain recognizes the fact that participation in global production networks in itself is not necessarily gainful for developing countries. But it largely locates the reality of asymmetry on the fact that producers of developing countries are not being able to get into high value added activities.

Using India as a case study, this paper primarily argues that higher global integration need not give rise to higher net gain in terms of value added domestically and hence might reduce employment potential of the economy. Secondly, it argues that rent arises from surplus produced in the value chain and the determination of profit in a particular stage of production is not independent of the global process of production appropriation and distribution of surplus value and therefore gains accrued as rent over and above the competitive price is also linked to determination of average rate of profit and consequent prices of production. The argument follows from Marx's theoretical structure in his book *Capital*, particularly the theory of general determination of the rate of profit as well as that of rent. Thirdly, this paper brings to the fore the argument that creation and protection of rents also depend on institutional structures that protect created scarcities. And the new architecture of power defined by global institutions often leads to an asymmetric distribution of potential rents by preventing access to resources prevalent in the North and dissolution of protection of those in the South. The paper finally argues that distributional conflicts within global production networks need to be located within the multiple hierarchies of capital rather than in the standard notions of North–South divide; global production networks emerge as the new template articulating imperatives of global capital.

[5]Porter (1985).

[6]Blair (2005).

Emerging Trends in Production Networks: India and the World

Integration of production structures results in increased deviation of gross export figures from that of domestic value added. It is primarily because of fragmentation of production into different stages and gross trade data does not capture the actual value added by particular countries. Components can be imported and then with specific value addition can be exported to other countries, it can again be re-imported from the third country after some value being added there, and then after performing the next stage of production, it can be exported to some fourth country. Hence, there can be several phases of incoming and outgoing of goods and services which cannot be captured through figures of gross exports of a country. OECD Trade in Value Added and World Input-Output database to some extent allows us to understand the value addition that undergoes in different stages of production across national boundaries. But this decomposition does not allow us to untangle the firm-level interactions within a particular country. Figure 1 captures the deviation of gross exports from actual domestic value added entering into foreign final demand for the world during the period 1995–2011. Increased integration of production structures has led to this rising deviation, and this is even more prominent in case of manufacturing and industry as a whole.

The share of manufacturing and industry as a whole in gross exports is higher than their shares in domestic value added totals. While in agriculture and allied activities, services and construction, the shares in terms of domestic value added are higher compared to those in terms of gross value of exports. Hence, gross export figures tend to inflate manufacturing and industry's contribution to output while in cases of agriculture, services and construction export figures actually undervalue their contributions. The reason is that many of these activities might have been considered as part of manufacturing value added even if they are actually not so. In

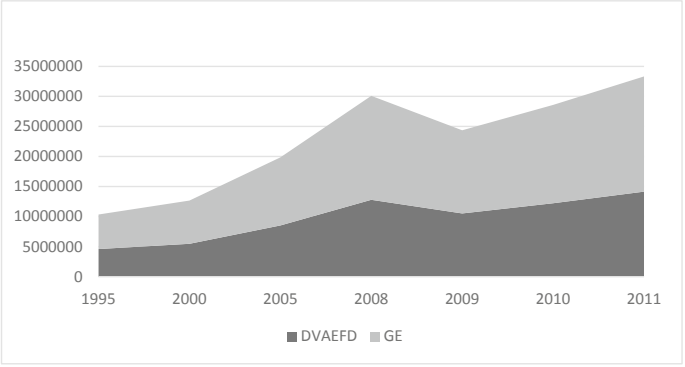

Fig. 1 Gross exports and domestic value added, world. *Source* Author's calculation from OECD-TIVA database

case of finance, real estate and business service, the difference between two shares is the highest because a large part of these activities enters into output of other activities mostly manufacturing transpiring in other countries and not been accounted as independent services inputs.

The share of domestic value added in gross exports however has declined for most of the developed and developing countries during the period 1995–2011. It has marginally declined in the cases of UK and the USA among advanced countries, and the decline has been higher in cases of Japan and Germany. Interesting to note that only in the cases of China and Hong Kong, the domestic value added share in gross exports has increased marginally during the reference period. The share of domestic value added in gross exports in 1995 was much higher in case of India (97.1) compared to China (66.6); in 2011, it declined in case of India to 76% whereas in case of China it marginally increased to 68%. The sector-wise figures suggest that in manufacturing and for industry as a whole, the decline is about 23% points while in case of China the share of domestic value added in manufacturing increased by 8% points. Considering services in total or in various sectors, we see that share of domestic value added in gross exports declined in almost all sectors both for India and for China. The decline in domestic value added share in gross exports has not however affected adversely the export performance of countries. In fact, gross exports as a share of GDP have increased for all countries in the world excepting Canada. In case of India, there has been a rise of about 13.2% points in the share of gross exports to GDP during the period 1995 to 2011, but during the same period, share of domestic value added as share of gross exports declined by 14.7%.

The share of foreign value added in gross exports expectedly increased for various sectors in India for the year 2011. Real estate activities record the lowest share of foreign value added in gross exports and coke, ref. petroleum product and nuclear fuel industry records the highest share of foreign value added in gross exports. Roughly service-related activities and manufacturing activities such as leather, textile and wood products show relatively low shares of foreign value added content in gross exports, less than 20%. Manufacturing activities related to computer equipment, electrical equipment, transport equipment, motor vehicles, machinery, metals and chemicals industry records foreign value added content of gross exports higher than 30%. It is important to note that sectors that are more integrated with the global networks are not the traditional labour-intensive sectors such as leather, textiles and light manufacturing. Tasks or stages of production that are offshored from advanced countries are labour-intensive compared to their average factor intensities, but in terms of developing countries average, these industries are relatively capital intensive. In other words, because of cheapening of investment, industries in advanced countries are undergoing a substitution of labour by capital and at the same time, they outsource relatively labour-intensive activities to developing countries to reap benefits from labour arbitrage. In developing countries such as in India, the capital intensity of industries increased in past two decades because of compositional change towards capital intensive industries besides rising capital intensity within sectors.

Participation rate of a country in global production network is measured by participation index computed as follows. OECD dataset gives figures of foreign value

added embedded in exports which capture the backward linkage and domestic value added embedded in foreign exports measuring forward linkage of a country in production network. For a particular country, adding the two and computing the share of a particular country in the aggregate of individual sums give the participation rate index for that country. In fact, this gives a measure of how the country is integrated with the global production network. On the other hand, the ratio of domestic value added embedded in foreign exports to foreign value added embedded in a country's gross exports gives a rough measure of net gain out of participation. If the value is less than 1, then there is net loss and higher the value over 1, the higher would be the net gain. For advanced countries comprising of OECD countries, US and UK foreign value embedded in their gross exports has declined over time and domestic value embedded in foreign exports for the group as a whole has also declined during the reference period. This perhaps suggests that for advanced countries, both backward and forward linkage have shrunk over time. In cases of BRICS taken together or for India and China separately, both foreign contribution to their gross exports and their contribution to foreign exports have increased over time. This trend indicates that developing countries over time have increased their participation in global production network.

Ranks of countries on the basis of participation and returns. *Source* Author's calculation from OECD-TIVA database

		Net gain/loss ranking		
		1–21	22–40	41–62
Participation rate ranking	1–20	USA, Japan, UK, Russia, Saudi Arabia, Switzerland, Australia	Germany, France, Italy, Spain, India	China, Korea, Chinese Taipei, Mexico
	21–40	Netherlands, Norway, Brazil, Indonesia, Hong Kong, South Africa, Chile	Sweden, Poland, Austria, Denmark, Finland	Thailand, Ireland, Czech Republic, Turkey, Hungary, Luxemburg, Vietnam
	41–60	Philippines, Argentina, Romania, Colombia, Brunei, New Zealand	Israel, Greece, Lithuania, Croatia, Iceland, Cyprus	Slovak, Portugal, Slovenia, Estonia, Costa Rica, Cambodia

In the above table, we map the matrix of 62 countries showing rankings in terms of participation index in the vertical axis and net gain/loss ratio of countries grouped according to their rankings in the horizontal axis. If the ranking is 1, then it shows highest participation rate or gain/loss ratio. The ranking for net gain/loss ratio is taken in terms of absolute value. Countries showing ranking above 21 have the value of the ratio less than one, and hence, they experience net loss. Therefore, the first column figures the countries who record net gain out of participating in global

production network and the rest actually record a net loss. The top-left group of countries comprises of those who rank high in terms of net gain, and they are also the top 20 in terms of participation rate in the global production network. Barring Saudi Arabia which has specific resource advantage, the rest are advanced countries. The UK, USA and Japan belong to this group of top gainers. Brazil, South Africa, Philippines, Indonesia, Argentina and New Zealand are gainers among developing countries, but their participation rate is relatively low. The third column comprises of mostly developing countries and transitional economies, and they are the worst losers with varying degrees of participation. China falls under the top right group. China records top ranking in terms of participation rate, however, resulting in higher net loss. India shows net loss, but its participation rate is less than that of China.

The relative decline of developing countries in terms of share in global value added is captured by a stylized curve known as the 'smile curve' largely used in empirical studies and World Bank estimates related to global production network (Fig. 2).

The smile curve above suggests that higher gains are attributed to activities related to conceptualization, R&D, design and commercialization of production mostly located in advanced countries. The other gainful activities relate to marketing, advertisement, brand management and after sales services. These activities are largely managed by the parent companies of MNCs and TNCs located in developed countries. The least share of gains accounts for activities related to manufacturing and standardized services that are largely undertaken by the developing South. If we compare similar smile curves over a period of time, we find that over time, the bottom of the smile curve has deepened implying a relative increase in difference in value share between the bottom and the top two edges of the smile curve. Therefore, the participation of developing countries has increased over time even though higher the participation the lower the gain in relative terms. A large number of case studies undertaken to analyse the particular pattern of value distribution in cases of Apple

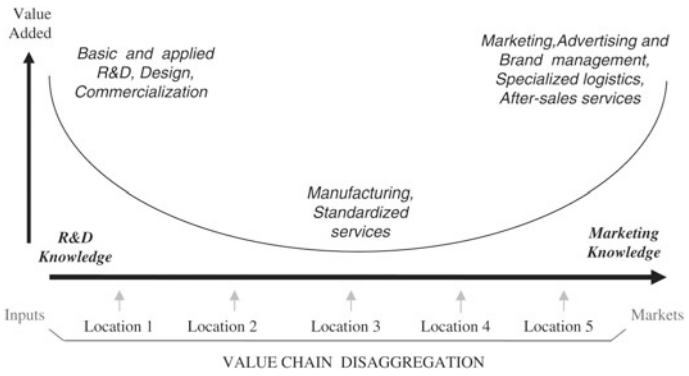

Fig. 2 Stylized Smile Curve. *Source* Beng and Wei (2015)

video iPod, Barbie doll, Nokia phone and T-shirts suggest that actual manufacturing activity accounts for the lowest share in value added.[7]

This was the backdrop of Kaplinsky (2005, 2007)[8] reinventing the Prebisch-Singer thesis (Singer 1950; Prebisch 1962)[9] of unequal exchange in the context of twenty-first century. The crux of the argument is that the decline of the barter terms of trade of commodities vis-a-vis manufacturing in Prebisch-Singer thesis was related to country endowments rather than attributes of commodities. The two groups of countries were differentiated in terms of their labour endowments. The labour surplus economies happen to be commodity producers while manufacturing was primarily done in labour constrained economies. In the present context, the decline in the relative price of manufacturing in the past three decades has been attributed to rapid industrialization and export from East Asia especially China. The barter terms of trade in manufactures between developing countries and the European Union suffered a decline[10] (Maizels et al. 1998). 'Immiserizing growth' implying falling returns with increasing economic activity is reflected in a decline in unit price of exports specially in cases where countries rely heavily on simple assembly of imported inputs. Heintz[11] (2006) argues that developing countries face unequal exchange meaning exports that contain more labour compared to labour congealed in imports received in exchange. Because profit rates are equalized across national boundaries owing to the mobility of capital while labour is the relatively immobile factor of production, developing countries generally import goods at prices that have to accommodate both higher wages of industrialized countries and equalized rate of profit.

Capital and the Rising North–South Gap in Value Added Share

Globalization in the current phase is far more interpenetrative compared to what it was in the nineteenth century. The geographical dispersion of production together with functional fragmentation entails a process of integrating production structure across the globe. It gives rise to a situation of bounded rationality where transaction costs are minimized by an 'organisational fix' besides 'spatial fix' that reduces turnover cost of capital. It involves a command structure where MNCs and TNCs as lead firms define and enforce parameters under which other independent actors of the network are supposed to operate. As a result, coordination becomes important in value chains. The theoretical construct of GPN analyses according to Gereffi (1999)[12] and

[7] UNIDO (2013).

[8] Kaplinsky (2005, 2007).

[9] Prebisch (1962), Singer (1950).

[10] Maizels et al. (1998).

[11] Heintz (2006).

[12] Gereffi (1999).

Kaplinsky (1998)[13] evolves from Schumpeterian notion of rents. Let us elaborate. Chains are repositories of economic rents that emerge out of purposive creation and protection of scarce assets. Rents can be of various types. Technological rents arise from differential access to key product and process technologies. Strategic relationships with other firms can give rise to relational rents. Scarce assets can be tangible as machines or intangible as brands, and some are of intermediate types such as marketing skills. Economic rents as a result emerge at different degrees in different nodes of the value chain and that determines the power relations within the chain. Because of increased competition, the barriers to entry once created gradually erode and new scarcities need to be generated either by technological or organizational innovation or through changing the rules of governance. Hence, rents are dynamic and change according to deliberate actions of economic actors. Firms derive surplus over and above average rate of profit through such innovations, and the producer's surplus created in this process gradually get converted into consumer's surplus in the course of competition. Therefore, sustainability of certain rents depends upon a continuous process of creating productive assets that have to be protected through a process of governance and coordination. This emerging production organization puts lead firms to an advantageous position who coordinate production, and as a result, rents are largely concentrated outside direct production process.

GPN literature invokes two key concepts related to value chains: governance and upgradation. Gereffi (1994)[14] defined governance as 'authority and power relationships that determine how financial, material and human resources are allocated and flow within a chain'. Governance is not only the act of coordination but something more than that. It defines the rules of interaction between the lead firm and its wide network of suppliers, and such formal or informal rules are to be internalized by the suppliers as mode of transactions. Gereffi et al. (2005)[15] defined five governance structures categorizing network relations based on possible combinations of three independent variables, namely complexity of transactions, codifiability of information and competence of suppliers. Upgrading on the other hand refers to a process of augmenting per-unit value of products. This can be done by increasing the value of the existing product which is product upgrading; upgrading can be done by increasing the efficiency of production process as well which is termed as process upgrading. There are other modes of more sophisticated strategies of upgrading such as introducing new functions in a particular stage, moving up from simple assembling to designing which is known as functional upgrading or inter-sectoral upgrading where firms enter into new sectors. Upgrading in the GPN literature has to be understood in a relative context. It is not only about innovating but how fast a firm upgrades compared to its competitors. The key premise of GPN literature therefore are as follows: networks are the major carriers of industrialization in today's world, and participation in such networks allows developing countries to industrialize and become competitive without undergoing a long-drawn process of creating a deeper and wider industrial base.

[13] Kaplinsky (1998).

[14] Gereffi (1994).

[15] Gereffi et al.(2005).

Secondly, because of fragmentation of production global trade takes place on the basis of Ricardian theory of comparative advantage not on the basis of specialization in producing final products but on the basis of tasks performed. Thirdly, the gains from production network are not ensured by mere participation, but it is a result of a dynamic process of continuously upgrading and improvising governance structures. In sum, GPN provides a recipe of industrialization where firms and regions particularly of developing countries should participate in the complex network where optimal allocation of tasks takes place as a trade-off between specialization and coordination.

In spite of the tall claims of GPN literature indicative of a redistribution of production from the North to the South and convergence in terms of income, facts seem to be on the contrary. Undoubtedly, China has emerged as the single largest country in terms of manufacturing value added, but high-income countries still account for the largest share in the tune of 69% of manufacturing value added and 17% of global employment in manufacturing. Even in low-skill labour-intensive tradeables, 7 of the top 10 exporting countries belong to the club of high-income group who do not show any revealed comparative advantage on these segments.[16] Furthermore, the distribution of technology remained stable over the past thirty years with very few countries at the top of the pyramid reaching frontiers, and a large concentration of countries continue to remain stuck at the bottom. The top few achieved the fastest growth in terms of technological upgradation, and the rest even when making small leaps back and forth continue to be at the same level of sophistication as they were in 1971.[17] This does not however rule out the possibility of a developing country producer becoming a technology leader in a particular industry, nor does it claim that such instances do not exist, but the focus of this paper is to understand the structural asymmetries that constraints such upgrading to happen. Therefore, the general empirical reality of perpetual technology gap and declining share in value added makes propositions of GPN analyses less convincing. The asymmetry seems to be structural, and the dynamics of power and profit need to be probed by going beyond the standard notions of value added.

‘Value Added’ and Hierarchies in Value Distribution

Value added is simply the difference between the price of output and input. Assuming a competitive market, the seller of the product would not be able to influence price, and hence, value added would only include normal profits. On the other hand, if the producer has some privileged access to certain inputs or if the technology or the organization involved in a particular case is higher compared to the average of this industry, then the value added would include a component of rent over and above normal profits. Analyses based on value added in a particular stage of production are

[16] World Bank (2018).

[17] Kemeny (2009).

confined to looking into the distribution of this value added in terms of profit and rent. The entire discussion is focused on changes in that particular stage of production missing out the crucial fact that all these factor shares are part of the surplus value created in the entire process of production. This is also the reason why most of these analyses cannot explain how the major shares of rent are being accrued to stages of value chain that are not directly linked to production. Marx was categorical in his critique of classical economists: 'All economists share the error of examining surplus-value not as such, in its pure form, but in the particular forms of profit and rent'.[18] In fact, Marx's critique of Ricardo's value theory rests on this crucial point. The production of surplus value is prior to its distribution as profit or rent, and hence, it is completely erroneous to try and explain the origin of profit through its distribution. Smith's natural price or Ricardo's cost of production was assumed to be equal to labour values. The method was to determine the magnitude of value of the commodity by labour time and see whether such determinations are consistent with other economic relations or categories. In fact, Ricardo assumed a profit rate without explaining its determination and tried to see whether such rate is consistent with the value determined on the basis of labour time. Marx's fundamental departure in this regard was the ontological priority of total capital and the determination of the general rate of profit following from the crucial insight that profit is accumulated as a class property in the first instance and not as individually determined gains. The neo-Ricardians using Sraffian system of determination of prices argues that Marx's labour theory of value is superfluous. An observed configuration of physical inputs and outputs allows us to identify frontier uniform profit rates vis-a-vis uniform wage rates. The rate of surplus value or rate of exploitation in terms of labour values is of no use, and the circuit of capital can be analysed by prices of production and distributional variables expressed in prices.[19] Such an argument actually undermines the fact that there is a regulation of social allocation of labour which is much more fundamental than immediate fluctuation of prices. In capitalism when commodity production is the dominant form, exchanges take place on the basis of a quantification of different qualities of labour as abstract labour, and the amount of such labour considered to be socially necessary to produce a particular commodity at a particular point of time determines its value. Hence, there is a social process of exchange involved in the determination of value. Assuming production as completely technical process and therefore distribution as the only social domain of contestation is the premise on which neo-Ricardians shift focus from the production and appropriation of surplus value to confining it into a question of distribution alone.

In fact, a nuanced critique of single-structure theories of value, either arguing that system of values as given determines prices or the neo-Ricardian position of doing away with value categories altogether in the determination of prices, emerges from Richard D. Wolf, Bruce Roberts and Antonino Callari' revisit to Marx's 'transformation problem' from a non-essentialist perspective.[20] Marx's theory of value

[18] Marx (1963).

[19] See Steedman (1977), and Hodgson (1980); This was contested by Sheikh (1982).

[20] See Roberts (1987), Wolf et al. (1982).

and distribution is integral in nature where the system of values and that of prices are mutually constitutive. This double structure is appropriate for Marx's object of analyses. The entry point in this case being class process, such a system of analyses, allows identifying the deviations that arise between efforts and payments in concrete determinations in successive layers of production and circulation. Value and value-form are not equal, but mutually constitutive and the social allocation of labour time includes the distribution of unpaid labour occurring in the process of circulation, hence constitutes the value. In capitalism, a simultaneous determination of price of production and value can only comprehend the redistribution of surplus labour time between industries and among capitals of varying organic composition of capital within a particular industry mediated through market prices.

Marx's analysis invokes a conceptual distinction between total capital and surplus value on the one hand and distribution of that surplus among competing capitals. In *Grundrisse* and *Capital I*, the entire focus is on total capital (i.e. constant and variable capital) and production and appropriation of surplus value. In *Capital III*, Marx focuses on the distribution of appropriated surplus value. The idea is that the rate of exploitation or the ratio of surplus to variable capital or between paid and unpaid labour is the same in ideal capitalism in its pure form ignoring deviations due to existence of monopoly or pre-capitalist relations of oppression. In that case with equal rates of exploitation, surplus value is simply proportional to variable capital. But different industries use different amounts of constant capital per labour as required by the specificities of products they create. Since different total capital set in motion equal quantities of labour, the ratio of surplus value to total capital or the rate of profit varies among industries. Now since rate of profit tends to equalize across industries, surplus value undergoes a double transformation qualitatively and quantitatively. The qualitative transformation is common to all where each and every capital realizes surplus value as profit as a result of expansive capacity of total capital. On the other hand, the quantitative determination of the distribution of this total profit depends on the respective shares of capital in the total pool of capital. Production structures that involve higher capital per labour or higher organic composition of capital derive profits more than proportional to their contribution in total surplus value and those who use more labour per unit of capital would receive less than proportional share compared to their contribution in total surplus value.[21] The moot point, however, is competition between capitals will drive these fluctuations towards an average rate of profit and the long run normal prices will systematically fluctuate around value both upwards and downwards. According to Marx, the net of these fluctuations in the aggregate is zero, and hence, Marx arrives at this conclusion that sum of profit will be equal to sum of surplus value and sum of prices will be equal to sum of values. Therefore, the allocation of social labour and differential profits is primarily the result of differences in the organic composition of capital mediated through concrete forms of circulation transferring surplus labour time from one capital composition to another. In other words, surplus value created in a particular stage of production is only potential profit not the actual one while the actual amount of profit depends upon

[21] Marx (1959).

two kinds of transfer within the circuit of capital one within a particular industry or intra-industry and the other between industries or inter-industry. Within a particular industry, there is some average capital for whom prices of production would be proportional to their value. Producers those are more efficient than the average or normal capital would end up realizing value greater than what they individually produce and vice versa. So there would be an inter-industry transfer of value from less efficient to more efficient producer within industry. Moreover, there would be an inter-industry transfer of value from industries having low-organic composition of capital to those having higher organic composition of capital. The profit realized in a particular stage of production is therefore a result of the total surplus value produced and nature of transfers that takes place because of the dynamic process of competition within capitals within and between industries. The inflow and outflow of capital driven by differential profits finally lead to a convergence towards general rate of profit for the whole economy. In this scheme of things, if the organic composition of capital of a particular industry moves faster than the pace of innovation of a firm in that particular industry, it is perfectly logical to assume a decline in the relative share of returns even if improvization takes place in a particular stage of production. It might seem paradoxical, but the average rate of profit of a particular value chain is determined by the average organic composition of capital in that particular industry, and if a particular firm in that industry lags behind the industry average in innovation, then its relative return may decline as compared to normal capital even if the firm's organic composition of capital increases.

Considering the component of rent within value added Marxian analyses provides a better cue to understand the perpetual technology gap between advanced and developing countries. Rent that is additional return over and above the average rate of profit arises from the surplus value produced within the system, but it accrues to producers who either enjoy privileged monopoly access to certain resources or innovate or even evolve particular organization of production that could be more productive than the average capital. But this is only a necessary condition of creation of rent. The sufficient condition of the existence of rent, as Marx argued, depends on whether that part of surplus value is taken aside from the process of equalization of rate of profit.[22] Therefore, sources of rent should be protected from capitalist competition, and this requires an architecture of property rights that deny access to specialized access to resources or assets. Here comes the question of power and the designing of the architecture of institutions that destroy existing certain monopoly rights and creates others. Resources that are created in the North such as knowledge and designing are highly protected by patents, royalties and through various other forms of property rights. While labour, that the developing South has in abundance are made easily accessible to global capital. As a result, in the spheres of labour-intensive manufacturing and standard services, capitals from the South compete with each other and bring down the offer prices further down producing larger gains for MNCs and TNCs. This leads to widening gap between the North and the South in

[22]Ibid.

terms of relative gains derived from global production networks as reflected in the deepening of the smile curve.

In sum, the Marxian analyses offer a better understanding of the declining share of value added for the developing countries as follows. First, there would be a transfer of surplus within industry from less efficient modes of production to more efficient ones. The latter in most of the cases being located in advanced countries would have individual values less than the social average, and since prices at which commodities are sold are proportional to social average values, advanced countries would realize more value than they produce. Regarding inter-industry transfer of value, given the structure of global trade, goods produced in developing countries involve production structures having relatively less organic composition of capital; hence, transfer of surplus would again be in the direction from developing countries to advanced countries. This direction would alter only if the relocation of manufacturing from advanced countries to developing countries assumes a particular pattern. That is high-efficiency producers in high-organic composition industries are proportionately more after relocation compared to low-efficiency producers relocated in low-organic-composition industries. In other words, if the *expost* industry composition due to relocation in developing countries is more towards high-efficiency modern sector as against low-efficiency-low-organic-composition segments, then the gains through double transfer of surplus value in the case of the former, through the formation of international prices, might outweigh the loss due to double transfer in the reverse direction accrued by the latter group of industries. This is not however the empirical pattern of relocation of industries that resembles reality of the world today. Second, deriving rent as return over and above average rate of profit requires not only creation of scarce assets, but they should be protected through institutional structures of property right. Resources such as knowledge and designing in which advanced countries are placed at an advantageous position are adequately protected while natural resources and labour that are in abundance in developing countries are increasingly made accessible to global capital. Third, while discussing production, appropriation and distribution of surplus value, Marx maintained throughout that exchanges take place on the basis of equivalence of value. This is a conceptual abstraction used by Marx to show how exploitation of unpaid labour takes place even in an ideal structure of capitalism where commodities including labour power are exchanged at their values. However, it does not rule out the fact that surplus profits can be reaped by paying labour below the value of labour power. This super-exploitation has been the norm of capitalist mode of appropriation particularly in developing countries through increased subcontracting and outsourcing. Barring labour mobility on the one hand while increasing capital mobility across the globe on the other hand allows greater transfer of surplus value from developing countries to advanced countries. Fourth, the question however remains why and how developing country producers who generally produce at an organic composition of capital below the industry average could survive in the face of global competition.[23] The answer lies in the fact that either such producers compromise on the rate of profit or reduce cost

[23] For detailed discussion, see Roy (2017).

of production by extending working hours or by way of intensification of labour process. In that case, firms sell at a price that is more than the minimum required for survival but less than the price of production of average capital.

GPN as the New Template of *Empire*

This paper was aimed at delineating the relation between power and profit as it works through the channels of global production networks. Increased financialization in the current process of globalization has immensely influenced such networks as firm's investment behavioural factors in not only interests to be paid to borrowers but also takes account of shareholder returns. This prompts investment to shift further towards high-valued activities rather than in standard manufacturing and demands a higher concentration of capital as firms prefer to deal with few suppliers who could go through stringent monitoring of supplier performance and can share pains of price deflation and other uncertainties.[24] Production undoubtedly becomes subservient to finance, but the reproduction of structural asymmetry assumes a complex form actualized through various interactions between global and local capital. The apparent 'decentering' of production and universalization of capitalist imperatives defines the new global hegemonic. The impossibility of diffusion of capitalism in the monopoly stage no longer holds true as capital relations tend to invade every nook and corner of the world. We see the *Empire*, where imperialism does not require a monopoly over political rights; rather economic power expands beyond the limits of direct political control. The asymmetry in today's capitalism cannot be conceived as a conflict between advanced and developing nations. In fact, nation states and regions across the world are fitted into a particular role structure in the production, appropriation and distribution of surplus value within the hierarchies of capital. The hierarchies of capital need not always match with the political hierarchies of nation states, but every node of such interactions is subservient to the imperatives of global capital. The articulation of the imperatives of Empire appears to be abstract and omnipotent at the same time. GPN in this context emerges to be the new template of power and profit in the sphere of production. It assumes a neutral structure as if economic agents from anywhere and everywhere in this flat world can participate on the basis of equal footing and share higher gains through improvising their particular contribution. Marx's *Capital* once again shows us that capital is a social relation and asymmetries are reinforced at the first instance through the articulation of law of value which is further accentuated by redefining the institutional architecture of property rights that define the emerging institutional architecture of the Empire.

[24] Wood (2003).

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Finance Capital in Marxian Perspective

Byasdeb Dasgupta

Abstract It is claimed that today's global economy and global capitalism are shaped by finance capital as distinct from industrial capital. This paper is an attempt to decipher the meaning of finance capital in the present context of globalization and also in terms of the relation with what is known today as financialization. Finally, through some empirical facts (with respect to global economy at large and the Indian economy in general) we have tried to relate theory with empirics. The final point which this paper strives to drive home is the fact that the question of finance today can never be delinked from the question of labour. This becomes obvious from the theoretical perspective of capital in general as laid down in Marx's magnum opus—*Capital.*

Keywords Finance capital · Financialization · Circuits of capital

In the context of ongoing globalization (especially in the context of globalized finance), the idea of finance capital has become immense significance. This is more in the context of the recent global economic crisis which surfaced in 2007–08. Marx has talked about capital in general in his magnum opus—*Capital*. The three volumes of Capital are filled with theoretical as well as empirical renditions of what is capital and what is capitalism. Marx in Capital spoke about various categories of capital including industrial capital, merchant capital, bank capital and like. However, he never used the term finance capital therein. But one can derive the current notion of finance capital and the role it plays in the global economy as well as in the economy of the *East* today. And the recent global crisis has actually brought to the fore the very importance of finance capital and the destructive role it can play in adversely affecting the livelihood of the commonplace, which to a great extent includes the labouring lives as the crisis has shown. This paper is an attempt to understand finance capital in Marxian perspective by taking clues from Marx's capital. The paper proceeds as follows: Section "What Is Finance Capital?" involves a discussion on what finance capital is — especially how one can understand finance capital as distinct from industrial capital through the lens of Marx's *Capital.* We are living in an age which is

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globally characterized by what is dubbed as financialization. The latter refers to the all-out existence of the interest of finance in every sphere of a society where finance is becoming increasingly globalized by devastating most of the time the interest of local labour. In this context, Section "Finance Capital and Financialization" of the paper offers an understanding of the relation between finance capital and financialization. Once again, we have made an attempt here to render an understanding of this very relationship from the theoretical perspective as contained in Marx's Capital. Finally, we make an endeavour to relate our theoretical understanding or rendition of finance capital with empirical facts and figures in the general context of world economy and also, in the context of the Indian economy of late in Section "Some Empirical Facts Regarding Finance Capital". The concluding Section sums up the major findings of this understanding of finance capital in Marxian perspective.

What Is Finance Capital?

The very idea of capital in the form of finance capital, as it prevails today, is not treated as an analytical category in Marx's Capital. One comes across terms like money capital, merchant capital and fictitious capital in the three volumes of Capital. Hilferding was one of the few Marxian scholars who introduced the idea of finance capital as an analytical category in the early twentieth century. Whether Marx used the term 'finance capital' or not is not important, but what is more important is the fact whether one gets any clue of finance capital from Marxian take on capital as such in his magnum opus. To our understanding what today is dubbed as finance capital can be explained by Marxian analytical categories pertaining to capitalism in Capital. In this short note on finance capital, we will make an attempt to relate finance capital with the Marxian understanding of modern-day capitalism as is laid down in Capital. But we need to keep in our mind that capitalism as Marx envisaged during his time while writing Capital has progressed much further. Today, any understanding of capitalism from an economic perspective would perhaps remain incomplete if one does not take into care the functioning of stock markets all over the world as various monetary and similar circulations of physical and financial assets take shape through these markets. It is not to say that the stock markets remain today at the core of the capitalist circulation process. But it is one of the very important social institutions through which various circuits of capital function today; accumulation of capital takes place and dictates the terms and conditions for money capital as distinct from say, merchant capital or even industrial capital.

There is another aspect which also must be taken into perusal in defining finance capital—that is modern corporate forms of business organizations. A corporation or a corporate organization is actually owned by innumerable shareholders who are not directly connected or related with each other but run by managers with a board of directors selected by the owner shareholders at the top of the hierarchy. Marx and Engels talked about joint-stock companies. However, today's corporate business houses are much bigger and complex than the joint-stock companies indicated by

Marx in Capital. The corporate firms—financial or non-financial—do play today a significant role in the circulation and accumulation of what may be called finance capital as distinct from the industrial capital.

In today's global capitalism, the interest of finance is of paramount significance without the understanding of which it is not possible perhaps to understand the causes of the global economic crisis hitting the world economy since 2008 (which is described as something similar in its magnitude like the Great Depression of the 1930s). The classical role of what is known as finance is to intermediate between the surplus and the deficit units in the economy where the deficit units are supposed to undertake productive investment (net addition to the physical capital stock in the economy) in the economy which would increase the share of physical and productive assets in the economy. To use the Marxian parlance, the deficit units are presumed to use more money capital to generate more surplus value in the system and hence, more capital accumulation. Today finance is not performing this task. Rather, it has a circuit of its own in which finance capital multiplies itself through numerous circulations and ever-increasing number of different financial instruments of which various kinds of derivatives products are of crucial significance.

Finance Capital and Financialization

In today's context, to understand finance capital as distinct from industrial capital one needs to refer to what is referred to as the process of financialization, which implies an enormous rise in the interest of finance in every sphere of economy. This is manifested in terms of ever-rising shares of financial assets in the total assets of the economy and also ever-increasing shares of financial assets vis-à-vis physical assets (Sen and Dasgupta 2018; Epstein 2005). The process of financialization is also associated with rising existence of rentier class or rentier interest—an interest which is not linked with the real economy in terms of physical investment as such.

As said at the onset, the rise of finance capital is correlated with certain activities of the corporate firms all over the world with India being no exception. We can differentiate between two types of corporate firms—financial and non-financial. In fact, there are ample empirical evidences that non-financial corporates too like financial corporates do play a significant role in generation and accumulation of finance capital and thereby, lend enormously to the process of financialization. As noted by Crotty (2003) which is also cited in Dasgupta (2013).

'The first is a shift in the beliefs of financial agents, from an implicit acceptance of the Chandlerian view of the large NFC as an integrated combination of illiquid real assets—that is, physical and organizational assets that cannot be sold for cash quickly and without a major loss in value—assembled to pursue long-term growth and innovation, to a 'financial' conception in which the NFC is seen as a 'portfolio' of liquid subunits that home office management must continually restructure to maximize the stock price at every point in time. The second is a fundamental change

in management's reward structure, from one that links pay to the long-term success of the firm, to one that links it to short-term stock price movements.'

Hence, finance capital and the process of financialization renders everything through the lens of finance per se, which hardly any responsibility for the real economy and furthermore, it is something to do with short-termism. The latter implies the zeal for making high monetary return from (financial) investment very quickly which is not possible through investment in physical assets. This short-termism may be ascribed to the future uncertainty or fundamental uncertainty *a la* Keynes, which is an inherent characteristic of a money-using capitalist economy where with every technological innovation, real production of commodities have become specialized more and more while future demand (particularly effective demand as conceived by Keynes) has become generalized which in a way is indicative of fundamental uncertainty in the system. Marx was not oblivious to this uncertainty; in fact, in his understanding of capitalist economy as can be found in the three volumes of his magnum opus Capital, there are hints about crises in the capitalist system through the prevalence of uncertainty. The modern-day manifestation of this uncertainty can be found in reality in terms of short-termism or short-term quick monetary return including the prevalence of rentier interest.

Some Empirical Facts Regarding Finance Capital

There are ample empirical evidences of rise of finance capital, rentier interest and financialization as a process vis-à-vis the real economy. Following Dasgupta (2013), they are the following as reported in Palley (2007) in the context of US economy:

(1) Huge increase in financial sector debt vis-à-vis non-financial sector debt from 9.7% in 1973 to 31.5% in 2005.
(2) An increase in debt-x-revolving credit vis-à-vis GDP during 1973–2005 from 136.3% in 1973 to 207.3% in 2005.
(3) Rise in mortgage debt in GDP from 45.2% in 1973 to 97.5% in 2005.
(4) An increase in household debt as share of GDP from 45.2% in 1973 to 94% in 2005.
(5) A fall in NFC debt in total non-financial sector debt from 26.2% in 1973 to 19.8% in 2005.
(6) An increase in household debt in total domestic non-financial debt from 33% in 1973 to 43.9% in 2005.
(7) Increase in share of finance, insurance and real estate (FIRE) sector in GDP from 15.1% in 1973 to 20.4% in 2005. Note that in the Indian context, the share of FIRE in GDP rose from 11.73% in 1973–74 to 16.86% in 2011–12 as can be found from the Economic Survey published by the Government of India.
(8) A decline in real gross investment as per cent of GDP in the real economy from 17.7% in 1973 to 16.5% in 2005.

(9) An increasing wage-productivity gap.
(10) An increase in financial innovations with new forms of derivatives being introduced regularly on a continuous basis.
(11) An increase in debt creation, through the financial sector, in terms of different vehicles of debt.

Another important measure or dimension through which the process of financialization across the globe occurs and finance capital gets accumulated is manifested in terms of huge surge in foreign exchange transactions all over the globe from US$570 billion in 1989 to US$1.9 trillion in 2004 (Epstein 2005). A very insignificant portion of these foreign exchange trades is on account of international trade of merchandise goods; rather, these transactions are on account of different financial capital flows mostly.

If we consider functional distribution of national income in a money-using capitalist economy we can assert the following facts given the empirical evidences in the existing literature (Dasgupta 2013):

(a) A rise in managers' share vis-à-vis wage share and also, rise in managers' share in national income.
(b) A rise in capital's share vis-à-vis labour's share.
(c) A rise in share of interest income in national income as well as that of profit.
(d) As far as rise in profit is concerned there is rise in financial sector's profit in total profit income in the economy and a fall in the non-financial sector's profit.

Hence, financialization as an economic process, as we have mentioned above, signifies the continuous increase in the share of all kinds of financial assets in total asset holdings in the economy—most of which are not meant for intermediation between the surplus units and deficit units in the economy. Rather, finance has its own circuits today, in which initial money capital (M) magnifies to higher money value (M′). This is the circuit which Marx in Capital refers to as M-M′ circuit. Note that in this circuit, no labour process is involved for conversion of M into M′ where M′ is greater than M. The surplus generated is the difference between M′ and M. This is the typical circuit which is operational in the context of financial sectors and firms including the non-financial corporate firms (NFCs). Now the pertinent question is whether the generation and accumulation of finance capital are totally delinked from the labour—to be precise from the Marxian concept of surplus labour which under capitalist production process takes the money value form as surplus value? The answer is a definite no. The question of finance capital or finance is not delinked from the question of labour viz. Marxian surplus labour. The answer to this question may be traced to the understanding of how the initial money capital (M) in the financial circuit is generated? Analytically, there are three distinct possibilities:

1. Initial investment in financial assets or financial sectors may be generated from national savings. Thus, financialization requires the generation of high savings rates (household and corporates taken together), which is possible when income distribution is skewed in favour of the rich and wealthy who have high propensity to save—particularly in financial assets. In the context of India, we can observe

a phenomenal rise in the household savings rate since 1991 and this happened at a time when income inequality widened. So, growing income inequality is a necessary condition for fuelling savings rates which are growth deterring. In economies where domestic savings rates remain low or stagnant, national savings are fuelled by foreign savings as national savings is equal to domestic savings plus foreign savings. The major share of these savings is in financial assets which are circulated continually within the financial circuits mentioned above and hardly related to the circuits of capital in the real economy.

2. The second possibility is the investment of corporate surplus and loans in financial instruments as indicated by Sen and Dasgupta (2018) in the Indian context. The financial assets include stocks, debentures, bonds and various derivative products. This has a crucial link to the surplus generation process in the real economy viz. the typical capitalist production processes as envisaged in Capital by Marx in the form of M-C-M′ circuit. More investment in financial assets by the NFCs warrants (a) continually more and more generation of surplus (the lion's share of this surplus is not accumulated as capital in the real sector) and (b) ever-increasing continuous siphoning off this surplus in financial circuit thus jeopardizing the real growth. Therefore, the pressure is on labour in particular as only increasing labour exploitation by increasing labour productivity and stagnating real wage growth can only ensure continuous surplus generation at ever-increasing scale for the distribution of this surplus in the financial circuit to take the form of finance capital. In Indian context, Sen and Dasgupta (2018) provided empirical evidence at the firm level of the ever-increasing tendency of the NFCs to siphon lion's share of their surplus to financial circuits. NFCs in India are investing in financial assets more and more at a time when real investment i.e. investment in physical assets are dwindling. NFCs are even borrowing to invest in short-term financial assets for quick monetary return and further accumulation of financial assets. Net fixed assets of the Indian NFCs declined from 43.5% of total assets in 1992–93 to 33.1% in 2011–12. Total physical assets as per cent of total assets of NFCs fell from 66% in 1992–93 to 48% in 2011–12. On the other hand, total financial assets rose from 34% in 1992–93 to 52% in 2011–12. The financial assets of the NFCs include in the Indian context, as reported by Sen and Dasgupta (2018), (i) sundry debtors, (ii) loans and advances (iii) investments in financial assets like stocks, debentures, mutual funds, derivatives products and like, (iv) cash and bank balances, (v) interest accrued on loans and advances, (vi) deposits/balances with government/others and (vii) other loans and advances.
3. The third possibility is the reinvestment of most of the surplus generated in the M-M′ circuits in the financial circuits themselves, which imply finance does not perform here its classical role of intermediation between surplus and deficit units. This is also related to the rentier interest in the financial circuits. There are ample empirical evidences of rise in such rentier interests in the economy through the process of financialization and the hegemonic role played by the finance capital vis-à-vis the real economy. This is cited in Sen (2004) as rentier income including capital gains on financial assets in some OECD countries.

For example, for the US economy during 1981–99 the share of rentier income including capital gains for the decade of 1980s was 58.94% and for the decade of 1990s was 59.19%. It is further noted in Sen (2004) that the rentier income shares in GDP of US rose from 14.81% during 1960s to 33.49% during 1990s. The surplus generated in the financial circuits is distributed as compensation for managers and rewards for other agents including the bank capitalists and like, who extend credit to the financial sector and thus provide necessary conditions for the reproduction of finance capital on ever-increasing scale. Whatever remains after all these distributions are accumulated further as finance capital in the same or other financial circuits.

Hence, the initial money capital (M) of the financial circuit is sourced from national savings, the surplus generated in the real circuit and the surplus of the financial circuits reinvested. And the current nature of global capitalism facilitates the channelling of surpluses, thus appropriated, to the financial sector and in financial assets. Through different financial innovations in the form of derivative products, these surpluses further swell to higher money value (M′) and creates Ponzi schemes like of financial circulations in the economy which always has adverse implications for labour in general. The latter signifies more and more stress on flexible labour regimes in every real circuit in the form of numerical flexibility, wage flexibility, functional flexibility and temporal flexibility (Sen and Dasgupta 2009). This is vindicated in the Indian context by the ever-widening wage-productivity gap in the Indian formal manufacturing segment as shown in Fig. 1.

So, the hegemony of finance capital in today's global capitalism has a significant bearing on surplus labour (value) performers in the real segment of the economy. This is evident in terms of flexible labour regime with labour losing their voice representation and thereby, its bargaining power and resulting in increasingly higher

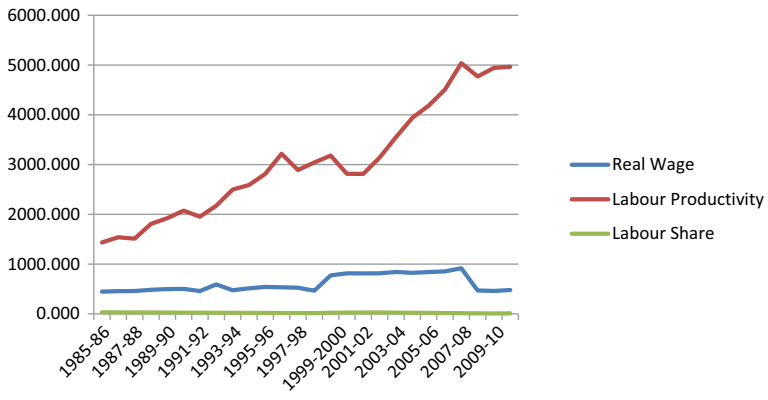

Fig. 1 Real wage, labour productivity and labour share in indian manufacturing (1985–86 to 2010–11). *Source* Annual survey of industries (various years), Government of India and author's own calculation

labour productivity and stagnating real wage and hence, increasing surplus generation and thus increasing labour exploitation in Marxian sense of the term.

Sweezy (1997) argued that the period of 1974–75, after the collapse of the Bretton Woods era, earmarked three intricately interrelated trends in global capitalism. They include (a) the slowing down of the overall real economic expansion, (b) the worldwide proliferation of monopolistic or oligopolistic multinational corporations which are siphoning more and more surplus generated in the real circuits (viz. M-C-M′ circuit) to the financial circuits (viz. M-M′ circuits) and (c) financialization of the capital accumulation process, i.e. surplus generated in real and financial circuits gets more and more accumulated as money capital in the financial circuits mostly. Levitt (2008) argued that this as a shift of the centre of gravity of the capitalist system from the M-C-M′ circuits to the financial circuits, i.e. M-M′ circuits. And ultimately, it is the labour, as Marx would have envisaged, that bears the endemic risk of the entire process of financialization and finance capital, which is bereft of its classical intermediating role in the real economy.

Conclusion

Most of the times in the existing literature on finance capital, the latter is rendered in such a way that finance has no relation with labour of late — as if the labour is missing in the very idea of finance capital today. This is not true even if we restrict our understanding of finance capital in M-M′ circuit. The initial money capital i.e. M is acquired worldwide from various labour processes. Unless surplus labour is generated and appropriated and then distributed as the initial money capital in this M-M′ circuit, the very circuit of finance cannot be reproduced again and again. Furthermore, if one takes clues from Marx's Capital, unless and until the circulation and distribution of surplus labour including surplus value as appropriated in different exploitative class processes all over the world are ensured, finance capital cannot be conceived and reproduced even in its own circuit. Therefore, the assertion that the labour is missing in current finance is a misleading one. Rather, the question of finance in the current global context cannot be delinked from labour—labour which is devalued and increasingly dehumanized.

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Population and Rent in Capital

Is There a Theory of Population in *Capital?*

Ranabir Samaddar

Abstract The ambiguous position the two categories—people and population—occupy in the paper, because the paper does not share the given postulates of these two terms. "The Machiavellian Moment" rejoices the rise of the "people's" moment. But "The Machiavellian Moment" was possible because governments also learnt to govern people by turning them into administrative categories. Yet how were these categorizations possible? How did this double operation become possible? Once again, we have to go back to Marx to get an idea of this transformation. Yet, as indicated, Marx does not engage with these two categories independently—as if they are simply matters of rule, sovereignty, and management. What causes the division of people into fundamental categories? What remains of the notion of people then? Again, what is labour when defined as the element of production, social subsistence, and social reproduction? What do we mean when we say that a section of society is a rent-seeking aristocrat? Or, that a capitalist is an agent of capital? What causes division of workers in various categories, or categories of production units, or say the division of artisans, mill hands, the wandering band of construction labour, or the idle labour depending on social subsidies, and the employed labour? In other words, what is the dynamics of social relation that will make categorization of people into population groups possible? In raising and probing these questions, Marx's battle with Malthus was no less acute than it was with Smith or Ricardo.

Keywords People · Population · Malthus · Labour power · Surplus · Waste · Fixed capital · Circulating capital · Machiavellian moment · Machine · Bio-power · Accumulation · Primitive accumulation · Migration · Informal labour

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People and Population in Capital and Marx's Engagement with Malthus

Marx's *Capital* (volume one), as everyone knows, is about capital: capital as relation, capital as commodity, capital as the progenitor of wage labour, capital as the crystallization of labour, and capital as the realization of surplus labour. Capital also indicates several borders that capital in its own present history must cross in the forms of several exchanges to remain functional as capital, always suggesting thereby the borders labour would have to cross in order to become capital. *Capital* is thus a double story—of labour and capital—in which we shall find the story of transition to a capitalist mode of production, of how labour in order to be socially relevant has become wage labour, and finally the social and political struggles that have marked this transition. All these make the book also an account of how capital turns the society into one of working population subject to laws of capital.

Now if we recall, when *Capital* was being written, it was the high noon of republicanism, popular sovereignty, colonial liberalism, and the age of excitement about electoral democracy. Yet the picture of the world that *Capital* was drawing was not only the other scene of democracy, but as if it had pulled to one side the cover over what is known as society, and shown the readers the way the society survived and functioned on the basis of class divisions, class exploitation, private property regimes, and how social structures were reproduced in a particular dynamics, which required the subject's conversion to the logic of capital. Even today, it astonishes us when we see how *Capital* sidestepped the philosophical themes of subject and subjectivity and had removed the individual as the *subject* and brought forward the question of class as the subject of history. Yet, we must not quickly draw a conclusion. *Capital* did not foreground people or any specific class as a condition of the subject's preparation for access to truth. It conceived the subject not in terms of sovereignty but in social terms, in terms of organization, by which we mean the organization of a mode of production, organization of labour, organization of the state, organization of money as medium, and organization of circulation. Till then, the subject had been associated with one or the other kind of spirituality. It had not been thought of in terms of the historical thrust of existence as an embodiment of conflict, struggle, and its requirements.

Hence, the ambiguous position the two categories—people and population—occupy in the book, because the book does not share the given postulates of these two terms. "The Machiavellian Moment" rejoices the rise of the "people's" moment.[1] But "The Machiavellian Moment" was possible because governments also learnt to govern people by turning them into administrative categories. Yet how were these categorizations and this double operation become possible? We have to go back to Marx to get an idea of this transformation. Yet, as indicated, Marx does not engage with these two categories independently—as if they are simply matters of rule, sovereignty, and management. What causes the division of people into funda-

[1] Pocock (1975); also Negri (1999).

mental categories? What remains of the people then? Again, what is labour when defined as an element of production, social subsistence, and social reproduction? What do we mean when we say that a section of society is rent-seeking aristocrat? Or, that a capitalist is an agent of capital? What causes division of workers in various categories, or categories of production units, or say the division of artisans, mill hands, the wandering band of construction labour, or idle labour dependant on social subsidies, and the employed labour? In other words, what is the dynamics of social relation that will make categorization of people into population groups possible?

In this context, Marx's battle with Malthus was no less acute than it was with Smith or Ricardo. Probably, because with Malthus the war was over the entire idea of *production*: hence how labour had to be productive, or only when labour could be considered as productive, how to view the question of shortage of food, how to view "over-production", etc., indeed on the way Malthus had inscribed a certain kind of biological fundamentalism in the notion of production. Malthus had written,

> No limits whatever are placed to the productions of the earth; they may increase for ever and be greater than any assignable quantity. Yet still the power of population being a power of a superior order, the increase of the human species can only be kept commensurate to the increase of the means of subsistence by the constant operation of the strong law of necessity acting as a check upon the greater power.[2]

This was the Malthusian moment as opposed to the Machiavellian moment, when Marx started thinking of population that has to be a working population. Before writing *Capital* (Volume One), he noted down this remark,

> "Malthus's theory of value gives rise to the whole doctrine of the necessity for continually rising unproductive consumption which this exponent of over-population (because of shortage of food) preaches so energetically. The value of a commodity is equal to the value of the materials, machinery, etc., advanced plus the quantity of direct labour which the commodity contains; this, according to Malthus, is equal to the *value* of the wages contained in the commodity, plus a profit increment on these advances according to the general rate of profit. This nominal price increment represents the profit and is a condition of supply, and therefore of the reproduction of the commodity. These elements constitute the *price for the purchaser* as distinct from the *price for the producer*, and the price for the purchaser is the real value of the commodity. The question now arises—how is this price to be realised? Who is to pay it? And from what funds is it to be paid? In dealing with Malthus we must make a distinction (which he has neglected to make). One section of capitalists produce goods which are *directly* consumed by the workers; another section produce either goods which are *only indirectly* consumed by them, insofar, for example, as they are part of the capital required for the production of necessaries, as raw materials, machinery, etc., or commodities which *are not consumed* by the workers *at all*, entering only into the revenue of the non-workers."[3]

He had also noted what Malthus considered as productive labour and accumulation. Marx noted that Malthus had written, "Revenue…is expended with a view to immediate support and enjoyment, and…capital…is expended with a view to profit…A labourer and a menial servant are 'two instruments used for purposes distinctly

[2]Malthus (1798).

[3]Karl Marx, *Theories of Surplus Value*, Chap. 19, Sect. 11, "Over-Production, 'Unproductive Consumers', etc."

different, one to assist in obtaining wealth, the other to assist in consuming it'…The productive labourer *directly "increases[s] his master's wealth"*…The only productive consumption, properly so called, is the consumption or destruction of wealth by capitalists with a view to reproduction… The workman whom the capitalist employs certainly consumes that part of his wages which he does not save, as revenue, with a view to subsistence and enjoyment; and not as capital, with a view to production. *He is a productive consumer to the person who employs him* and to the state, *but not, strictly speaking to himself"* (Citations from Malthus' *Definitions in Political Economy* etc., edited and published by *John Cazenove,* London, 1853, with Cazenove's "Notes and Supplementary Remarks", Italics by Marx)..Marx thus noted Malthus' views on productive and unproductive labour.

Continuing through to Volume Three of *Capital* Marx noted how the ever-changing but always present, boundaries of commodity production, money, circulation, and again commodity production, ordained the dynamics of reproduction of capital, and the necessary reproduction of labour—a process enacting out today on a global scale. Yet it was through this analysis that Marx brought out from the obscurity of biologism the question of population and pointed towards the need to study the way capitalism created laws of population in different epochs. From the preparatory manuscripts of the *Grundrisse*, one of his main targets of critique was Malthus' claim to have formulated a general law of population and over-population for mankind based on a simple relation between natural reproduction of men and women and social reproduction of means of subsistence. For Marx as we know, the natural reproduction of men and women was always a social reproduction of a population predicated by the historical process of a particular social formation. The two central concepts crucial for him in this task were *production* and *surplus*. On the basis of these two concepts, Marx read Malthus and built his own arguments of peasant dispossession and primitive accumulation, relative surplus population, industrial reserve army, and the wandering army of labour, whom Marx called the foot soldiers migrating from site to site. If this is the way in which the society would become a society of working population, today this is also the process of appearance and reappearance of destitution and the emergence of ecologically marginal population groups (ravaged by wars, famines, and floods). Policies of managing and stabilising destitute population groups such as setting up the Africa Fund (1966–2001) in the previous century[4] or the UN Millennium Goals (2015–2030) this century[5] emerged in this context.

[4]The purpose is to encourage investment in Africa, the second largest continent with several languages spoken by its 1.1 billion population strength. Commonwealth Funds has developed the Africa Fund, designed to benefit from the emerging African economies and growing consumer strength. The Fund aims to access companies involved in enterprises in financial products, healthcare initiatives, transportation, tourism, and power generation facilities. Towards this aim it studies inter-government networks and other private networks, particular marketplaces where the financial instruments of the companies are traded, legal frameworks and governance modes and procedures, and financial systems for providing information for the investors.

[5]On this—http://www.un.org/millenniumgoals/ (accessed on 1 October 2017).

This is broadly the context in which we need to re-engage with and re-frame the question of relation between capitalism and population. Capitalism is once again producing a new law of population spread on a global scale, creating once more the "human masses" that capital will exploit for its reproduction, the "relative surplus" population on a global scale with clearly discernible but fluctuating boundaries between the *necessary* working population and the *relative* surplus population.

Marx had noted that Malthus had banked on the distinction between "productive" and "unproductive", "leisure" and "work", and "servant and labourer". This distinction was important for Malthus in suggesting how wealth was created, how wealth could be augmented, and therefore the all-important poser for him, namely, who among the *people* were crucial for the production of the surplus so that wealth was augmented? And, who being irrelevant for production as well as consumption would become surplus? Making distinctions among population groups and among property forms was crucial to Malthus' population-centric outlook. Others were speaking of labour. Malthus was pointing towards population, which would supply labour, which could be productive or non-productive. In this way, production was predicated on population that supplied labour.

Malthus thus in a way was arguing that life (its nature, structure, dynamics) was crucial to understand what was labour. Marx engaged him with the question of life of labour, more exactly life as labour, what life as labour meant, how it was the key to production of wealth, and therefore what was living labour, what was congealed labour, what was the life cycle of labour, and therefore, what did reproduction of life mean under specific conditions?[6] The engagement with Malthus cleared the ground for his analyses of the conditions of populations under capitalism.

[6]For after all life and labour still remain organically connected under postcolonial condition, while elsewhere capitalism succeeded to a considerable extent separating the two, where life denotes leisure, creativity, and culture, and labour seems to signify routine, draining, obligatory things of life. The social world of labour has been disconnected from the productive world of labour, whereas in the postcolonial world the two worlds seem to connect to each other more and more. In some way, a shoe worker's son, Harry Braverman, anticipated this contradiction in *Labour and Monopoly Capital: The Degradation of Work in the Twentieth Century*, Twenty-fifth anniversary edition (1974, New York: Monthly Review Press, 1998). Braverman noted the contradiction between "descriptions of scientific-technical revolution and increasing division of work into petty operations" (p. 3). Braverman set his findings in the context of contemporary euphoria over capitalism enabling greater leisure for the working people because of industrial advance. New technology had raised levels of skill and responsibility. New wealth and leisure meant increased well-being rather than increased misery, and industrialism was pluralistic and power was diffuse (pp. x–xi). But, importantly, Braverman did not argue that the average level of skill in society would decline as a result of further division of labour under capitalism but with new machines the gap between "the scientific and educated content of labour" and the average worker would increase; thus, it was not a "question of averaging but polarising" between scientific knowledge and skill embodied in the new machines and the routine, fragmentary operations embodied in labour needed for the former (pp. 294–295).

Labour, Life, and Population

As we know, one century after Marx had developed the theory of labour power that is labour as the power to produce value, thus produce life and thereby reproduce the power of labour, another European philosopher Michel Foucault engaged with the same problematic of the relation between life and labour, and developed the idea of technologies of life, hence bio-power. The theory of productive power thus has its antecedent in the theory of productive labour. There is no doubt that after centuries of struggle by the labouring people to escape, defy, and destroy conditions of servitude, the importance of linking the arguments of life with arguments of labour is significant more than ever. In one sense, on the correct handling of the relation between the two rests the historical task of emancipation of the labouring classes in the postcolonial countries. And in this sense, the postcolonial condition symbolizes the link between these two aspects of capitalist accumulation: life and labour.[7]

Conceptually how can we link these two sets of questions? How can we bring back the issue of labour process in the inquiry of conditions of life as labour?

As an initial response to the question, we can begin by reflecting on the way a new type of power emerged in the wake of what Marx termed as primitive accumulation, the condition of dispossession, the condition of bare life, to which labour is reduced, and which provides the ground for capital to begin accumulation. We cannot but appreciate the absolute relevance of Marx's formulations on conditions of life when it has been reduced to the minimum, when the labourer has been stripped of all assets save his/her own labour power so that he/she can produce capital, in order to show, let us say, the original conditions of the emergence of a distinct type of power over life. We must note, in vast areas of the postcolonial world primitive and the most advanced forms of accumulation have combined in installing and deepening the capitalist mode of production. The needs of accumulation have made management of populations

[7] Guillaume Sibertin-Blanc explains this question in the following way, "… some central problems transmitted by the Marxian analysis of the *reproduction of the force of labour* in the capitalist mode of production: (a) Firstly, the contradiction between the *mobility* of labour-power which is required by its merchandization (and this means not only its insertion in a competitive market of labour, but also its incessant displacement according to the differential rates of exploitation of surplus-labour with regard to the sites and sectors of production), and the *stabilization* of this same labour force, which is no less indispensable to its "consummation" in a process of production leaning on an increasing concentration of means of production. (b) Secondly, the contradiction between the "*massification*" of the labour-power concentrated in production sites of unknown dimensions, and so to speak the "*massification*" of the resistances themselves, that is to say the socialization of the collective forces able to counteract the "workshop despotism", the methods of exploitation and the tendencies to overexploitation."—"How to Govern Populations in an Economy of Destruction: Remarks about a 'Biopolitical' Contradiction", Paper Presented at the Symposium on "Heritages of Karl Marx's *Capital* and Contemporary Thought: In Commemoration of the 130th Anniversary of the Death of Karl Marx", Fudan University, Shanghai, 16–17 November 2013; Guillaume Sibertin-Blanc also discusses in the same paper the significance of the concept of the "necessary" and the perennially fluctuating boundary between the necessary and surplus in theorising the issue of reproduction of labour power.

an imperative of our age. Marx had noted also the emergence of relative surplus population as accumulation proceeded apace. He wrote,

> We have seen that the development of the capitalist mode of production and of the productive power of labour – at once the cause and effect of accumulation – enables the capitalist, with the same outlay of variable capital, to set in action more labour by greater exploitation (extensive or intensive) of each individual labour power. We have further seen that the capitalist buys with the same capital a greater mass of labour power, as he progressively replaces skilled labourers by less skilled, mature labour power by immature, male by female, that of adults by that of young persons or children.
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> On the one hand, therefore, with the progress of accumulation, a larger variable capital sets more labour in action without enlisting more labourers; on the other, a variable capital of the same magnitude sets in action more labour with the same mass of labour power; and, finally, a greater number of inferior labour powers by displacement of higher.
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> The production of a relative surplus population, or the setting free of labourers, goes on therefore yet more rapidly than the technical revolution of the process of production that accompanies, and is accelerated by, the advance of accumulation; and more rapidly than the corresponding diminution of the variable part of capital as compared with the constant. If the means of production, as they increase in extent and effective power, become to a less extent means of employment of labourers, this state of things is again modified by the fact that in proportion as the productiveness of labour increases, capital increases its supply of labour more quickly than its demand for labourers. The overwork of the employed part of the working class swells the ranks of the reserve, whilst conversely the greater pressure that the latter by its competition exerts on the former, forces these to submit to overwork and to subjugation under the dictates of capital. The condemnation of one part of the working class to enforced idleness by the overwork of the other part, and the converse, becomes a means of enriching the individual capitalists, and accelerates at the same time the production of the industrial reserve army on a scale corresponding with the advance of social accumulation.[8]

Social governance emerged in this context of population management in a society that would have to reproduce labouring life as value-producing power. As a technology of rule, social governance would therefore ensure:

(a) The management of labouring population;
(b) Turning non-productive into productive labour;
(c) Pacifying the restless, non-productive, idle labour;
(d) Managing labour market needs and uncertainties;
(e) Producing skills, which the capitalist production requires on an increasing scale, among the productive population; and
(f) Generally maintaining conditions of reproduction by regulating the atmosphere of social war.

This situation links more than ever the art of governing and managing people's lives with economy, though we must not ignore the vast amount of force—still required at various stages to set the process of accumulation—often clothed in developmental discourse. This force is employed by the state, private corporate bodies, and all those who enjoy powers of impunity, immunity, in short sovereign power.

[8]Marx (1990), Chap. 25, Sect. 3: "Progressive Production of a Relative Surplus Population or Industrial Reserve Army", p. 446.

We are here faced with a problem—historical as well as in terms of logic. The problem is: if the business of governing or governmentality is defined as a ratio where coercion is going down and non-coercive form of power is gaining ascendancy, in other words primitive form of accumulation is declining and more advanced and virtual form of accumulation is correspondingly becoming dominant, what are we to make of the pattern of bio-politics of our age when population management shows marks of deployment of both brutal power and advanced governmental techniques? In other words, the return of primitive accumulation as a capitalist phenomenon in large parts of the non-Western world makes the naturally assumed relation between governmentality, bio-power, and modern economy based on advanced forms of accumulation a problem.

There are of course many ways to address this problematic, for instance as Michel Foucault did by way of focusing on the concepts of bio-politics and bio-power along with a radical critique of sovereignty and law. Foucault had remarked,

> This bio-power was without question an indispensable element in the development of capitalism; the latter would not have been possible without the controlled insertion of bodies into the machinery of production and the adjustment of the phenomena of population to economic processes… what occurred in the eighteenth century in some Western countries, an event bound up with the development of capitalism… was nothing less than the entry of life into history, that is, the entry of phenomena peculiar to the life of the human species into the order of knowledge and power, into the sphere of political techniques… If one can apply the term bio-history to the pressures through which the movements of life and the processes of history interfere with one another, one would have to speak of bio-power to designate what brought life and its mechanisms into the realm of explicit calculations and made knowledge-power an agent of transformation of human life….[9]

The crisis of sovereignty as "modality or organizing schema" of power[10] was discussed by Foucault from the point of view of the contradictions arising from the commoditization and socialization of labour power: while the technologies of discipline address the problem of the "fabrication" of individuals, of docile and useful bodies, through the "system of subjection" to a new political economy and political anatomy, bio-politics addresses through its "regulatory" devices the entire life of man-as-species, as it is represented in populations ("a new body, a multiple body, a body with so many heads that, while they may not be infinite in number, cannot necessarily be counted"). The main problem at stake in Foucault's analysis was precisely the modality of the intertwining and articulation of disciplinary "individualizing" and bio-political "massifying" power devices. This reminds us of the way Marx had analysed the factory form of production with the mass of labouring bodies as the subject.

In the postcolonial condition, however we have besides the factory form other forms—dispersed, informal, and unorganized—with labouring subjects moving from one site to another. We need to study as to how this dispersed labouring population is managed under postcolonial capitalism. And in this, we have still to learn from Marx

[9] Foucault (1978), pp. 141–142.

[10] Foucault (2003).

to make sense of this transitory state of labour, and the combination of a dispersed state of power and centralized state power, in other words, a new form of bio-power.

As already pointed out, Marx foresaw the capitalist task of population management. In Sects. 3–4 of Chap. 25 in *Capital* (Volume one), he discussed the phenomenon of relative surplus population and its different forms. In Sect. 5, he discussed the nomad population, whom he described as a class of people whose origin is agricultural, but whose occupation is in great part industrial. They are the light infantry of capital, thrown by it, according to its needs, now to this point, now to that. When they are not on the March, they camp. These sections suggest the ways in which the formulation of bio-power and bio-politics can profitably proceed, namely by identifying its foundational elements—primitive accumulation, laws of population, violence, and government of market economy.

It is true that a forcible dissolution of the preceding phase of society is necessary for the modern forms of population management to emerge, and modern form of bio-power can emerge only in the wake of violence. But it will be important to remember that violence is constantly required to reinforce such power. On the one hand, the bourgeoisie needs violence to constantly extract every ounce of power of the labouring body (and therefore the violent conditions of production), and on the other hand, it wants to perfect a form of social governance that will make reproduction of economy almost automatic, self-regulated, so that the conditions of reproduction are resilient enough to withstand periodic shocks and possibilities of break downs, and thus appropriate modes of governing the society including the labouring bodies, transforming them into resilient subjects will have to be ensured What will be the appropriate way to ensure such paradoxical combination? How is the bourgeoisie to combine the primitive and the virtual modes of accumulation, the postcolonial and the neoliberal, the global conditions for reproduction and the local forms only which will enable accumulation of capital possible? To put the matter bluntly, how to make labour disappear in the economic process so that production of wealth appears as a function of capital only? Is it not already on the horizon of possibility when postcolonial labour appears as dispersed, immaterial to higher forms of accumulation and growth, need-centric in place of being market-centric, and amenable to complete deregulation? Labour's presence here is subjected to the vagaries of time: the divergent, yet intersecting times of production and circulation. In the same way, the coexistence of the primitive form of accumulation and virtual accumulation by high financial modes is also an illustration of double time, or more accurately heterogeneous time, which compels living labour to become fragmented, differentiated, and heterogeneous.

Marx's discussion on primitive accumulation in many ways therefore remains a classic text not only on the emergence of bio-power, but also on the simultaneity of various circuits of capital (the coordination and management of which requires governance—though as we know such governance periodically collapses). This is not only because the famous last part of *Capital* (volume one) discusses the life of labour, more accurately life of physical labour at a particular historical conjuncture—which he termed as the epoch of primitive accumulation—as the crucial component of an emerging mode of power (the power of capital), but also because of several other

things, which reflect on the problematic of time in capitalist production. Primary among them are the points he made, namely how does labour as power emerge in history? How does the owner of this power become aware of it with which from now on he/she has to survive in this world? What is the historical moment when two modes of power confront each other—power of capital and power of labour? What is the complex of circumstances under which labour as producer of value exhausts all other meanings and dimensions of life? Marx wanted to speak of capital, but here he was speaking of the process when labour is reduced to its bareness. The particular ways in which a part of surplus value is realized as profit, average profit emerges as a crucial category in the functioning of capitalist economy, and surplus value is distributed among revenue-consuming classes ensure that labour will have only a spectral presence in the formal accounts of production and circulation. Thus, labour's presence is only spectral in volumes two and three of *Capital*, where Marx discussed different moments of circulation of capital. In the composition of labour, therefore, we must attend to the specific transient forms in as much as in the composition of capital we must attend to the specific forms in which capital can produce profit. These two inquiries allow us to situate the entire discussion on bio-politics in the context of accumulation. We can venture a little more and suggest, nothing is more pertinent than a discussion of postcolonial capitalism in order to bring out fully the significance of bio-politics in our time, thus the simultaneity of both coercive and non-coercive forms of power, varying modes of population management, and the way life appears as nothing but the site of labour in place of labour appearing as a site in life.

In short, then, bio-power, the equivalent of the function of modern market in terms of social governance, can thus never be fully scientifically exercised. Bio-power as the power to manage populations is severely circumscribed. Recall Foucault's arguments in Birth of Bio-politics. In *Birth of Bio-politics* Foucault indicated the dilemma of modern governance, namely, how to rule scientifically, least arbitrarily, that is govern least so that the society is governed best. In other words, how best can the society be governed so that it is governed least? This is of course the classic liberal dream, somewhat dimmed in the decades of the high noon of welfare state, and now brought back to the centre stage of politics by neoliberalism, which will now argue that through governmental promotion of market mechanisms the poorest can enter the market, and through governance of the market the governance of society can be ensured.[11] Yet as we know through these decades, bodies never became completely docile. Physicality was not erased from life. Breadlines did not vanish. Wars did not cease. The power over life became overwhelming through a mix of violence (national, class, social, gender, race, etc.) and economy, rational governance and arbitrariness, and of the ideological hold of a myth of honesty, frugality, reward of industriousness, and dispossession of increasingly large numbers of people.

A dialectical understanding thus allows us to understand the interplay of the insecurity of labour with the way security has functioned as the major rationale of liberal

[11] Yet these decades were also of neo-colonial wars and plunder. Precisely at this time when neoliberal thought was taking shape, Sweezy and Baran (1966) and Sweezy and Magdoff (1977).

rule and the subjection of population groups to liberal governmental order. Insecure labour (i.e. insecurity of labour) will be made not only secure for reproduction of capital (i.e. security of capital), but to borrow a phrase from Julian Reid and others, bio-politically "resilient" amidst conditions of insecurity to face those conditions of insecurity.[12]

Labour cannot be secured without completely destroying it—that is to say by minimizing it to the vanishing point in the production process. The only alternative then, at least it seems so, remains that the capacity of labour will be made ready to use through reduction of human labour to a condition of dependency on state's welfare functions. Labour is thus reduced as a pathological disposition of life. This is at the core of what can be termed as the global predicament of postcolonialism. The more we witness the return of primitive accumulation in this era of globalization, the more we see the mode of social governance in operation. The history of the *labour of life* is thus coming back, but only in a particular way. This particular way depends on the *life of labour* and the mode of reproduction of that life.

The Problematic of Surplus

We all know that with the notion of socially necessary labour time, Marx interrogated how capital was formed, and how labour was needed for capital formation in a concrete way (and not as an absolutely fixed element and for all time). Yet we seldom take note how Marx used the notion of socially necessary labour time to historically explain how a population marked with all kinds of singularities and fault lines could be tuned by capitalism into a deployable mass of labourers. With the concept of socially necessary labour time, Marx was able to question the given categories of employment and unemployment, and thus the notion of "human masses" to be fed and clothed by society as a yet non-employed but employable element for capital's reproduction. Indeed with all the characteristics of global capitalism today, labour time is increasingly socially determined—perhaps more in the postcolony. The socially necessary aspect of labour tells us of the conditions of labour under postcolonial capitalism. We do not have time here to discuss this cardinal concept. Briefly speaking, to understand what socially necessary means we have get back to the difference Marx made between abstract and concrete labour. While concrete labour would indicate activities towards producing some use value, that is to say concrete labour could be important for the creation of value, but this had to be a social use value, in other words under capitalism necessary labour has to be exchangeable qua commodities, so that the use value was realized. In other words, labour that conveyed value was to be carried out in a manner that was *socially* defined. The implications of this argument are manifold, particularly in the discussion of population under capitalism. We shall not have any more a notion of *human* labour irrespective of time, place, and history, but labour conditioned by historical forces. With social

[12]Evans and Reid (2014); also Chandler and Reid (2016).

determination of necessary labour, wages would fluctuate according to all manner of things, according to struggles between labourers and capitalists, and value tied to labour time now would fluctuate with them. For the capitalist expropriation of surplus value, there must be now mediating devices, including structured population groups; otherwise, there will be no possibility of wages, markets, or accumulation.

Indeed, with the interface of neoliberalism and postcolonial dynamics of accumulation, the insights of Marx are now clearer than ever. It is important therefore that we treat the question of population under capitalism dialectically—as abstracts of labouring groups as well as historically possible or enabled abstractions in the light of capital's accumulation. This takes us directly to the issue of economic management of society and the notion of national economy.

In the first two decades of decolonization of India, with emphasis on planning and industrialization massive displacements and dispossession took place. Yet with state drive for industrialization, strengthening of the big bourgeoisie, and expansion of public sector (steel, coal, railways, and banking being four important industries), the number of workers grew, while the state from the third decade of independence started giving attention to the stability of peasant economy so that agrarian crisis and peasant revolts would not jeopardize national stability and the drive for industrialization.[13] It was in this way that the peasant economy was formally subsumed in the capitalist economy of India. Today with uncertain market of food grains products and on the other hand spiralling commodity markets in land and minerals such as iron ore, uranium, or sand mining, plus spurt in financial investment, rental growth, care services, infrastructural growth, and waste recycling, and the destruction of self-subsistence economy, we find dispossession of peasant labour proceeding at a furious pace. The question is: What kind of labour market is being produced as consequence? We cannot simply say labour, dispossessed as a consequence of primitive accumulation, now inhabits the need economy. We have to see if this is indeed actually happening, also the ways in which the disparate forms of labour are contributing to accumulation and circulation process. Else, the argument would be a kind of Malthusian division of labour. The stake in the concept of surplus labour is therefore strategic. We have to examine the concept of *surplus*—mainly surplus labour, and associated with other forms of surplus, such as surplus population, surplus humanity, surplus time, surplus stock, surplus money, surplus credit, surplus land—because in calculations of profit the surplus if not realized as profit is waste, surplus is idle, surplus is non-productive unless this surplus will be ready at hand to be redeployed in production. Any analysis of capitalism, or for that matter wealth, wrestles with the notion of surplus. The

[13] This is a well-documented history. Interested readers may see, Ladejinsky (1977), Frankel (1979); also *India's Green Revolution: Economic Gains and Political Costs*, 1971 (reprint, Princeton, NJ: Princeton University Press, 2015). On bank nationalization in India in the same period, Sen (2017). Reservation for the small-scale sector was first introduced in 1967, and gradually the number of reserved items was increased. Besides bank nationalization and reforms in setting agricultural prices, during the same period Clause 5B in the Industrial Disputes Act was introduced in 1976 making difficult for larger firms to close down. During this era, coal mines were nationalised. Finally in 1985, the Sick Industrial Companies Act came and the Board for Industrial and Financial Reconstruction (BIFR) was set up. Attempts to stabilize the small holdings are to be seen in this background.

economy has to wrestle with how to situate the *surplus*, which will otherwise appear to the economy as *superfluous*.

The process of production, considered on the one hand as the unity of the process of labour (known as labour process) and the process of creating value, is production of commodities; considered on the other hand as the unity of the labour process and the process of producing surplus value, it is the capitalist process of production. Therefore, in the creation of surplus value it does not in the least matter, whether the labour appropriated by the capitalist is simple unskilled labour of average quality or more complicated skilled labour. On the other hand, in every process of creating value, the reduction of skilled labour to average social labour, *e.g.*, one day of skilled to six days of unskilled labour, is unavoidable.[14] In this analysis by Marx, the crucial issue is how this labour regardless of its quality produces surplus. Few things are important here:

(a) The fact that labour in need economy is simple, etc., does not alter the fact that through the capitalist process of production and circulation, a certain amount of surplus labour is realized in the economy in terms of profit.
(b) Capital does not invent surplus labour. Wherever a part of society possesses the monopoly of the means of production, the labourer, free or not free, has to add to the working time necessary for his/her own maintenance an extra working time in order to produce the means of subsistence for the owners of the means of production. What is crucial is that in capitalism the surplus is hidden in the essential. Indeed, thus one can argue that in postcolonial capitalism the surplus labour is socially realized in an even more enigmatic form, where apparently the labour producing the surplus is even more naturalized as existing in form of "need enclosure", and where the products of the labour of this surplus humanity are realized through long circulation channel in a different way beyond the contractual and standardized wage form.
(c) In elaborating the idea of a relative surplus population under capitalist production system, Marx said, "it is capitalistic accumulation itself that constantly produces, and produces indeed in direct relation with its own energy and extent, a relatively redundant working population, i.e., a population which is superfluous to capital's average requirements for its own valorisation and is therefore a surplus population."[15]

Now these famous words:

> Owing to the magnitude of already functioning social capital, and the degree of its increase, owing to the extension of the scale of production, and the great mass of the workers set in motion, owing to the development of the productivity of their labour, and the greater breadth and richness of the stream springing from all the sources of wealth, there is also an extension of the scale on which greater attraction of workers by capital is accompanied by their greater repulsion; an increase takes place in the rapidity of the change in the organic composition of capital and in its technical form, and an increasing number of spheres of production become involved in this change, sometimes simultaneously, sometimes alternately. The working

[14] *Capital*, Volume 1 (Penguin edition), p. 306.
[15] Ibid., p. 782.

> population therefore produces both the accumulation of capital and the means by which it is itself made relatively superfluous; and it does this to an extent, which is always increasing. This is a law of population peculiar to the capitalist mode of production….[16]

In short, concepts of want, need, necessity, subsistence, and surplus—all having their basis in reality—also create a fetish in the form of a binary of employment and non-employment, and accumulation and need. Even in the midst of the Second World War, or because it was wartime, the Beveridge Report in UK busted the phoney debate on "full employment" and identified five factors as five giant evils in society: squalor, ignorance, want, idleness, and disease and suggested the institution of what later came to be known as the social welfare state that would guarantee "full employment" (unemployment at not more than 3%).[17] There could not be any natural surplus population.

In order to make the society the site of working population, unemployment had to be governed. Factory legislations and recognition of trade unions were already parts of the task of governing unemployment, more so because socialist appeals increasingly found audience in a new form of collective identity called the "unemployed". People without work or needing more work, though having a long history, now became crucial in the context of governing the labour market. For a long time, the unemployed was treated in abstract terms as a quantity of surplus labour produced by the industrial system—a normal feature of economic life under capitalism. However, capitalism now needed public organization of the labour market. Unemployment was a risk that needed to be attended to, governed. The risk was not only of social unrest but also one of large sections of working population becoming unemployable (due to diseases, poverty, ill health, lack of training and education, absence of mobility and infrastructure, etc.). Social insurance developed in this context. The worker and the potential worker had to be a social citizen. Unemployment was not an individual guilt. If at all, it was a burden of the entire society and not of industries and the particular families and localities only. Society had to ensure that the population could be a working population that is ready to work under capitalist economy. The concept of making population resilient emerged in this context. Social assistance was now

[16] Ibid., pp. 783–784.

[17] William Beveridge's book, *Full Employment in a Free Society* (1944) argued that because individual employers were incapable of ensuring full employment, the state must come forward to make it possible. Full employment meant a condition where there were slightly more vacant jobs than there are available workers, so people who lost jobs could find new ones immediately. He argued that the upward pressure on wages, due to the increased bargaining strength of labour, would be eased by rising productivity, and kept in check by a system of wage arbitration. The cooperation of workers would be secured by the common interest in the ideal of full employment. Pre-war unemployment, beginning with the Great Depression, was due to ineffective demand for industrial products, imperfect labour mobility, and general labour market disorganisation. Instead, the economy should be planned, so that demand is socialised, and supply is maintained at all times. Fiscal policies should be accordingly framed, and the budget should encourage increased spending. The Social Security proposals known as the Beveridge Report reflected these ideas. One could see, how on the one hand war and pre-war unemployment with attending misery were ghosts stalking the capitalist order, and on the other hand the bourgeois experts refused to admit that unemployment was a natural state of things, and it was a condition which could be and had to be rectified.

dependable on hard, quantifiable, and a standardized notion of unemployment as poverty and need. We have to remember that assistance could never be presented as alms or charity in an age of democracy. Work was now a "right". Getting work was a right—a public right consequential to making the population "working".

Ironically, in this way, managing population has gradually become linked to the idea of national economy and more fundamentally to the idea of the nation as economy. The nation is a natural ground of employment policies under the garb of population policies. Neoliberalism has only reinforced this phenomenon. Thus, today there are strategies of transforming a population from an idle one to a working one through improving specially earmarked localities, groups of people, institutions, training modes, etc. Offering a new deal is thus a permanent feature of the capitalist management of population.[18]

We do not have much scope here to present this process in details, but at least we should examine little more the concept of surplus lurking behind the problematic of full employment.

When will surplus become "surplus capital" that is waste, and in the same measure "surplus labour" as "human waste"? Again, we do not have the scope here to discuss the point in detail. However relevant to this discussion will be how Marx deals with fixed capital and circulating capital. Marx says, "The elements of fluid capital are just as permanently fixed in the production process - if this is to be continuous—as are elements of fixed capital."[19] In other words, we have to judge the labour of the repair mechanic of a scooter, car, bicycle, transistor or television set, or of one engaged in e-waste recycling as precisely the one who is effecting the turnover time of capital represented by the machine, scooter, car, etc., because these exactly like the classic machine or the railway tracks influence its capacity to produce the surplus. Labour as a permanent element of capital has to be kept in right shape and right size. Marx made this clearer and we have to listen to him attentively,

> The fixed capital also requires positive outlays of labour if it is to be kept in good condition. The machinery must be cleaned from time to time. This involves additional labour without which it becomes unfit for use, of merely warding off the noxious influences of the elements, which are inseparable from the process of production; hence it is a question of keeping the machinery literally in working order. The normal life span of fixed capital is naturally reckoned on the assumption that the conditions under which it can function normally during that time are fulfilled, just as it is assumed, in if the average life of a man is taken as thirty years, that he washes himself. What is involved here is not the replacement of the labour contained in the machine, but the additional labour that is constantly necessary for it to be used. This is not a matter of labour performed by the machine, but of labour performed on the machine; here it is not an agent of production but rather raw material. The capital spent on this labour is part of the fluid capital, even though it does not properly enter into the actual labour-process to which the product owes its origin. This labour must be constantly performed in the course of production, and so its value must be constantly replaced by the value of the product. The capital spent on it belongs to that part of the fluid capital that has

[18] On this one of the insightful discussions, Walters (2000).

[19] *Capital* (Volume One, Moscow edition), p. 248.

> to cover the general overheads, and is distributed over the value of the product according to an average annual calculation.[20]

In these extremely dense lines, Marx lays bare the provisional nature of the temporalities of two types of capital, their mutually transforming nature, and tells us exactly in what way labour involved in the life span of a machine (a productive commodity or any other productive commodity) produces the surplus, so that the mutually constituting relation between the productive and waste is laid bare. We can also see why Foucault in spite of his life long effort to theorise power could not get to the crux of the relation between life and labour, and what made labour productive of life. Perhaps one reason is that he did not pay enough attention to the way Marx waged battle against Malthus and the extreme biologism of late eighteenth and nineteenth century and the social Darwinism of that time.

Population and the Question of Primitive Accumulation

Marx wrote in *Capital* (Volume One),

> The lowest sediment of the relative surplus population finally dwells in the sphere of pauperism. Exclusive of vagabonds, criminals, prostitutes, in a word, the "dangerous" classes, this layer of society consists of three categories. First, those able to work… Second, orphans and pauper children… These are candidates for the industrial reserve army, and are, in times of great prosperity, as 1860, e.g., speedily and in large numbers enrolled in the active army of labourers. Third, the demoralised and ragged, and those unable to work, chiefly people who succumb to their incapacity for adaptation, due to the division of labour; people who have passed the normal age of the labourer; the victims of industry, whose number increases with the increase of dangerous machinery, of mines, chemical works, &c., the mutilated, the sickly, the widows, &c. Pauperism is the hospital of the active labour-army and the dead weight of the industrial reserve army. Its production is included in that of the relative surplus population, its necessity in theirs; along with the surplus population, pauperism forms a condition of capitalist production, and of the capitalist development of wealth. It enters into the faux frais of capitalist production; but capital knows how to throw these, for the most part, from its own shoulders on to those of the working class and the lower middle class. The greater the social wealth, the functioning capital, the extent and energy of its growth, and, therefore, also the absolute mass of the proletariat and the productiveness of its labour, the greater is the industrial reserve army… This is the absolute general law of capitalist accumulation. Like all other laws it is modified in its working by many circumstances, the analysis of which does not concern us here.[21]

And, then in less noticed note, he wrote on Malthus in the same book,

> Corn and labour rarely March quite abreast; but there is an obvious limit, beyond which they cannot be separated. With regard to the unusual exertions made by the labouring classes in periods of dearness, which produce the fall of wages noticed in the evidence" (namely, before the Parliamentary Committee of Inquiry, 1814–15), "they are most meritorious in the individuals, and certainly favour the growth of capital. But no man of humanity could wish

[20] Ibid., p. 253.

[21] Ibid., pp. 450–451.

> to see them constant and unremitted. They are most admirable as a temporary relief; but if they were constantly in action, effects of a similar kind would result from them, as from the population of a country being pushed to the very extreme limits of its food." (Malthus: "Inquiry into the Nature and Progress of Rent," Lond., 1815, p. 48, note) All honour to Malthus that he lays stress on the lengthening of the hours of labour, a fact to which he elsewhere in his pamphlet draws attention, while Ricardo and others, in face of the most notorious facts, make invariability in the length of the working day the groundwork of all their investigations. *But the conservative interests, which Malthus served, prevented him from seeing that an unlimited prolongation of the working day, combined with an extraordinary development of machinery, and the exploitation of women and children, must inevitably have made a great portion of the working-class* "*supernumerary*," *particularly whenever the war should have ceased, and the monopoly of England in the markets of the world should have come to an end. It was, of course, far more convenient, and much more in conformity with the interests of the ruling classes, whom Malthus adored like a true priest, to explain this* "*over-population*" *by the eternal laws of Nature, rather than by the historical laws of capitalist production.*[22] (Italics mine)

In short, the production of relative surplus has an absolute dimension; in other words, the absolute must be seen as contingent on certain factors. In this way, Marx gets to terms with the holy distinctions of categories bourgeois political economy was producing. Once again on Malthus, he wrote some pages later,

> Malthus, about the year 1820, advocated a division of labour, which assigns to the capitalist actually engaged in production, the business of accumulating, and to the other sharers in surplus-value, to the landlords, the place-men, the beneficed clergy, &c., the business of spending. It is of the highest importance, he says, "to keep separate the passion for expenditure and the passion for accumulation." The capitalists having long been good livers and men of the world, uttered loud cries. What, exclaimed one of their spokesmen, a disciple of Ricardo, Mr. Malthus preaches high rents, heavy taxes, &c., so that the pressure of the spur may constantly be kept on the industrious by unproductive consumers! By all means, production, production on a constantly increasing scale, runs the shibboleth; but "production will, by such a process, be far more curbed in than spurred on. Nor is it quite fair thus to maintain in idleness a number of persons, only to pinch others, who are likely, from their characters, if you can force them to work, to work with success." Unfair as he finds it to spur on the industrial capitalist, by depriving his bread of its butter, yet he thinks it necessary to reduce the labourer's wages to a minimum "to keep him industrious." Nor does he for a moment conceal the fact, that the appropriation of unpaid labour is the secret of surplus-value. "Increased demand on the part of the labourers means nothing more than their willingness to take less of their own product for themselves, and leave a greater part of it to their employers; and if it be said, that this begets glut, by lessening consumption" (on the part of the labourers), "I can only reply that glut is synonymous with large profits." The learned disputation, how the booty pumped out of the labourer may be divided, with most advantage to accumulation, between the industrial capitalist and the rich idler, was hushed in face of the revolution of July. Shortly afterwards, the town proletariat at Lyons sounded the tocsin of revolution, and the country proletariat in England began to set fire to farm-yards and corn-stacks. On this side of the Channel Owenism began to spread; on the other side, St. Simonism and Fourierism. The hour of vulgar economy had struck. Exactly a year before Nassau W. Senior discovered at Manchester, that the profit (including interest) of capital is the product of the last hour of the twelve, he had announced to the world another discovery. "I substitute," he proudly says, "for the word capital, considered as an instrument of production, the word abstinence."[23]

[22] Ibid., Chap. 17, n 7, p. 374.

[23] Ibid., p. 419.

While these comments by Marx are self-explanatory in terms of understanding the relation of capital with population, they suggest that the working *class* is not a "given" of capital. Capital puts to its mill the working population. But the class is produced from a complex dynamics, which would include politics and struggle besides the economy of production. Yet there is something more to note in this: Marx's arguments against Malthus and his own analysis of the law of population under capitalism (in the form of a reserve army of labour or a relative surplus population) appear as part of his larger analysis of what he called "general law of capitalist accumulation" (*Capital*, Part VII, Chap. 25, Sects. 3–4), and before Marx introduces his analysis of primitive accumulation (Part VIII). The historical tendency of primitive accumulation acts as a constant reminder of the background against which population becomes relatively surplus—globally or in a specific country. Commentaries on *Capital* have often ignored the organic link between the two crucial aspects of Marx's analysis of accumulation of capital. Yet we have to be cautious in theorizing the link. While there is no doubt that increasing peasant dispossession and devastation of some sections of the middle classes and self-employed groups of population is a secular feature of global economy today, as many have pointed out, the resilience of peasant, smallholding based, primary crop-dominated economy is not over.[24] It will for long provide partial sustenance to the vast majority of population in ex-colonial countries. This feature not only reflects on the question of transition, it also tells us how the disposition of entire population groups will be negotiated by neoliberal capitalism.

Before we end this paper, five observations reflecting on this are in order, and they all point to the contradictory nature of the population question under capitalism:

First, in the background of globalization where neoliberalism has combined with postcolonial capitalism, "population" is no longer seen as an unmixed burden. While four decades ago, population was seen as a burden in postcolonial countries, today as we are told "mass" of young, educated to some extent, employable population is a gift. Given that migrant workers are needed throughout the globe as farm workers, contract labour in construction industry, service workers in education, care, and entertainment industry, IT workers, and labour in several other sectors of economy, migration has become today an inbuilt factor in the population question. The fate of capitalism in the West and globally will depend on the flow of labour. Much of the distribution of this labour will be in the form of informal arrangements with roving bands of labour reminding one of nineteenth century. Capitalists of a postcolonial country now look forward to inward remittances to augment the country's total profit stock couched in the language of GDP. Population hence today is a global question. Indeed, migration management becomes the core of population management and population control. It becomes the key to have polities with right kind of population, the right size, and right shape. But this also brings out a great paradox of our time: On the one hand, population management is increasingly securitised with the military forces deployed to contain population mobility; on the other hand, capitalism in its neoliberal form is dependant more than ever on migrant labour. Migration is the theatre of the mimesis of capitalism.

[24] On the historical significance of this feature, Palat (2015).

Second neoliberalism has taught the society that the latter has to be market enabled. Thus everyone—the poor, disabled, the refugee, the child—literally everyone can become a market enabled actor in one or the other way. It will begin from home, which can become a site of production for the market. This is the education by social governance. Technology is an intrinsic part of the social management of population, and it now shapes population. Yet in this case too, the globalization of access to market runs along with a contradictory phenomenon of capitalism, namely the increasingly skewed nature of the market of commodities, such as foodstuff and other essentials of life. If the emergence of a country, say China, betokens a redistribution of the cake among its eaters, not without reason bourgeois politicians and crown kings are worried today over the total availability of food and a consequent rise in food prices. We cannot be surprised then when we hear a bourgeois politician like Hillary Clinton concerned with finding right policy solutions on issues like biotechnology and genetically modified organisms (GMOs) like food, climate change, animal rights, use of antibiotics for farm animals for non-therapeutic reasons, guaranteeing farm subsidies, food safety, and enacting immigration reforms towards ensuring a steady supply of agricultural labour in the USA.[25] They all reflect on the vexed relation between technology and population. They also collectively act as the other scene of a similarly vexed relation between climate change and population management. In the late nineteenth century, Mike Davis showed how *El Nino* famines and large-scale peasant dispossessions combined to produce what he called the "late Victorian holocausts".[26] With the disasters of past ages inscribed in the historical memory of bourgeois society, capitalism is now engaged with shaping its population policy regarding mass diseases and climatic disorders like sustained draughts and floods. Unsurprisingly, the solution is not new. It is geared towards earmarking, containing, confining, and isolating the "carrier groups" (of diseases or draughts).

Third, with the re-emergence of primitive accumulation (through various forms and regimes of dispossession[27]) and a large army of labour, the breakdown of subsistence agriculture does not lead to any Malthusian scenario. From plough to pick—from tilling to artisanal mining—there is now a range of labour forms serving the dynamics of capital accumulation. Entire life is now subjected to labouring needs of capital. And, this transformation is taking place under democratic functioning, which means the democratic right to join the labour market. Democracy had never been so capital-friendly. A mix of social governance, welfarism, and state role in expanding the market and weathering adverse effects of market contraction has become now crucial in making the population capital-friendly.[28] Yet populations cannot be

[25] "Election 2016: Hillary Clinton could continue food policy progress"—https://www.fooddive.com/news/election-clinton-food-policy/428930/ (accessed on 1 November 2017); see also, http://www.presidency.ucsb.edu/ws/index.php?pid=115944 (accessed on 1 November 2017).

[26] Davis (2002).

[27] On regimes of dispossession, see Levien (2015).

[28] The idea of basic income flows from this. It brings back the idea of full employment by another door. The assumption that basic income can be an improvement on the status quo is contingent on several factors. As has been pointed out, income support was provided to keep the dangerous classes in check, and income support was provided from time to time at levels low enough to maintain a

capital-friendly across the range in the same manner, because population control technologies produce racial divisions in the form of identifying groups as targets of these technologies.

Fourth, as hereditary and accumulated wealth becomes crucial for the expansion of capital (there is never a pure aristocrat!!) in form of rent, interest, social capital, etc., capital's expansion tries to avoid the albatross of a population hanging around its neck. Idle bourgeoisie, idle towns, idle assets, and idle countries may become a big feature of global capitalism.[29] Coupled with the re-emergence of a bourgeoisie wallowing in interest and rent produced wealth, there is a rise in penal populations everywhere sought to be confined to islands, penal colonies, and at times entire countries marked as penal lands such as parts of Africa, Central America, and the Middle East. Again they remind us of a nineteenth-century history of penal colonies such as Penang, Malacca, or the Andaman. These penal lands are also lands whose millions of people have been punished through war (Libya, Iraq, or Afghanistan). In fact, war reappearing as the other side of wealth periodically rearranges population groups for global labour market—a fact underplayed by demographers and economists.[30] The consequent re-ordering of space in its relation to population results in distinct spaces of war, deluge, and exclusion, and other spaces of production, consumption, and wealth. How will the expansion of the democratic right of all population groups to market succeed in this context?

Finally, the rise of a corporate class marked by opulence (and philanthropy) has been possible because commodities are being produced and supplied in the global market by the new factories of the world, for instance China or India, which results in massive expansion of the global working force. It provokes what Immanuel Ness calls "Southern Insurgency". It also brings back to our analysis of Marx's argument about relative surplus population and a reserve army of labour. The global reserve army of labour of course today has among its ranks refugees, internally displaced, dispossessed peasants, convicts, child labour, workers under new forms of servitude, ecologically marginal groups, and all those who are at the receiving end of what Michel Foucault would have perhaps called "just measure of punishment"—punishment according to the requirements of the bourgeois society. And yet, and by the same token, it is not only the punitive policy under capitalism that contributes to the growth in penal populations, it is machines and technologies that work to an increasing extent as the "measure of men".

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supply of the worst paid workers. Neoliberalism intensifies the effort to ensure a plentiful supply of low-paid and precarious workers. Basic income not only avoids struggle for better wages, it is a regressive model at one level for the poor people outside of the workforce, and at another level, for the lowest paid workers. In effect, it may become a subsidy to employers paid for out of the tax revenues and financed by cuts to broader public services. See on this—http://socialistproject.ca/bullet/1494.php#continue.

[29]This is the context in which one has to read Marx's analysis in Sect. 3 of Chap. 24 of *Capital*, titled, "Separation of Surplus-Value into Capital and Revenue: The Abstinence Theory".

[30]The question of war in this context is brought out by among others Partha Chatterjee, "Land and the Political Management of Primitive Accumulation" in D'Costa and Chakraborty (2017).

So to the question—is there any theory of population in *Capital*—the short answer will be that capital needs its law of population contingent of course on its specific form and time. Producing a relative surplus population is an absolute law of capital. But there is a long answer, and this too comes out of Marx's writings, namely that, how life is processed in the dynamics of capital will shape the form of working population. Remember, for capitalism life is working life; population is working population. From research in life sciences, foodstuff, agriculture, robotics, and several other things—the idea is to produce life (we call it artificial life, artificial intelligence, strong, sturdy, yet "docile bodies" capable of flexible tasks) so that capitalism can escape the triangulation of life, labour, and capital. Recall also our earlier discussion on the fixed and variable. Capitalism would increasingly like everything as fixed and least variable. Yet in reducing the uncertainties of life and labour, capitalism attempts to create a system which cannot be "fixed as real life". In the floating dynamics marked by flexible arrangements of labour supply, raw material supply, and commodity supply—a kind of flexible arrangement that is enabled by logistical finesse and constant policy shifts[31]—we have the biggest irony. The irony lies in the attempt by capitalism to make labour fixed and capital, which now takes various life forms, variable. It is as an unbearable tension that often breaks out in crises forms and can result in a strategic break down in near foreseeable future. Neoliberalism is trying desperately to defuse the possibilities of such breakdown with its new found arsenal of making populations resilient. At the same time, it is an evidence of a false dichotomy. We should by now realize why Marx refused to categorize "people" and "population" as distinctly separate entities in his study of capitalism.

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[31] On the background of the emergence of policy regimes enabling this flexibility in postcolonial economy, see Abraham (2017).

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Primitive Accumulation and Surplus Population: A Critique of Capitalocentrism in Marxian Theory

Rajesh Bhattacharya

Abstract Marx's concept of primitive accumulation has traditionally been understood as pre-history to the emergence and eventual universalization of capital in the social formation. I argue, to the contrary, that "primitive accumulation" can be a theoretical category only in the presence of a theorized notion of an "outside" to capital. This "outside" of capital in a social formation is populated by a "surpluspopulation"—another concept that needs to be delinked from the capitalocentric notion of "reserve army of labour". Once we recognize an ever-present non-capitalist "outside" in a social formation, primitive accumulation becomes central to dominance of capital over a social formation.

Keywords Primitive accumulation · Surplus population · Aleatory · Capital · Non-capital

Introduction

In the prevalent understanding, Marx's uncovering of the "secret of the 'so-called' primitive accumulation" involved an analysis of a historical process, or a convergence of many different processes, that resulted in the dissolution of the unity of direct producers with means of production. This history of dispossession precipitated an encounter between owners of money capital on the one hand and dispossessed, i.e., "free" laborers—"freed" of means of production and of non-capitalist class relations—on the other hand and thereby created the basic conditions of existence of the capitalist class process.[1] Once the capitalist class relations came into being, the

[1] "The process, therefore, that clears the way for the capitalist system, can be none other than the process which takes away from the labourer the possession of his means of production; a process that transforms, on the one hand, the social means of subsistence and production into capital, on the other, the immediate producers into wage-labourers. *The so-called primitive accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production*." (Marx 1912: 786. Italics mine).

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capitalist class structure could secure its conditions of existence through economic processes (market mechanisms, real subsumption of labor, alienation, etc.) without any need for primitive accumulation. Therefore, in the dominant reading of Marx, primitive accumulation belongs to the pre-history of capital; it ceases to exist once the capitalist class relations are born.

There are several significant implications of this understanding. First, the traditional understanding of primitive accumulation is retrospective.[2]

> The analysis [of primitive accumulation] is therefore retrospective…….. insofar as it depends on knowledge of the *result* of the movement. ……The analysis of primitive accumulation is therefore, strictly speaking, merely *the genealogy of the elements which constitute the structure of the capitalist mode of production* (Althusser and Balibar 1970: 279, Italics in the original).

Within an essentialist (and hence teleological), problematic, primitive accumulation becomes a part of, what Sanyal (2007) calls, the "immanent history of capital"—a history read backward along the arrow of time, each moment circumscribing the ontology of the previous moment, by discursively limiting the historical possibilities of any process— by limiting, for example, the outcome of *overdetermined* processes in the pre-capitalist social formation resulting in rupture of the unity of direct productions and means of production *to the necessary emergence of capitalist production*. This reading is based on an understanding of history as a rationally unfolding process—a fated journey—rather than a contingent and provisional outcome.

Second, the historicist understanding of primitive accumulation—following from the teleology of historical materialism and the idea of closed totality—results in the relegation of primitive accumulation, in so far as it constitutes pre-history of capital, to the "outside" of Marxian theory of capital. As Michael Perelman noted, "Marx's presentation of primitive accumulation had the unfortunate consequence of divorcing primitive accumulation from political economy" (Perelman 2000: 32). In traditional understanding, primitive accumulation is not intelligible in terms of the Marxian categories developed in the three volumes of *Capital*. Primitive accumulation refers to processes involving force and violence, exercised by private actors or State in separating direct producers from means of production, as exemplified by the "enclosures" in Britain. *But "force" and "violence" are not categories of Marxian economic theory, as developed in Capital.* Thus, in the dominant reading of Marx, the theoretical (class) categories of Marxian political economy can make sense of *capital*, but not the *arising* of capital. The origin is the pre-history of the *being* and therefore belongs to the pre-analytic history of the being. Thus, class-based theoretical categories related to the production, appropriation, and distribution of surplus labor can explain the capitalist social formation, but when it comes to the moment of transition to the capitalist social formation, class-based categories are replaced by

[2] Also see Read (2002) who presents similar arguments. "These elements of dissolution, such as usury, often stem from the margins and pores of the old society, and only begin to occupy center stage in terms of their effects—the effects of constituting a new economy and a new mode of production. Whatever intelligibility or unity they have is produced after the fact when they retroactively become the conditions of the capitalist mode of production." (Read 2002: 32).

non-Marxian categories like violence and force. In this paper, I argue that primitive accumulation can be understood in terms of Marxian categories of analysis, but only in presence of capital's theorized "outside" and only in a non-teleological framework for understanding the interaction between capital and its "outside."

The rest of the essay is organized as follows. Section "Two Readings of Primitive Accumulation" presents two competing readings of primitive accumulation to be found in Marx's *Capital*—informed by two radically different epistemologies. Section "Late Althusser and the *Aleatory* Reading of Capital" discusses the main elements of the late Althusser's reading of Marx grounded in *aleatory* materialism which enables us to offer a new understanding of primitive accumulation. In Section "Surplus Population and the Non-capitalist "Outside" of Capital", we interrogate the concept of surplus population as found in Marx's writings and argue for a non-capitalocentric reading of labor, allowing us to conceive an "outside" of capital. Section "Capital and its "Outside"" completes the new understanding of primitive accumulation in terms of Marxian theoretical categories—more specifically, the theorized "outside" of capital. Section "Conclusion" concludes.

Two Readings of Primitive Accumulation

The dominant understanding of Marx's notion of primitive accumulation, grounded in historical materialism, runs as follows. Primitive accumulation precipitates an encounter between owners of capital on the one hand and dispossessed laborers on the other hand. Once created, capital reproduces this separation/dispossession on an expanded scale. The teleology inherent in the historical materialist framework leads to the conclusion that primitive accumulation has a singular, irreversible outcome—it prepares the path for the emergence of capitalism and the inevitable destruction of non-capitalist production based on petty private property as well as communal property. With the development of capitalist production based on exploitation of wage-labor, the *real subsumption of labor*, the radical transformation of the labor process in capitalist production and introduction of machinery, capitalist production creates the conditions for its final victory.

The assumption of continuous and irreversible development of forces of production dictates that *lower* forms of production must yield to *higher* forms.[3] Unlike an open-ended history of capital—which must recognize the contingency of any social

[3]"This [petty] mode of production pre-supposes parceling of the soil, and scattering of the other means of production. As it excludes the concentration of these means of production, so also it excludes co-operation, division of labor within each separate process of production, the control over and the productive application of the forces of Nature by society, and the free development of the social productive powers. It is compatible only with a system of production, and a society, moving within narrow and more or less primitive bounds. To perpetuate it would be…. "to decree universal mediocrity". At a certain stage of development it brings forth the material agencies for its own dissolution. …….but the old social organization fetters them and keeps them down. It must be annihilated; *it is annihilated*. Its annihilation, the transformation of the individualized and scattered means of production into socially concentrated ones, of the pigmy property of many into the huge

conjuncture—historical materialism presents a *logical* history of capital in which (a) the capitalist mode of production is superior to pre-capitalist modes in terms of the development of the forces of production and therefore (b) history is fated to unfold in favor of capitalism so long as it supports the continuous development of the forces of production. The historical journey through modes of production—rationally ordered by developing forces of production—endows capital with a *universal* face. As a higher form of production, capital is pre-destined to enfold the entire space of production by dissolving the pre-capitalist "outside."

If and whenever non-capitalist production appears within a capitalist social formation, the dominant tendency within the Marxian tradition has been to treat it as (i) a transitional feature, (ii) a resilient pre-capitalist residue (in a conjuncture of "blocked" transition), or (iii) a non-capitalist articulation of the circuit of productive capital (for example, non-capital as source of cheap labor power and raw materials). Historical materialism does not recognize radical *differences* at the level of the economic, or in other words, does not admit any intrinsic *limits* of capital.

In the scheme of historical materialism, primitive accumulation plays a very distinct role. Primitive accumulation refers to those processes *within a non-capitalist social formation* that produced the conditions of existence of the capitalist mode of production and thus belongs to the pre-history of capital, or in Marx's words, forms "the prelude to the history of capital." In so far as primitive accumulation is the condition of the *arising* or *becoming* of capital, i.e., the historic *presupposition* of the capitalist class relation, it ceases to exist once that relation has arisen.[4]

> The conditions and presuppositions of the *becoming*, of the *arising*, of capital presupposes precisely that it is not yet in being but merely in *becoming*; they therefore disappear as real capital arises, capital which itself, on the basis of its own reality, posits the conditions for its realization. (Marx 1973: 459)

On the other hand, Marx's application of the notion of primitive accumulation to the problem of capitalist development in the settler colonies (USA, Australia, etc.) has different and far-reaching theoretical consequences. First, in the settler colonies, primitive accumulation is dislodged from its traditional context of historical transition from feudalism to capitalism. In the colonies, capitalism emerges not in a social formation dominated by a non-capitalist class process, but in a social "vacuum" created by conquest of land and annihilation of original inhabitants. Into such a social "vacuum," the capitalist class process is literally imported from the mother country. But the conditions of the "vacuum" are such that the capitalist process falls

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property of the few, the expropriation of the great mass of people from the soil, from the means of subsistence, and from the means of labour, this fearful and painful expropriation of the masses of the people forms *the prelude to the history of capital*." (Marx, 1912: 835, italics mine).

[4]This Hegelian being-becoming distinction has dominated latter Marxist writings on primitive accumulation. Marxists have generally tended to treat primitive accumulation as a concrete historical process that has no theoretical bearing on the ontology of capital. The concept of "primitive accumulation" has thus long come to be confined to the field of economic history, except occasional application in studies of capitalism in developing economies, and that too because it is assumed that the developing countries are still undergoing the process of transition similar to the one already completed in the West.

to pieces as abundant land is easily converted into private plots for independent production by wage-workers who easily leave the labor market.

> Mr. Peel, he [Wakefield] moans, took with him from England to Swan River, West Australia, means of subsistence and of production to the amount of £50,000. Mr. Peel had the foresight to bring with him, besides 3000 persons of the working class, men, women, and children. Once arrived at his destination, "Mr. Peel was left without a servant to make his bread or fetch him water from the river." Unhappy Mr. Peel who provided for everything except the export of English modes of production to Swan River! (Marx, 1912: 839–840).

It is the viability of the simple commodity/petty production economy that undermines one of the conditions of capitalist class process—the existence of a wage-labor market. But, this petty production economy is not a pre-capitalist mode of production; rather it emerges simultaneously with the arrival of capitalist production to the colonies. Thus, the teleology of historical materialism, which predicts a fated journey from pre-capitalism (petty production) to capitalism via primitive accumulation, is suspended in the colonies and is replaced by a more open-ended dynamics between the two.

> [In the colonies] the capitalist regime everywhere comes into collision with the resistance of the producer, who, as owner of his own conditions of labour, employs that labour to enrich himself, instead of the capitalist. *The contradictions of these two diametrically opposed economic systems, manifests itself here practically in a struggle between them* (Marx 1912: 838, italics mine).

It is obvious that, in the colonies, the development of the forces of production cannot impose its iron laws on historical development. The "dull compulsions of economic relations" cannot guarantee the dissolution of non-capitalist class processes or the automatic dominance of the "higher" mode of production. In fact, capitalist production dissolves in the presence of petty production. The *inevitability* of a pre-destined historical journey is replaced by the *contingency* of a transitional conjuncture where different class processes are vying for dominance in an emerging social formation.

Second, the epistemological notion of self-subsistent capital, which underlies the being-becoming distinction in Marx, falls apart too. With it falls the idea that primitive accumulation is confined to the pre-history of capital. Capital that has already arisen, has already fully assumed its being in the mother country, is transplanted in the settler colonies. Yet, the immanent laws of capital fail to assert themselves; "being" relapses into "becoming." It would appear that the "self-sufficiency" of capital is provisional and open to subversion. When capital cannot create its own supply of labor power, it turns *primitive*—it resorts to dispossession; for example, in the colonies, exclusionary land regulations were passed to enforce the separation of independent cultivators from land. I argue that primitive accumulation is not limited to the arising of capital; it comes into play whenever the conditions of existence of capitalist production start unraveling. Extending it further, we can say *primitive accumulation is constitutive of capitalist production.* However, at the same time, we depart from the dominant understanding of primitive accumulation in which primitive accumulation results in proletarianization of laborers—i.e., creation of wage-laborer. In the

dominant understanding, it is through this effect that primitive accumulation creates the conditions for emergence of capitalist production. We argue that primitive accumulation may also secure conditions of existence and reproduction of capitalist production through dispossession without proletarianization, i.e., without transforming the dispossessed non-capitalist direct producers into wage-laborers. This idea is developed in the following sections.

Late Althusser and the *aleatory* Reading of Capital

In Louis Althusser's late writings, (Althusser 2006), he argues that Marx's *Capital* is fraught with contradictions between an essentialist and a non-essentialist mode of theorizing (Althusser 2006). Althusser opposes two distinct possible readings of Marx's *Capital*—one which he variously refers to as idealist, philosophical, or teleological and the second which he calls *aleatory* materialist. The first of the two readings of primitive accumulation presented in the preceding section illustrates the former and the second reading is informed by the latter.

Althusser argues that the *organization* of the text of *Capital* exemplifies the former (semi-Hegelian and hence idealist) position of Marx while the *exposition* of Marx's theory forces him to "take into account what the *order of exposition* requires him to bracket out" (Althusser 2006: 39). Here, Althusser mentions the chapters on working day, the labor process, and primitive accumulation—those chapters, which, according to him, "stand *outside* 'the order of exposition'." (Althusser 2006: 40). It is in these chapters that aleatory materialism creeps into or forces itself into Marx's analysis.

> They have confronted commentators with a formidable problem: why this leap from theory to history, from abstraction to the concrete, without the least justification? And, ultimately: what is Marx's real object? 'The capitalist mode of production and exchange in its ideal average', as *Capital* incessantly repeats, or the concrete history of the conditions of class struggle that precipitate the Western bourgeoisie into capitalism? But if it is the latter, then we are at the very heart of 'the concrete', for primitive accumulation and the expropriation of (rural and urban) workers' means of production and conditions of reproduction, which produced the capitalist mode of production, have nothing to do with any abstraction or 'ideal average' whatsoever" (Althusser 2006: 40).

According to *aleatory* materialism, there is no notion of being prior to its becoming, there can be no telos that governs the becoming, i.e., becoming must be thought instead as a series of "encounters" with all their attendant possibilities and uncertainties. An "encounter" is the coming together of elements of a formation. We can think of the "encounter," in the context of society, as a social process (e.g., the capitalist class process) in formation, a social process *becoming* as a convergence of the various determinations of all other social processes.

An encounter takes place in a "*void*" in the sense that nothing from the past pre-figures the "encounter"—i.e., in a "void" created by the absence of any telos. The notion of the encounter emphasizes the inherent openness of any social process in terms of its possible historical developments, i.e., the encounter itself, having

occurred, in turn pre-figures nothing of its possible future. The encounter may not take place, may not "take hold" even if it takes place, and may subsequently come undone even if it has "taken hold."

Thus, for example, the rise to dominance of the capitalist mode of production in Western Europe from sixteenth century onward was neither pre-destined to occur nor survive. This historical event required a coming together of many elements necessary for the capitalist class process to "take hold"—an "encounter" or a series of "encounters" leading to a capitalist social formation that happened to stabilize itself, however provisionally. However, this coming together of elements must be thought of as a historical contingency itself. These elements were not fated to come together, since they "do not exist in history so that a mode of production may exist, they exist in history in a 'floating' state prior to their 'accumulation' and 'combination', each being the product of its own history, and none being the teleological product of the others or their history" (Althusser 2006: 198). As opposed to the *necessity* or *inevitability* of the encounter, Althusser emphasizes its contingency.[5]

If the *being* is nothing more than the *result* of the process of *becoming*, i.e., there is no notion of a being prior to its becoming, what can we say about the result itself? Can we assume that change governed by laws finally take over and replace the indeterminacy of the "encounter"? In other words, does the 'encounter' resolve itself into an "essence" that henceforth governs the process of change? The answer, according to aleatory materialism, is no. Since the "encounter" takes place in a "void," i.e., in the absence of any governing telos, the existence, reproduction and stability of an "encounter" is always provisional.

> [T]he idea, therefore, that the necessity of the laws that issue from the taking-hold induced by the encounter is, even at its most stable, haunted by a *radical instability*, which explains something we find it very hard to grasp (for it does violence to our sense of 'what is seemly'): that laws can change—not that they can be valid for a time but not eternally……, but that they can change at the drop of a hat, revealing the aleatory basis that sustains them, and can change without reason, that is, without an intelligible end. (Althusser 2006: 194–96)

Althusser's *aleatory* reading has the following implications for the understanding of primitive accumulation. We cannot speak of a *being* even in the ex post sense, as an accomplished fact, a final product. The capitalist social formation as a product of history is no more stable, no more governed by laws than the historical process itself, whose product it is. The radical instability that haunts capitalism—and all totalities provisionally structured or stabilized to the extent that their reproduction is possible—also underlines the impossibility of any representation of capital as a self-sufficient entity. To argue that capital is capable, once it has emerged, of securing its reproduction internally—i.e., by itself and in accordance with its immanent laws—is to deny the overdetermined nature of capital. According to the logic of overdetermination, the reproduction of the capitalist class structure depends on all other processes

[5] See Deleuze and Guattari (2004). "The only universal history is the history of contingency." (Deleuze and Guattari 2004: 244). Negri, too, makes the same point. "A feature of aleatory materialism is the destruction of every teleological horizon—therefore, the positive assertion of a logic of the event" (Negri, 1996: 61).

occurring in the society; the conditions of reproduction are literally brought into existence by all other processes in the society, including the non-capitalist "outside."

The traditional Marxian view which holds that primitive accumulation and capitalist accumulation are historically separated—the former belonging to the pre-history and the latter to the history of capital—can no longer be sustained once we recognize that the "encounter" never escapes the original realm of contingency. The reproduction of capitalism requires that the "encounter" take place continuously in a heterogeneous social formation (which includes capital as well as non-capital), whose contradictory development always stands to threaten the stability of capitalist relations.

Hence, we understand primitive accumulation as a process constitutive of capitalism—as exemplified in Marx's own discussion of primitive accumulation in the colonies.

Surplus Population and the Non-capitalist "Outside" of Capital

Marx had a very specific approach to the problem of overpopulation in capitalism, distinct from the popular Malthusian view on the subject. Contrary to Malthus's universal and natural *law* of overpopulation, Marx asserted that, "[i]n different modes of social production there are different laws of the increase of population and of overpopulation" (Marx 1973: 604). Marx's writings on the problem of overpopulation or surplus population—more precisely, his notion of a reserve army of laborers—subsequently had an enormous impact on Marxian analyses of capitalism. For Marx, the reserve army of laborers is a form of surplus population historically specific to capitalism. In later Marxist theories, however, the reserve army came to be interpreted as *the only* rather than *aspecific* form of surplus population in capitalism. One consequence of this theoretical displacement is an extremely capitalocentric notion of labor in capitalism. Marxists tended to subsume the labor force as a whole to capital. According to this capitalocentric view, the active part of the labor force is exploited by capital, while the inactive part of it—the reserve army of labor—provides certain conditions of existence of such exploitation—e.g., by depressing wages to the level of the value of labor power. Thus, the entire labor force is subsumed to the capitalist exploitative class relations.

In *Capital* Vol. I, Marx's use of the concept of surplus population or reserve army of labor presupposes a steady dissolution of all non-capitalist class relations and the universal spread of capitalist class relations over the social formation, so that Marx could then talk of the labor force as entirely subsumed to capital in its active and inactive forms. When such universalization of capitalist class relations is absent, the concept of surplus population—in the specific manner Marx used it in *Capital* Vol. I—should be understood *in its abstractness in relation to capital* and not *in its concreteness in the context of a social formation*. In a capitalist *social formation*, both *capitalist* and *non-capitalist* class structures are present. The conceptualization

of a surplus population—i.e., a part of the labor force that is "surplus" relative to capital—becomes more difficult in such a context.

Marx considered three forms of surplus population—latent, stagnant and floating. The "latent" relative surplus population is typically associated with capitalist transformation of agriculture. A part of the traditional non-capitalist agricultural labor force is rapidly transformed into a redundant labor force in capitalist agriculture. This redundant labor force is always looking to migrate to non-agricultural, primarily urban, employment. The steady migration of laborers from rural to urban areas "pre-supposes, in the country itself, a constant latent surplus-population, the extent of which becomes evident only when its channels of outlet open to exceptional width" (Marx 1912: 705). The "floating" form of the relative surplus population is really the *industrial* reserve army of laborers—periodically repelled and attracted by capitalist factories. Both the latent and floating forms of surplus population exist as unemployed or under-employed labor force. As unemployed, they are dependent for subsistence on taxes on the wages of the proletariat as well as other class incomes of the capitalist class-structure. As under-employed, they may find occasional unproductive or productive employment in capitalist economy or they may temporarily sustain themselves as self-employed/petty producers.

The "stagnant" part of the relative surplus population forms a part of the *active* labor force. This labor force is typically active as home-based workers under subcontracting or putting-out relationship with capitalist manufacturers. Typically, a part of the labor process in which capitalist commodities are produced, is contracted out to laborers working outside the factory, within their household premises. Marx refers to "domestic industry"—characterized by extremely irregular employment and inhuman work-conditions—as the chief form of the stagnant part of the relative surplus population.[6] Marx talks about domestic industries as the "last resorts of the masses made "redundant" by Modern Industry and Agriculture" (Marx, 1912: 505).

> The third category of the relative surplus-population, the stagnant, forms a part of the active labour army, but with extremely irregular employment…….We have learnt to know its chief form under the rubric of "domestic industry". It recruits itself constantly from the supernumerary forces of modern industry and agriculture, and specially from those decaying branches of industry where handicraft is yielding to manufacture, manufacture to machinery. (Marx 1912: 705).

In today's language, "domestic industry" means informal economy. Other than these three categories of surplus population, Marx mentions paupers and the "dangerous classes" of the society. The paupers include able-bodied adults, adults whose labor

[6]See Kay (1989). "This modern so-called domestic industry has nothing, except the name, in common with the old-fashioned domestic industry, the existence of which pre-supposes independent urban handicrafts, independent peasant farming, and above all, a dwelling-house for the labourer and his family. That old-fashioned department has now been converted into an outside department of the factory, the manufactory, or the warehouse. Besides the factory operatives, the manufacturing workmen and the handicraftsmen, whom it concentrates in large masses at one spot, and directly commands, capital also sets in motion, by means, of invisible threads, another army; that of the workers in the domestic industries, who dwell in the large towns and are also scattered over the face of the country" (Marx 1912: 504).

power are no longer suitable for capitalist employment, "orphans and pauper children," widows, etc. The "dangerous classes" include vagabonds, criminals, etc.

In Marx's presentation of the subject, the surplus population as a whole and in all its heterogeneity is subsumed to capital. First, the relative surplus population is subsumed to capital in the sense that it provides a mass of laborers at disposal of the capitalists. The "floating" part of the relative surplus population is directly subjugated to the dynamics of capitalist accumulation—being recruited and retrenched periodically by the capitalist industries engaged in competition and accumulation. The "latent" part of the relative surplus population is a product of both capitalist accumulation and primitive accumulation in agriculture and is "therefore constantly on the point of passing over into an urban or manufacturing proletariat, and on the look-out for circumstances favorable to this transformation" (Marx 1912: 705). The stagnant part of the surplus population, mainly homeworkers in "domestic industries," is, in effect, a *dispersion* of capitalist production and has no autonomous conditions of existence other than that of the 'parent' capitalist industries. In this sense, the stagnant segment of the relative surplus population "furnishes to capital an inexhaustible reservoir of disposable labor-power" (Marx 1912: 705). Finally, even the paupers are exploited by capital at times of rapid accumulation.[7]

Both the latent and the segment of the relative surplus population have often been assumed to be transitional in nature.[8] Industrial capitalist accumulation absorbs the rural surplus labor power in the long run and the productivity of labor power under the factory regime finally makes sub-contracting to "domestic industries" an inefficient business model for capitalists. However, there is no necessity to assume that latent and stagnant segments of the relative surplus population are transitional forms. Later Marxian scholarship on the so-called informal or unorganized sector in both developed and developing countries has documented how domestic homeworkers and surplus rural labor power may coexist and even expand with capitalist accumulation in the long run.

The second sense in which the relative surplus population is subsumed to capital is that it is maintained directly or indirectly by class and non-class incomes generated in capitalist production.[9]

> If the latter [the surplus population] is supported, then this comes not out of the labour fund but out of the revenue of all classes. It takes place not through the labour of the labour capacity itself—no longer through its normal reproduction as worker, but rather the worker

[7] "One need only glance superficially at the statistics of English pauperism to find that the quantity of paupers increases with every crisis, and diminishes with every revival of trade. Second, orphans and pauper children. These are candidates for the industrial reserve army, and are, in times of great prosperity….speedily and in large numbers enrolled in the active army of labourers……pauperism forms a condition of capitalist production, and of the capitalist development of wealth." (Marx, 1912: 706–707).

[8] See Nun (2000), Kay (1989) etc.

[9] This is not true for all categories of surplus population. For example, the self-employed/petty producer sub-contractor may earn his subsistence through performance of labor. But in so far as her performance of labor is at the mercy of the (parent) capitalist enterprise, she is dependent on capital for the maintenance of her labor power.

> is maintained as a living being through the mercy of others; hence becomes a tramp and a pauper; ……..secondly: society in its fractional parts undertakes for Mr. Capitalist the business of keeping his virtual instrument of labour—its wear and tear—intact as reserve for later use. He shifts a part of the reproduction costs of the working class off his own shoulders and thus pauperizes a part of the remaining population for his own profit (Marx 1973: 609–10).

This aspect of subjugation of the surplus population to capital—i.e., its maintenance through charity—becomes most visible in latter-day welfare-states, in which all class and non-class incomes in the capitalist economy are taxed by the state to maintain and reproduce the labor power of the unemployed. The neoliberal era has seen the dismantling of the post-World War II welfare state along with the expansion of precarious employment. This has created an unprecedented crisis of reproduction of labor power throughout the world which in turn has precipitated radical discourses of "charity" in the form of national universal basic income policies, coupled with more stringent restrictions on labor mobility across nations. The subsumption of surplus population to capital *presupposes* either the ultimate dissolution of non-capitalist class processes in the process of capitalist accumulation or their subsumption to capitalist class processes. Once the surplus population is thus subsumed to capital, its movements are solely determined by the dynamics of capitalist accumulation.

> The law, finally, that always equilibrates the relative surplus population, or industrial reserve army, to the extent and energy of accumulation, this law rivets the labourer to capital more firmly than the wedges of Vulcan did Prometheus to the rock. (Marx 1912: 709)

In these conditions, the reserve army of laborers and the surplus population are synonymous—since the entire surplus population is maintained by capital as a reserve for use during rapid accumulation. The reserve army of labor is redundant at one point of time and necessary at another point of time, for reproduction of capitalist class processes. Strictly speaking, the reserve army of labor is not redundant/superfluous with respect to capital—its redundancy at one point of time being a condition of its necessity at another point of time. The reserve army of labor is thus *a condition of existence* of the capitalist class process.

The condition of redundancy of labor power with respect to capital implies that the redundant surplus labor power is a condition of existence of something other than capital, i.e., non-capital. In such a social context, the reserve army of labor has to be distinguished from surplus population and the latter has to be invested with a new meaning. I argue that surplus population becomes distinct from reserve army of labor in the presence of a theorized "outside" of capital. Such a theorization is to be found in Sanyal (2007).

While asserting that primitive accumulation is inescapable for expanded reproduction of capital, Sanyal argues that victims of primitive accumulation—the dispossessed producers—may not be absorbed in capitalist wage-labor relation. Sanyal contrasts the classical narrative of primitive accumulation ("enclosures" followed by "bloody legislations" forcing the dispossessed laborers into factory employment) with the postcolonial context where primitive accumulation leads to dispossession of direct producers, but the dispossessed people are turned away from the factory

gates, i.e., excluded. This excluded labor force emerges as a "surplus labor" that has to be dealt with via welfarist policies of the state. The excluded labor force is often reunited with means of production in a petty production economy (creating much of the vast informal economy in developing economies). Thus reproduction of postcolonial capitalism involves two simultaneous and contradictory processes—primitive accumulation, which enables a flow of means of production from the non-capitalist space to the capitalist space, and welfarist governance that necessitates a flow of surplus in the reverse direction reconstituting a non-capitalist space by reuniting excluded labor with means of production. The non-capitalist space, thus created, becomes the victim of fresh waves of primitive accumulation when capitalist accumulation requires access to natural resources and other means of production locked up in the non-capitalist space, thus leading to further dispossession of the non-capitalist producers. What we therefore see is an endless co-reproduction of capital and non-capital through the peculiar workings of primitive accumulation resulting in dispossession without absorption of dispossessed laborers. This is a scenario where dispossession does not lead to capitalist exploitation of the dispossessed laborers, but rather results in their exclusion. Sanyal (2007) theorizes this "outside" of capital as the "need-economy," which he contrasts to the "accumulation-economy"—the latter being the space structured by the imperative of accumulation of capital.

In Marx's conceptualization, the surplus population (identified as reserve army of labor) belongs to the problematic of capitalist accumulation, primitive accumulation having completed its historic role of dissolving non-capital. In our understanding, the surplus population, by inhabiting a non-capitalist "outside," inscribes primitive accumulation at the heart of the problematic of capitalist accumulation. This is the crucial theoretical payoff from distinguishing surplus population from reserve army of labor.

Capital and Its "Outside"

To inaugurate a new theoretical *problematic*—in the Althusserian sense—is to pose questions which cannot be articulated within the old *problematic*. The question that is invisible in the old Marxian problematic, and therefore the posing of which also signals the emergence of a new Marxian problematic, namely reproduction of capitalism, is itself called forth by the new understanding of primitive accumulation developed in the present essay. We can present the question in the following form—how does the capitalist class structure prevail in an economy with a resilient non-capitalist "outside" which is not subsumed to capital? In historical materialist interpretations, the prevalence or dominance of capital is ensured by the teleological dissolution of capital's "outside." In capitalocentric views, such dominance is a non-problem since the existence of the "outside" is an effect of capital's dominance itself—e.g., when capital creates or preserves the non-capitalist economic relations for securing its conditions cheap—lowering wages or costs of raw materials, etc. If, in contrast, we admit a radical "outside" of capital, which is a product of contradictory and uneven development of the capitalist social formation itself and which is not sub-

sumed to the reproduction of capital, we must, then, theorize capital's dominance over such a social formation where everything is possible, including the dissolution of capital's prevalence. The theoretical problem of dominance emerges as soon as we recognize the *uniquely* overdetermined nature of the non-capitalist "outside"—the overdetermination of capital being different from the overdetermination of its "outside"—which makes the latter relatively autonomous and independent of capital and hence potentially subversive of capital's dominance. If primitive accumulation belongs to the relation between capital and its "outside," that relation needs to be further specified in terms of dominance of capital over its "outside" in the context of a *capitalist* social formation, i.e., in a social formation where the capitalist class structure prevails.

Capital, and not *capitalism*, constitutes the traditional Marxian *theoretical* problematic. According to historical materialism, the rise, universalization and eventual demise of capitalism are fore-ordained by the auto-development of the forces of production. The latter is the essence of historical materialism and thus, like all essences, stands outside the theoretical problematic itself. The teleology of historical materialism forecloses the emergence of the problematic by positing pre-destined dissolution or subsumption of non-capital by capital. The moment we reject historical materialism, we must lay bare what we mean by a capitalist social formation.

In our understanding, a *capitalist* social formation is constituted by many different class structures—capitalist as well as non-capitalist, each with its associated conditions of existence, but one in which the capitalist class structure is dominant. The capitalist social formation is a contradictory totality with each class structure subjected to "pushes and pulls" in contradictory directions. Further, the development of any class structure has contradictory effects on other class structures—undermining and supporting them at the same time. One effect of the contradictory and overdetermined dynamics of a capitalist social formation is the "uneven development" of different class structures.[10] Such uneven development may take the classical form in which capitalist production expands by dissolving spaces of non-capitalist production. On the other hand, it is quite possible that non-capitalist class structures proliferate faster than capitalist class structures within a *capitalist* class formation. Moreover, such proliferation of non-capitalist production may occur together with low as well as high rates of capitalist expansion.

What do we mean by dominance or prevalence of a class structure in a social formation? According to one distinctive understanding, "it is possible for the majority of people in a social formation to be engaged, say, in a noncapitalist class process and yet for a capitalist class process to be prevalent by virtue of its effectivity upon the non-class processes of that formation" (Resnick and Wolff 1987: 310).

If we accept prevalence/dominance as "effectivity" of a class structure, we can attach a theoretical significance to primitive accumulation hither to unarticulated in Marxian theory and which at the same time provides a theoretical understanding of such "effectivity." The contradictory nature of the social formation is what we understand by the play of the "aleatory." Just as the "encounter" that produced capitalism was complexly overdetermined by the entire historical context of the encounter, so

[10] "Overdetermination implies uneven development" (Resnick and Wolff 1979: 10).

is "dominance" itself subject to the aleatory effects of its overdetermination. In other words, both the "encounter" and the "dominance" such an encounter apparently resolves into, are contradictory processes, always threatened by their own possible unraveling. Just as the encounter may not have happened and may not have lasted, so is dominance itself a provisional position forever open to subversion and reversal.

The *contradictory* development of a heterogeneous social formation may have the effect of creating conditions for dissolution of the dominance of one class structure and the possible ascendance of a different class structure. In our understanding, dominance itself is a complexly overdetermined "encounter" between the dominant and other class structures. In a capitalist social formation, primitive accumulation secures the "effectivity" for the capitalist class structure in the face of this radical contingency. In other words, primitive accumulation secures the conditions of the "dominance" of the capitalist class structure through a series of non-teleological "encounters." This, we emphasize, is a radically new understanding of primitive accumulation we present here. Contrary to the dominant reading, we do not understand primitive accumulation as the process that enables the rise to dominance of the capitalist class structure, while such dominance, once secured, is self-reproducing by virtue of the essence of capital. Primitive accumulation, in our understanding, is a continuous process that *reproduces*—and may simultaneously undermine—this dominance of productive capital in a heterogeneous social formation.

Consider a capitalist social formation where the majority of the labor force is engaged in non-capitalist class structures. The adequation of the conditions of reproduction of the capitalist class structure may be constrained by that of non-capitalist class structures, resulting in social tension that threatens to undermine the prevalence of the former. Since each class structure has its unique conditions of existence and since in any *given* context, the *social space* of reproduction of class structures is finite, there is always a conflict between class structures over means of production, labor power, markets, credit, etc.; over the political space for power over formation of state policies; and over the cultural space for construction of meanings and world-views.

> *Furthermore, the conditions of existence are arenas for, as well as targets of, class struggles.* This is part of what overdetermination means. Within and between all the fundamental and subsumed classes of any social formation, complex contradictions emerge and class struggles ensue over their respective economic, political and cultural conditions of existence. Class struggles swirl around each aspect of the social formation. Class struggles involve the taking and defending of economic and political positions as well as religious, artistic and scientific positions. (Resnick and Wolff 1979: 10–11, italics mine)

How can we understand effectivity of the capitalist class structure over other non-capitalist class structures in such a social formation? By "effectivity" of a class structure, we understand its ability to secure the conditions of its reproduction in a contested social space. At the political level, legislations are to be secured that favor the reproduction of the capitalist class structure at the cost of other class structures whenever such a conflictual situation arises—e.g., land acquisition acts, intellectual property rights, etc. At the economic level, fiscal (taxation, subsidies, etc.), monetary (interest rate, inflation-targeting, etc.), trade (exchange rate regulation, protectionist or laissez faire policies, etc.) and infrastructure policies (highways, dams, power

plants, railways, etc.) are manipulated to the advantage of the capitalist class processes and against rival non-capitalist class processes. At the cultural level, advertising, public as well as private education, research and development, media discourses, state welfare projects help create a representation of life that valorizes the capitalist class structure as the forces of "Progress." The securing of conditions of existence of a class structure depends on the surplus generated within its class processes.

Primitive accumulation leads to the separation of labor power from means of production in non-capitalist class processes. But such separation may not imply dissolution of the non-capitalist class structures. Such separation may primarily take the form of a flow of means of production from the non-capitalist to the capitalist class processes, whether or not capitalist accumulation absorbs the separated labor power. One effect of primitive accumulation is thus a more difficult and precarious access of non-capitalist producers to means of production. Hence, in so far as access to means of production is one condition of production/expansion of surplus, primitive accumulation depresses non-capitalist surplus. At the same time, by enabling capitalists to gain access to means of production, primitive accumulation enables a higher production of capitalist surplus. Thus, primitive accumulation secures an unequal distribution of surplus across class-structures.

It is this significance of primitive accumulation that places it right at the heart of reproduction of capitalism. Reproduction of capital requires an "encounter" of elements in their constitutive capacities that provides the conditions of existence of capital. Such "encounter" is contingent and open to subversion by other "encounters" constitutive of something other than capital, i.e., non-capital. Primitive accumulation is the process that contributes to the "encounter" constitutive of capital by subverting "encounters" constitutive of non-capital—in other words, primitive accumulation contributes to the "encounter" constitutive of the *dominance of capital*.

Conclusion

The telos of historical materialism posits to an inevitable—even if delayed—destruction of non-capitalist class structures. This telos underlies the two-class image of capitalism—the bourgeoisie and the proletariat being the two great antagonistic classes in "mature" capitalism—that informs much of Marxian politics. This enduring image of capitalism makes Marxian thinkers ambivalent about other class structures—for example, petty producers or the self-employed—which form the dominant part of the laboring population in developing economies and constitute the vast and expanding space of, what is referred to commonly, as the "informal sector." I have argued that it is important to understand that petty producers or independent producers are not pre-capitalist residues, but contemporary non-capitalist locations of the majority of the labor force.

In this essay, I have interrogated the notion of surplus population to foreground a non-capitalocentric notion of labor, which allows us to conceive the limits of capital—i.e., capital's inability to internalize its "outside" and become a closed

self-reproducing totality. Capital is neither self-reproducing (it must have access to resources used by direct producers in the non-capitalist "outside") nor universal (it cannot absorb the non-capitalist laboring population dispossessed of resources). The fragility of the capitalism is due to the fact that the dominance of the capitalist class structure is provisional in the presence of an enduring "outside."

The "fragility of capitalism," the "limits of capital," the "provisionality of capital's dominance," etc. all point to the political gains from an aleatory reading of capital—which inscribes contingency at the heart of the ontology of capitalism. In this reading, in so far as capital faces an inescapable "outside"—an "outside" capital is incapable of erasing or subsuming—an anti-capitalist logic is always already present as a potential alternative. The dominance of capital over its outside is not therefore predicated on the march of Reason in the Hegelian sense. Capital's fragility stems from the fact that it must rely on the violence of primitive accumulation—i.e., on Un-Reason—for its dominance over the dominated. It is unfortunate if this fragility is lost to the Marxists. At the same time, the concept of primitive accumulation, as developed here, brings into the domain of Marxian political economy an understanding of how capital's "others" are subjected to violence and devalorization at the level of the economic and how that economic process sustains the expropriation of the alternative at the ideological-cultural level. There is discursive *violence* to capital's "others" (those who form the "outside" of capital), when one form in which capital interacts with its "outside"—i.e., primitive accumulation—remains un-theorized. Marxian theory has to learn to negotiate "violence" associated with primitive accumulation on the calm surface of the Marxian theory and not banish it outside its theoretical field.

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Marx's Theory of Rent: A 'Speculative' Reading

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Abstract Marx's theory of rent as presented in the Third Volume of *Capital* has been a well-researched area in the history of political economy but not many of these studies discuss the theory with respect to the exposition of the labour theory of value and primitive accumulation in the First Volume. In this backdrop, the chapter attempts to retrace the trajectory of the theory of rent in Marx's exposition of capitalism by focusing on the status of land as a 'commodity without value' (not produced by labour) within this framework. By critically engaging with the writings of David Harvey and Enrique Dussel, the chapter also explores the methodological innovation in the deployment of 'rent' within a value-based interpretation of the capitalist mode of production and the productive ambiguity in positing the distinction between rent and interest in a capitalist society, especially in terms of competition and return on 'fictitious capital'.

Keywords Rent · Land · Labour theory of value · Competition · Fictitious capital

I

In the first passage of the first chapter on rent (Chapter XXXVII, Part VI, Vol. III), Marx forewarns his readers not to judge his writing simply empirically.[1] He first makes an assumption in his usual emphatic tone that 'agriculture is dominated by the capitalist mode of production' and clarifies its real implication: '[the capitalist mode of production] rules all spheres of production and bourgeois society, so that its prerequisites, such as free competition among capitals, the possibility of transferring them from one sphere of production to another, a uniform level of the average rate of profit, etc., are fully matured.'[2] He adds immediately, 'The form of landed

[1] Karl (1909, 720–21).
[2] Ibid, 720.
[3] Ibid, 720–21.

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property which we consider here is a specifically historical one.' Also, he alerts us, this 'form' was '*altered*' (Marx's emphasis) through capital and the capitalist mode of production itself and evolved out of the 'feudal land ownership' or 'small peasants' agriculture.'[3] 'For the results of our analysis,' he asserts, 'the objection, that other forms of landed property and of agriculture have existed or still exist, is quite irrelevant.'[4] The object of his ire is, once again, those political economists whose empiricism blinds them to the 'historical' nature of the form of landed property and makes them treat it as 'an eternal category.'[5] This historical form is not accidental: it 'demands the expropriation of the rural labourers from the land and their subordination' to a capitalist farmer.[6] In this way, he goes back to the Volume One of *Capital* and its celebrated chapter on primitive accumulation.

But, unlike that chapter, Marx here is not trying to map the historical processes through which this transition happened. 'The analysis of landed property in its various historical forms belongs outside of the limits of this work'—the chapter begins with this disclaimer.[7] Marx wants to talk about this history only if it helps him understand how 'a portion of the surplus value produced by the industrial capital falls into the hands of the landowner.'[8] This is also the reason why he makes the assumption about the dominance of the capitalist mode in agriculture. In a way, it sounds like a tautology: the problematic and the assumption are feeding into each other. But then, as David Harvey has observed, 'Rent…troubled Marx deeply.'[9] The chapters on rent, Harvey comments,' lack 'the usual magic of [Marx's] touch' and seem like a 'minefield.'[10] Coming from a loyalist like Harvey, it says a lot. And then, we have another loyalist as witness—Frederick Engels. From his account, we come to know why the 'usual magic' seems missing at places. The manuscript of Volume 3, Engels wrote in his editor's preface, was more a draft than a final product and was highly uneven in its writing style, argumentation, and structure because of Marx's failing health and increasing workload as a political organiser:

> The beginnings of the various sections were, as a rule, pretty carefully elaborated, or even polished as to style. But the farther one proceeded, the more sketchy and incomplete was the analysis, the more excursions it contained into side issues whose proper place in the argument was left for later decision, the longer and more complex became the sentences, in which the rising thoughts were deposited as they came.[11]

Engels also informed that Marx could not finish his actual plan for the part on rent, for which he studied and took long notes of the changes in the real estate in Russia after the Emancipation Reform in 1861: 'this country was to play the same role in the

[4] Ibid, 721.

[5] Ibid.

[6] Ibid.

[7] Ibid, 120.

[8] Ibid.

[9] Harvey (1982, 330).

[10] Ibid.

[11] Frederick Engels (1909), 'Preface' in Karl Marx, Capital, 11.

part on ground rent that England did in volume I in the case of industrial wagelabor [*sic*].'[12]

Though deemed incomplete and sometimes self-contradictory, Marx's theory of rent has attracted a lot of attention over the years. Two of these interpretations deserve special mention—David Harvey's and Enrique Dussel's—for their emphases on two relatively less discussed aspects of the theory. Harvey's *Limits to Capital* (1982) is pioneering in its deployment of the concept of space in Marxian thought as well as for initiating a conversation between critical geography and political economy. But his chapter on rent is more remarkable for bringing forth an implication of Marx's theory which got little or no attention in the earlier Marxian literature—the 'commodity' status of land and the connection between rent and 'fictitious capital.' Dussel's *Towards an Unknown Marx* (originally written and published in Spanish in 1988) reads through the *Manuscripts of 1861–63*—which contained an early draft of Volume 3 and a second draft of Volume 1—in order to show how Marx was trying to bring together different concepts and theories within a comprehensive system—'the process of capitalist production as a whole.'[13] Rent, in Dussel's reading, appears as a major break-through in terms of delineating certain concepts such as the price of production, market value, cost price, market price, and cost of production which work as the bridge between the theories of production and distribution. Much of these delineations will later be included in different chapters in the published version of Volume 3, including the ones on rent. But since 'rent' is the second last topic that Marx discusses in this version, the concepts start appearing much earlier in the text, giving the impression that the theory of rent is riding on an already defined framework. Dussel's intervention, thus, has a historical value in showing Marx's intellectual trajectory, in which the Third Volume in the *Manuscript of 1861–63* precedes the final version of the First Volume (1867)—the only volume which came out under Marx's supervision. The concepts discussed in the Manuscript of Volume 3, therefore, leave their impression quite firmly in the published First Volume—an important point to remember while talking about the relationship between production and distribution.

These two interpretations of rent by Harvey and Dussel have a point in common. They both insist that rent is the most complex category that Marx had to deal with while thinking of the capitalist system as a whole. The challenge was, of course, to accommodate rent in the labour theory of value. Dussel is more upfront and elucidatory about this problematic. He refers to a letter written by Marx to Engels (August 1909) which shows how much stake was involved. It was the last hurdle in gifting the world with a masterpiece: 'All I have to prove theoretically is the possibility of absolute rent, without infringing the law of value.'[14] In the letter, he was convinced that Ricardo and Smith could not get this far because of their mistake of supposing an identity between cost prices and values of commodity. Dussel shows how Marx, taking clues from Johann Rodbertus, the German Ricardian socialist,

[12] Ibid, 16.

[13] Dussel (2001).

[14] Marx cited in Dussel, Op. Cit., 82.

approached this task by taking up the question of competition for the first time in treating capital in general. 'Competition' is the movement of the totality of capital,' Dussel explains, 'within which prices are *levelled*, *equalized* (*ausgleichen* means to level, make equal), and so, an 'average level' (*Durchschnittsniveau*) is produced in all branches of production.'[15] Undoubtedly, the assumption made in the beginning of the first chapter on rent in Volume 3—the one on the prevalence of the capitalist mode of production in agriculture where competition facilitates free movement of capital across different sectors and ensures a 'uniform level of the average rate of profit'—follows from this decision to incorporate 'competition' as a conceptual category.

If Dussel locates 'competition' as a central moment in Marx's theory of rent, for Harvey, it is the ambiguous status of land as a commodity which augmented Marx's 'trouble' with the concept. A commodity is supposed to have value, i.e., crystallised socially necessary labour time. If land—or, for that matter, any natural phenomenon like a waterfall—is not produced by labour, it cannot have value. Rent as a return on land thus becomes baseless. Marx does mention that the rent is paid to the landlord in a fully monetised economy with a legally bound structure of exchange relations, viz. the contract. 'But,' writes Harvey, 'he is equally aware that this legal basis decides nothing and that the full explanation of rent has to render compatible a payment made ostensibly to land with a theory of value that focuses on labour.'[16] Harvey reads Marx's struggle with this predicament through the other component in the initial disclaimer by Marx—the historical specificity of rent in its current form. In Harvey's reading—and quite accurately so—this specificity resides in the history of landed property and it can only be excavated by identifying the 'truly capitalist form of land ownership.'[17] In so doing, Harvey recognises the 'difficulty' of spotting 'the [historical] logic of a necessary transformation of landed property into its capitalistic form.'[18] Finally, he argues that a solution to the problem can be achieved by focusing on the fictitiousness of land as a commodity without value under exchange relations. In a section on land market and fictitious capital, he explains:

> The theory of ground-rent resolves the problem of how land, which is not a product of human labour, can have a price and exchange as a commodity. Ground-rent, capitalized as the interest on some imaginary capital, constitutes the 'value' of the land. What is bought and sold is not the land, but title to the ground-rent yielded by it. The money laid out is equivalent to an interest-bearing investment. The buyer acquires a claim upon anticipated future revenues, a claim upon the future fruits of capital. Title to the land becomes, in short, a form of fictitious capital….[19]

This argument, quite enticing and remarkably adventurous, has attained a definitive status over the last few decades. In many ways, it can be seen as a pioneering attempt to bring the questions of the concrete virtuality of the production of space, and the dominantly speculative nature of contemporary capitalism. The popularity of this

[15] Dussel, Op. Cit., 84. The German words in the brackets are Marx's.

[16] Harvey, Op. Cit., 331.

[17] Ibid, 333.

[18] Ibid, 346.

[19] Ibid, 367. My emphasis.

argument also comes from its capacity to be used as a metaphorical framework for any kind of 'value-less' transaction bypassing the immediate dialectic between labour and capital. A recent publication on re-conceptualisation of value and labour in the 'digital age,' for example, has a section titled 'Rent and the Commons' with articles on extraction of surplus value over profit, enclosure of the intellectual commons by the popular search engines, ground rent of advertising space on the internet, etc.[20] There is almost a consensus now that the advent of neoliberal capitalism has blurred the distinction between profit and rent (and interest and rent) with its virulently monopolistic form.

However, there are voices of disagreement. Brett Christophers has argued against this over-metaphorisation of rent and land by pointing out the limitations of Marx's (and Harvey's) notion of fictitious capital itself.[21] According to him, the binary between real (produced by labour) and fictitious capital does not hold in today's time and land should be treated as any other commodity which is bought and sold in the market. Apart from the neoclassical simplicity of the argument, it provides a hurried reading of Marx and, ironically, gets itself implicated in the same binary that it wants to challenge. But Christophers is not alone in his disagreement. The other person who would be unhappy with Harvey's conceptualisation of rent as 'interest in imaginary capital' is Marx himself. 'The mistaking ground rent for the interest form,' he writes in the same introductory chapter on rent in Volume 3, 'which it assumes for the buyer of the land—a mistake due to a complete unfamiliarity with the nature of ground rent—must lead to the most absurd conclusions.'[22] Marx's reservation against this identity between rent and interest has an ethical aspect as well since it can be used to trivialise primitive accumulation and justify enclosure and private property. Not only that: the 'same reason would, in that case, serve also to justify slavery, since the returns from the labour of the slave, whom the slaveholder has bought, represent merely the interest on the capital invested in this purchase.'[23] This is the same ethical consideration which propels him to defend the law of value despite the existence of ground rent: 'because what matters is the labour objectified in value, living labour: the *human being* itself.'[24]

But apart from that, Harvey's theory of rent as capitalised interest does not answer the real question: Why does rent exist at all? 'To derive from the sale and purchase of ground rent a justification for its existence signifies to justify its existence by its existence,' Marx remarks.[25] Evidently, Harvey, though earnest in his attempt, comes up with a tautological response to Marx's original problematic because he confuses between price and value. If we reread the first and the second lines of the passage cited above, we shall see that he is using 'price' and 'value' interchangeably. The implication of this confusion is far-reaching. Dussel points out that the first step that

[20] Fisher and Fuchs (2015).

[21] Christophers (2016).

[22] Marx, Op. Cit., 731.

[23] Ibid, 732.

[24] Dussel, Op. Cit., 82.

[25] Marx, Op. Cit., 732.

Marx takes in the *Manuscripts* to situate the 'problem' of rent is to reject the idea that average price is equal to the value.[26] Though Harvey's book predates Dussel's original work in Spanish by at least six years, there are many passages in the chapters on rent in Volume 3 itself where these points are discussed in great detail. One such chapter is the Chapter XXXVIII—the second chapter in the part on rent—titled, quite sparsely, 'Differential Rent. General Remarks.'[27] If we take Engels' observation seriously, it is one of those chapters at the beginning where Marx shows more clarity of thought and neatness of organisation. Even if that is not the case, this chapter along with the first one titled 'Preliminaries' is remarkable in its analytical rigour, though many of Marx's interlocutors (including Harvey) have paid negligible attention to these two chapters and have started directly with the classification of differential and absolute rents from the subsequent chapters. In the rest of this paper, I shall engage in a close reading of the Chapter XXXVIII in order to facilitate a conversation between Harvey and Dussel. In spite of the apparent confusion between value and price, Harvey is an important figure within the Marxian scholarship, not only because he re-introduced the concept of space in *Capital* and, thus, re-imagined the theory of accumulation, but also because he is a relentless commentator of contemporary capitalism and we can derive some great pointers about it from his discussion of the land market as a site of speculation. Having him speak to Dussel who is unique in his take on the categorial innovations engendered by the different versions of *Capital* will allow us to think in a new direction about some of the most controversial chapters in *Capital*. In this exercise, I shall try to avoid a shortcut: the almost commonsensical association between rent and monopoly capital (as if rent is a symptom of a special case of capitalism). Hopefully, the following pages will be of some help to dispel the myth of common sense and steer the discussion on rent towards a more creative direction.

II

Like the previous chapter called 'Preliminaries,' the Chapter XXXVIII starts with an assumption about ground rent: 'products paying such a rent, that is, products a portion of whose surplus value and general price resolves itself into ground rent, are sold at their prices of production, like all other commodities.'[28] The concept of 'prices of production' appears for the first time in Volume 3 in the heftily titled Chapter IX, 'Formation of a General Rate of Profit (Average Rate of Profit) and Transformation of the Values of Commodities into Prices of Production,'[29] where it is defined as the sum of the cost price and average profit. Cost price is seemingly the value of a commodity minus surplus value—or the sum of the costs of constant and variable capital—which 'necessarily appears' to the capitalist as 'the actual cost of

[26] Dussel, Op. Cit., 82.
[27] Marx, Op. Cit., 749–60.
[28] Ibid, 749–50.
[29] Ibid, 182–203.

the commodity' because of his illusion of thinking himself as the 'actual producer.'[30] Marx explains once again in Chapter XXXVIII what prices of production (selling prices of commodities) entail: 'the elements of [the commodities'] cost (the value of the consumed constant and variable capital) plus a profit, which is determined by the average rate of profit and calculated on the total capital advanced, whether consumed or not consumed.'[31] Again, in the next line, he insists on the identity between the production prices and 'the average selling prices' of the products which pay ground rent.[32] Thereafter, he formulates the problematic in clear terms: 'how can a ground rent develop under these conditions, how can a portion of the profit become converted into ground rent so that a portion of the prices of the commodities falls into the hands of the landlord.'[33]

We encounter two types of 'average' in this framing of the problematic: average profit and average selling price or the price of production. In order to appreciate the methodological ingenuity of the chapter, we need to find out how Marx comes up with these concepts. For that, we shall go back to Chapter IX where he discusses the prices of production exactly in this context—how average profit is determined. We may consider that, according to Dussel's reading of the *Manuscripts of 1861–63*, these concepts have actually been developed during Marx's deliberations on rent in the first draft of Volume 3.

In Chapter IX, Marx initiates his probe with the statement that the organic composition of capital is determined by first, 'the technical relation of the employed labour power [variable capital] to the mass of the employed means of production [constant capital]; secondly, on the price of these means of production [cost price].'[34] As we progress in the chapter, it becomes apparent that Marx is now more interested in delineating the distinction between individual capital and the total capital advanced. Individual capitals are mutually distinguishable by their different organic compositions. Let us have a look at the table Marx draws to explain this:

Capitals	Rate of surplus value (%)	Surplus value	Value of product	Rate of profit (%)
I. 80c + 20v	100	20	120	20
II. 70c + 30v	100	30	130	30
III. 60c + 40v	100	40	140	40

(continued)

[30]Ibid, 39. In order to avoid the confusion between cost price and value (the actual cost of a commodity), Marx writes, 'However, the cost of this commodity to the capitalist, and the actual cost of this commodity, are two vastly different amounts. That portion of the value of the commodity which consists of surplus-value does not cost the capitalist anything for the reason that it costs the laborer unpaid labor' (Ibid, 38).

[31]Ibid, 750.

[32]Ibid.

[33]Ibid.

[34]Ibid, 182.

(continued)

Capitals	Rate of surplus value (%)	Surplus value	Value of product	Rate of profit (%)
IV. 85c + 15v	100	15	115	15
V. 95c + 5v	100	5	105	5

Marx imagines five spheres of production with equal amounts of capital advanced—100 for each. Every sphere is distinguishable from each other by their different organic compositions. However, the rate of surplus value is the same for every sphere. The calculation of the surplus value is done on the basis of variable capital—the labour power involved in production in each sphere. The value of product of each sphere is the sum of the cost price and surplus value. The rate of profit (the ratio of surplus value and total capital), subsequently, corresponds to the rate of extraction of surplus value (the ratio of surplus value and variable capital) and is different for each sphere according to their organic compositions. Marx then adds up the individual capitals to the total of 500 and calculates the average rate of profit as 22%. The average price is, therefore, the sum of individual cost price and the rate of profit, calculated to be 122 (100 + 22). If we compare values of individual products and the average price, we shall find that some are well above the price level and some are below, but, ultimately, total value is equal to five times the average price.

So far so good. The calculations seem extremely simple and intuitive. Everything has neatly fallen into places, mostly because of the round figure of hundred being the total cost price. But Marx does not want us to get a wrong impression: 'In order not to arrive at entirely wrong conclusions, it is necessary to assume that not all cost prices are equal to 100.'[35] It is hardly the case, he explains, that the entire constant capital (c) is transferred to the product of one particular year. Constant capital, or the produced means of production, has two components—fixed and circulating capital. Marx asserts that the fixed part of the constant capital wears more rapidly than the circulating part, resulting the transfer of unequal quantities of value to the product in each period. The rate of profit, however, remains unchanged: 'Whether the 80c transfer the value of 80, or 50, or 5, to the annual product, whether the annual product is consequently 80c + 20v + 20 s = 120, or 50c + 20v+20 s = 90, or 5c + 20v + 20 s = 45, in all of these cases, the excess of the value of the product over its cost price is 20, and in every case, these 20 are calculated on a capital of 100 in ascertaining the rate of profit.'[36] Again Marx draws a table, this time with nonuniform amounts of 'used up capital', i.e., the portions of constant capital transferred to the value of each product.

[35] Ibid, 184.

[36] Ibid.

Capitals	Rate of surplus value (%)	Surplus value	Rate of profit	Used up C	Value of commodities (cost price + surplus value)	Cost price (used up C + variable capital	
I. 80c + 20v	100	20	20	50	90 (70+20 s)	70 (50c+20v)	
II. 70c + 30v	100	30	30	51	111 (81+30 s)	81 (51c+30v)	
III. 60c + 40v	100	40	40	51	131 (91+40 s)	91 (51c+40v)	
IV. 85c + 15v	100	15	15	40	70 (55+15 s)	55 (40c+15v)	
V. 95c +5v	100	5	5	10	20 (15+5 s)	15 (10c+5v)	
390c + 110v		110	110%				Total
78c + 22v		22	22%				Average

In this new, modified table, Marx shows that whatever be the portion of constant capital transferred to the value of product, both the average surplus value and average profit remain the same as before, 22 and 22%, respectively. Marx now draws the third table in the chapter which explains how one arrives at the notion of the price of production from the analysis laid down so far.

Capitals	Surplus value	Value	Cost price of commodities	Price of commodities (cost price + rate of profit)	Rate of profit (%)	Deviation of price from value
I. 80c + 20v	20	90	70	92	22	+2
II. 70c + 30v	30	111	81	103	22	−8
III. 60c + 40v	40	131	91	113	22	−18
IV. 85c + 15v	15	70	55	77	22	+7
V. 95c + 5v	5	20	15	37	22	+17

With the help of this table, Marx defines prices of production: 'The prices which arise by drawing the average of the various rates of profit in the different spheres of production and adding this average to the cost prices of the different spheres of

production, are the *prices of production*.'[37] This table is quite different from the first table he drew where he was yet to define the prices of production—the price at which a commodity is sold at the market. The development of the concept required him to argue that portions of the constant capital remain unused in a particular year of production because of its fixed part wearing more rapidly than the circulating part. But more importantly, as he observes himself, the prices of production are conditioned on the existence of an average rate of profit attained by the 'means of competition.'[38] Since the different spheres of production are part of the same industry, there has to be an average price of production (total price of production divided by the number of separate spheres) which will offset the deviations between the value and price ($+2 - 8 - 18 + 7 + 17 = 0$). If we recall Dussel, discovery of this equalising power of competition was the turning point for Marx while he was writing on rent in the first draft of Volume 3 in 1862. This discovery also led him to the concept of average profit and, consequently, that of the prices of production.

Having set the premise, we can now return to Chapter XXXVIII.

As I have mentioned earlier, Marx assumes that the agricultural products are also sold in the market at their prices of production and articulates the problematic of rent on the basis of that assumption. Interestingly, to solve this problem, he does not take recourse to any example from agriculture but asks his readers to imagine that 'most of the factories of a certain country are driven by steam engines, while a certain smaller number of them are driven by natural waterfalls.'[39] Two points are to be noted here: (1) the comparison is between the steam engine—constant capital/produced means of production—and the *natural* waterfall; and (2) both the factories are producing the same product. The implications of the second point are such: both have the same average price of production and the same average profit. 'We have previously shown,' writes Marx, 'that this price of production is not determined by the individual cost price of every single producing industrial, but by the cost price required on an average for the commodity under the average conditions of capital in the entire sphere of production'[40]—the average cost price determined by the use of steam engine in this example. By invoking the notion of 'average conditions of capital,' Marx goes back to the concept of the 'socially necessary labour time' and connects it to the notion of 'market price'—a substitute term for price of production but essentially meaning the same thing, the supply price of the commodity—where 'the nature of value asserts itself in commodities,' not determined by the labour time necessary for an individual producer, but by the socially necessary labour time. The average, therefore, is social—so much so that, at one point in this chapter, Marx uses the expression 'the general social price of production.'[41]

With this set of observations, Marx proceeds to argue that 'the cost price in the factories driven by water power' is less than that in the factories employing steam

[37] Ibid. Marx's emphasis.

[38] Ibid, 186.

[39] See footnote 31

[40] Ibid.

[41] Ibid, 751.

engine. Why? Because 'a smaller quantity of labour is required for their production, namely less labour materialised in the constant capital [since no steam engine].'[42] Also: 'It requires less living labour, because the water wheel need not be heated.'[43] The individual industrialist who can avail the use of the natural waterfall has to pay less for both constant and variable capital, thus bringing down both his cost price and the price of production below the social average which is unaffected by this use. This gap is defined as 'surplus profit' which is conditioned upon the difference between individual and general cost prices and prices of production respectively. But this gap, as Marx points out himself, is usual in case of any comparison between individual spheres and the totality of production, as we have seen in the tables above. 'To what circumstances does the industrial capitalist in the present case owe his surplus profit, the surplus resulting for him personally from the piece of production regulated by the average rate of profit?' asks Marx.[44] The answer is remarkably simple: 'He owes it in the last resort to a natural power, the motive power of water, which is found ready at hand in nature and which is not itself a product of labour like coal, which transforms water into steam [in case of the steam engine].'[45] Since the water has no value, it does not add up to the cost price or price of production and creates the gap between the individual and the average elements to be extracted by the capitalist producer as surplus profit.

Marx has not used the term 'rent' yet, but soon he will show how this surplus profit has a specific character with relation to the other forms of surplus profit. He knows very well that there is a scope to misunderstand him regarding the supra-economic power of nature in churning out surplus over socially determined average profit. To dispel the almost metaphysical tone of the last passage, he asserts immediately that the producers with the steam engine also use unpaid natural powers which are 'quite as much monopolised by capital as the natural powers of social labour arising from co-operation, division, etc.': 'The manufacturer pays for the coal, but not for the faculty of the water to alter its aggregate state, of passing over into steam, not for the elasticity of the steam, etc. The monopolisation of natural powers, that is, of the increased productivity of labour due to them, common to all capital working with steam engines.'[46] Once again, Marx insists on a more nuanced analysis than those using monopoly as a blanket explanation of the existence of ground rent: 'There must be still other modifying circumstances.'[47] He argues that the surplus profit in a particular sphere of production may arise from reduction in cost price due to technological innovation or greater productivity of labour, and subsequently, it will alter the general rate of profit by means of competition. 'But it is different with the surplus profit of industrial capitalist who uses water power,' he adds.[48] The

[42] Ibid.
[43] Ibid, 752.
[44] Ibid, 753.
[45] Ibid.
[46] Ibid, 753–54.
[47] Ibid, 754.
[48] Ibid, 755.

explanation that offers at this stage takes us to back to the specifically historical nature of rent implicated in private property:

> [This surplus profit] arises from the greater natural power of production of labour in conjunction with some other natural power, which natural power is not at the command of all capitals in this sphere, whereas such a thing as the elasticity of steam is. The application of this other natural power does not follow as a selfunderstood [*sic*] matter, whenever capital is invested in this sphere. It is a monopolised natural power, which like a waterfall, is only at the command of those who can avail themselves of particular pieces of the globe and its opportunities.[49]

This is a particularly important argument. Three conditions need to be fulfilled in order to secure surplus profit of this kind: (1) the local existence of a natural resource: 'Water power is found only locally in nature;' (2) the impossibility of its production by labour and capital; and (3) somebody's monopoly control over its localised existence.[50] 'Now let us assume,' Marx writes, 'that the waterfalls with the land on which they are found are held in the hands of persons, who are considered the owners of these portions of the globe, who are landowners.'[51] These landowners may permit the capitalist the use of the waterfall in his production in exchange for a payment. Surely that payment will come from the surplus profit generated from the use of the waterfall: 'Under these circumstances, the surplus profit is transformed into ground rent that it falls into the hands of the owner of the waterfall.'[52] The entirety of the surplus profit does not go to the landlord, only a portion; the rest is enjoyed by the industrial capitalist. In that case, the capitalist who works with the waterfall 'is just as well off, or probably better, as all other capitalists of his sphere of production, who work with steam.'[53] At this point, it may seem that there is no ostensible difference between Marx's and Ricardo's respective theories of rent, but we shall see very shortly how Marx gets out of Ricardo's shadow.

This is the first time when Marx uses the term 'ground rent' in this chapter—which shows clearly that the existence of ground rent is conditioned on the existence of a group of people who have a monopoly control over a piece of the globe which has some 'natural power' attached to it. The existence of rent, therefore, has both a historical and a geographical context, intertwined in the laws of private property and social average. But, the existence of private property, Marx cautions us, is not the source of the surplus profit: 'it merely enables the landowner, who has the possession of the waterfall, to coax this surplus profit out of the pocket of the industrial capitalist into his own.'[54] Like in all the other spheres of production, it is the labour power materialised in the constant capital and employed as the variable capital which remains the source of the extra profit: 'The natural power is not the source of the sur-

[49] See footnote 48.

[50] Ibid, 756.

[51] Ibid.

[52] Ibid, 757.

[53] Ibid.

[54] Ibid, 758.

plus profit, but only its natural basis….'[55] An analogy is drawn here with a familiar conceptual relation from the chapter on commodity in Volume I: 'In the same way, the use value is the general bearer of the exchange value, but not its cause.'[56] The translation of the use value into exchange value is happening under the condition of private property, but merely as a context, as a mediating factor. In the same way, the existence of the landowner is also incidental to the analysis: they do not form a class which participates in the production of value. The rent may go to anybody, any individual or institution, with the control over a particular piece of land at a particular time.

The difference in Ricardo's theory of differential rent is clear now. Ricardo identifies the 'natural prowess of land' as the source of rent. He wants to distinguish between this natural prowess and all the capital invested in the land because, in his opinion, the revenue arising from the capital should be classified as interest, and not as rent. His theory also has the capitalist and the rentier as two classes with oppositional interests who have to confront each other to secure their respective revenues. In fact, as Ricardo would want us to believe, the landlord presents a threat not only to the livelihood of the capitalist but also to the survival of the capitalist system as well, since, with increasing rent, the share of the profit in total revenue will fall and initiate a collapse of the system.

Marx counters Ricardo on all of these points. Even though Marx uses the term 'natural powers,' in his version, it is not the source of rent, but its material basis, in the same manner as use value is the material basis of exchange value. Marx also does not offer a pure distinction between natural powers and capital; rather, in his theory, the existence of natural powers brings down the cost price by employing less constant capital. The interests of the industrial capitalist and the landlord are not necessarily oppositional in Marx's case, as he shows that the capitalist is still better off by paying only a portion of his surplus profit to the rentier. The point about the falling rate of profit does not arise in this case. Although Marx discusses the law of the falling tendency of the rate of profit, it has nothing to do with rent, as the latter does not affect the average profit. In the case of the falling tendency, technological innovation and/or other factors bring a change in the average conditions of production, which, in turn, alters the rate of the profit. In case of the waterfall, Marx asserts again and again that its use is not going to affect the average conditions but only the individual cost price of the capitalist who can avail such use.

However, the most interesting aspect of this general framework of rent is that it does not confine itself to agriculture alone. In fact, in this chapter, Marx does not talk about a comparison between the industrial and the agricultural spheres of production. Instead, he compares two types of factories within the same sphere of production, one of which employs 'natural powers' and the other, machinery. This illustration, therefore, gives us a broader framework of rent where a monopoly control over a piece of globe which is favourable to production but does not have any value can create surplus profit. The question with which Marx begins—how can nature generate rent

[55] See footnote 52.

[56] See footnote 54.

when it does not have any value—is now turned on its head. Nature can generate rent precisely because it does not have any value. In this schema, nature is marked by its capacity to produce an 'excess' over the average—the excess in the form of a surplus profit—but this 'excess' is not autonomous to the working of the capitalist system, or the social conditions of capitalist production. The natural excess is 'natural' only if there is a concept of the social average: 'Were it not for the fact that the different values are neutralised into prices of production, and the different individual prices of production into one average price of production regulating the market, the mere increase in the productivity of labour by the use of a waterfall would merely lower the price of the commodities produced with the waterfall, without adding anything to the share of profit contained in those commodities.'[57] This passage summarises Marx's method succinctly: first, values of different magnitude are 'neutralised' into prices of production by adding the average profit with cost prices; secondly, the different prices of production are again 'neutralised' into an average price of production which 'regulates' the market. Both acts of neutralisation presume 'competition' as the equalising factor—the motive force of the market. Evidently, in this framework, rent is not necessarily a special case of monopoly capital; it exists comfortably and essentially within competitive capitalism whenever there is monopoly control over natural powers. The nuanced difference between monopoly capital and monopoly control within competitive capitalism is a fundamental contribution of the Chapter XXXVIII.

With this reading of Marx's theory of rent, which is inspired by Dussel's thesis about the discovery of competition, cost price and prices of production in the *Manuscript of 1861–63*, we may return to Harvey's argument about the land market.

III

As we have noted before, Harvey uses the terms 'value' and 'price' interchangeably: 'Ground rent, capitalised as the interest on some imaginary capital, constitutes the "value" of the land.' Though within quotes, Harvey does not clarify the meaning of the term 'value' in the rest of the section titled 'The Land Market and Fictitious Capital.' In all probability, he is drawing attention to the fictitious appearance of 'value' in the form of capitalised rent. We have already seen how, for Marx, it creates an ethical problem, as the whole process bypasses the labour theory of value. Marx, however, does speak about the price of natural power (where land is a specific case; so is the waterfall) in the way Harvey describes it, and it emanates from the landowner's monopoly control over it: 'The ownership of land enables the landowner to catch the difference between individual profit and the average profit. The profit thus acquired, which is renewed every year, may be capitalised, and then it *appears* as the price of a natural power itself.'[58] The apparent price is calculated on the basis of an average

[57] See footnote 54.

[58] Ibid, 759. My emphasis.

rate of interest capitalised on the acquired annual surplus profit over a specific period in the future. However, Marx also adds, when the land changes hand, i.e., when the landowner transfers the monopoly control over to somebody else in lieu of this price, 'it does not enter directly into the general price of production of the commodities, although it would enter into the individual cost price of the industrial capitalist.'[59] In other words, since the land does not have any value—and its price appears in the form of capitalised rent precisely because of that reason—the socially determined average price of production will remain unchanged.

This observation presents us with a question which Harvey does not need to ask because he does not acknowledge the interplay of monopoly control and social average: how does this interplay work in the market for land as a commodity? Harvey observes that Marx did not offer any theory of the land market; he was more interested in devising a theory of the ground rent 'because this was where he considered the real theoretical challenge lay.'[60] Extrapolating a theory of the land market from the same framework, Harvey proceeds with the assumption that the landowners will actively pursue the development of a land market based on the speculative potential of capitalised rent: 'By actively pursuing the appropriation of values landholders can force production on the land into new configurations and even push surplus value production on a scale and with an intensity that might not otherwise occur.'[61] Here again, we may see that Harvey is talking in terms of value, and not in terms of price, which creates a fallacy. If the landholder is involved in speculation on the basis of capitalising rent (which does not have any component of labour and value), the desire to appropriate values may work against him, as it will change the average conditions of production and, as a result, will change both the individual prices of production and the social average. In that sense, how is it different from the use of natural power materialised in the steam engine, from which Marx separates the production process employing the waterfall so carefully? The distinction between these two processes is vital to the existence of rent itself. Otherwise, the rent as the margin between the individual and the average prices of production will not exist and will not be available for capitalisation in the long run.

At one instance, it seems that Harvey is unconvinced himself of his formulation: he agrees that it is practically impossible to convince the landholders to sacrifice the high margin that they enjoy in the short run from the monopoly control over land.[62] In other words, the landholder will not agree too easily to do anything which will unsettle the average price of production. 'The situation changes materially,' Harvey argues, 'if interest-bearing capital circulates through land markets perpetually in search of enhanced future ground rents and fixes land prices accordingly. In this case, the circulation of interest-bearing capital promotes activities on the land that conform to highest and best uses, not simply in the present, but also in the anticipation of

[59] Ibid, 758–59.

[60] Harvey, Op. Cit., 367.

[61] Ibid, 368.

[62] Ibid.

future surplus value production.'[63] This argument, again implicated in the confusion between value and price, refers to the concept of 'differential rent 1 (DR-1)' by Marx, where rent is defined as the difference between individual prices of production in the worst and best qualities of land with the equal amounts of investment of capital. In Harvey's reading, it reads almost identical to the Ricardian framework where the price (exchange value) is fixed at the margin (worst quality land). Both Ricardo and Harvey assume an identity between value (or labour theory of value, as per Marx) and exchange value—the distinction between which is fundamental to Marx's theory of rent.

Harvey also claims that the landowners who treat the land as a 'pure financial asset' will ensure enhancement of ground rent by coercion or collusion with the capitalists: 'In the case of an active alliance between landowner and capitalist, the former takes on the role of developer who seeks to capture enhanced rents while the capitalist captures profit.'[64] In this remark, he refers to Marx's concept of 'differential rent 2 (DR-2)' where the surplus arises from employing two different amounts of capital in the same plot. Again, based on how Marx defines ground rent in its generality, the returns from such acts of 'developing' by the landowner will not necessarily contribute to the enhancement of rent. It is not clear from Harvey's account how the collusion between the landowner and the capitalist will lead to a neat distribution of the revenue into rent and capital, though there is no doubt that it will increase the total revenue from land. But will it not initiate a falling tendency of average profit (as well as that of average interest) with the increase in the share of constant capital? If that is the case, how can the landowner expect to capitalise future rents?

Though Harvey's reading of Marx is replete with such contradictions, it provides a useful response to this question. As he observes towards the end of his chapter, the speculations on land as a purely financial asset will involve a 'complex interaction of DR-1 and DR-2' which will distribute the relative advantages enjoyed by individual landowners (reflected in the margin between their individual prices of production and the social average) into all the plots, thus dissolving the possibility of sustenance of a surplus profit in the long run. This will result 'a nightmare of incoherency and periodic orgies of speculation' which will eventually bring an end to the capitalist system.[65] Harvey argues, 'Capital has only two lines of defence in such situations: monopolisation or state control.'[66] The monopolisation of the land development process, i.e., concentration of large holdings in the hands of the few will ensure a more systematic condition of speculation, but, as Harvey points out himself, it will occlude any possibility of differential rent, and will only create monopoly rent which is not conducive to accumulation. The role of the state in manipulating the 'land use regulation, land expropriation, land use planning and, finally, actual investment' proves to be more sustainable in terms of managing the speculative incoherency of the land market. Harvey, however, is in two minds about the practicality of this

[63] Ibid.

[64] Ibid.

[65] Ibid, 370.

[66] Ibid.

solution: 'While the state can undoubtedly put its stamp on geographical structures, it does not necessarily do so in ways that effectively bind the use of land to competition or the process of geographical re-structuring to the accumulation of capital. Too great a level of state involvement also begins to call into question the whole validity of property rights over the means of production in general as well as over the land.'[67] In my view, Harvey has undervalued the significance of the state greatly by assuming that it works as an impediment to competition—an assumption which clearly has a liberal lineage.

Marx talks about the state on one occasion in the part on rent—when he is talking about 'labour rent.'[68] Speaking of the direct producers who own their own means of production except the access to the land, he concludes that it is the simplest form of ground rent where the entire surplus value is appropriated in the form of rent by the feudal landlord. 'If the direct producers are not under the sovereignty of a private landlord,' writes Marx, 'but rather under that of a state which stands over them as their direct landlord and sovereign, then rent and taxes coincide, or rather, there is no tax which differs from this form of ground rent…. The state is then the supreme landlord.'[69] This can be argued as a primary conceptualisation of a 'rentier state' which, as Harvey would also concede, is detrimental to the accumulation of capital in its fullest capacity. However, this argument has more significance than it lets out at the first glance. If we think about it, the state can and does act like a supreme landlord on many occasions, especially in dealing with the monopoly control over natural resources, which, in most cases, are directly owned by it. But more importantly, it does not have to act as an impediment to competitive capitalism in doing so. If we consider the case of special economic zones—one of the regular features of neoliberal capitalism—we can see the same interplay of monopoly control and social average at work. The establishment of a special economic zone by the state as a seemingly deregulated space without labour laws and other constraints brings down the individual cost prices of the corporations entitled to this special treatment with respect to the social averages. The collusion between the state and the corporations, therefore, capitalises the surplus profit in the form of rent without running the risk of bringing the social average down with itself—an inverse of what Harvey has suggested in his reading. Also, the implication of this form of accumulation is not limited to the agriculture but can be extended to any sphere of production which requires the state to exercise its monopoly control. Rather than thinking that the state has weakened under neoliberalism, this framework where it has a unique control over the translation of surplus profit into rent may prove to be a more effective way to describe contemporary capitalism.

[67] Ibid, 371.

[68] Marx, Op. Cit., 917–22.

[69] Ibid, 918–19.

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Borders of Capital and Rethinking Transformation

The Problem of Reproduction: Waged and Unwaged Domestic Work

Samita Sen

Abstract The paper will focus on feminist debates, which have sought to address and substantially reformulate the question of reproduction as explicated by Marx in Capital. Beginning with Friedrich Engels' exploration of the relationship between family and state and Rosa Luxemburg's attempt to address colonialism through the concept of 'enlarged reproduction', Marxist Feminist scholars have sought to explore how the reproduction of labour, as well as the labour of reproduction, may explain the dilemma of women's work in contemporary (and prior) stages in capitalism. In recent years, the changing nature of work has given more impetus to earlier debates over unpaid housework of the 1980s. Thus, affective labour as a subset of immaterial labour and the new concept of care work seeks fresh insights into shifting frontiers of labour and commodification. Given that feminism opened up the category of 'work' most productively in the history of that category and that it continues to do so, how far are these new issues and debates relevant to us today? At present, labour studies is dominated by the question of the future of work, which appears to have great traction with earlier feminist concerns about rethinking value and visibility of labour. If there is not to be, as historians will assert with confidence, an end of work, are there already fundamental changes in the nature of work? How may the entry of more and more of the work of social reproduction into exchange relationships affect future landscapes of labour?

Keywords Domestic work · Domesticity · Reproduction · Family · Work · Women · Care work · Class · Caste · Industrialisation · Capitalism · Third world women · Colonialism · Autonomy · Empowerment · Marxism · Feminism

The rise of New Feminism in the 1960s prompted a rethinking of some of the received wisdom of Marxism. The debate that followed played on the tag, 'Unhappy Marriage of Marxism and Feminism' (Eisenstein 1979; Hartmann 1979). In the next two decades, Marxist Feminists, who sought materialist explanations of gender, asked and answered a range of questions on women's position within capitalism. The focus was on what Marx had left out. The chief among these was the 'problem that has no

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name'; the dilemmas of the housewife and her housewifery, which had so far acquired no name because they had been left out of theory (Friedan 1963). To address this as-yet-unnamed problem, the workings of capitalism had to be analysed afresh in a new framework, which included (or gave central importance to) domestic work. To explore the significance of domestic work, feminist scholars turned to reproduction as an analytical and explanatory category. Marx had written fleetingly of reproduction; Rosa Luxemburg elaborated the element of accumulation/reproduction of capital but questions of physical and generational reproduction had been the central problem in the work of Friedrich Engels. In an engagement with the Engelsian thesis, in the 1980s, Marxist Feminists explored the question of the reproduction of labour and its foundational implications for capitalism. This gave fresh political charge to sex (or gender), which had been missing in classical Marxism.

In the early debate between Marxism and Feminism, there was an assumption of a singular trajectory of capitalist development. In the 1970s, however, questions about multiple trajectories of 'development' had been raised, and there were vigorous debates about the nature of accumulation in the periphery, especially in colonial contexts. In the Indian academy, these issues gave rise to the mode of production debate, which sought to identify the specificity of an Indian (or South Asian) trajectory of economic change and were premised on the assumption of an *incomplete transition* (Banaji 1972; Patnaik 1990). These discussions dealt centrally with the 'peasant in history' in relation to colonialism. For scholars in this period, the peasant stood for the household and the family was the unit of class. By and large, much of the transition debate elsewhere too remained gender blind. It was at the third phase of debates over development that arguments about colonial trajectories intersected with scholarship on gender to bring to the fore complexities of multiple patriarchies in nonlinear models of development.

It is in this context that we must appreciate the seminal implication of debates over domestic work for 'third world' women. In the first phase of the housework debate, the focus was on how and why capitalism renders it invisible. In developed capitalist societies, housework acquired the narrow definition of privatised work of daily reproduction within the home; in post-colonial societies, such as South Asia, however, 'domestic work' was an expansive activity. All kinds of work, especially women's work, remained entangled with domestic work, crucially, for instance subsistence work, and suffered invisibility. Early discussion of these issues was inaugurated by Ester Boserup's pioneering intervention and was framed by the problematic of development (1970). The 'other' problem that was being given a new name was the lack or the desirability of integration of women into capitalist processes. In the Indian context, the influence of the Boserup paradigm was discernible in the early literature on women's work, such as in the report of the Committee on the Status of Women (1974). In various critiques of this approach, scholars foregrounded the impossibility of any singular narrative of capitalist incorporation. In regions of the south, the significance of subsistence activities demanded recognition of multiple forms of the incorporation of the household. There was, thus, a rethinking of the relationship between production and reproduction as well as the consequences of capitalist penetration for gender division of labour. In their sympathetic critique of

the Boserup thesis, Beneria and Sen argued for an understanding of women's work in developing economies within the interstices of production and reproduction and through the prism of accumulation as well as class formation (Beneria and Sen 1981).

This has, however, not been the dominant trope in the literature on women's work in the Indian context. In recent years, poverty rather than class has been the primary grid of analysis. The field is eclectic now, and there is considerable research on employment trends, globalisation and feminisation, but paid and unpaid work in the care economy is receiving increasing attention. This paper will try and link some of the earlier concerns of Marx and Engels along with Marxist Feminist engagement with such writing in the context of South Asian scholarship on women's work. The first section will sketch in broad terms the implications of some of the few comments Marx offered on women in the *Capital*, given the context of this volume. In the second section, I explore Engels' more substantial thesis on the conditions of women's liberation and its implications for (and long-term influence on) discussions on women's work. The most persisting legacy of Engels has been the interlinkage of women, work and autonomy (or empowerment). The third section will focus on the issue of domestic work, recent developments in the literature around domestic work and its possible implications for the east.

Marx and Women's Work

Marx did not write a great deal on women as a separate group of workers. His few comments are spread across various pieces. In 1844, in discussing social transformation, he wrote of new relations between women and men (Marx [1844] 1959). In other articles, Marx discussed the oppressive aspects of family for women. Much of his writings on the family focused on questions of survival and maintenance and argued for a family wage. For Marx, socialist transformation included gender equality, and this followed from the value he gave to the individual human being. Some of his views on women drew also on a distinction he made between the concepts of productive labour under capitalism and of productive labour *as such* (where labour is valued as such if it produces something that is used by individuals and society). Marxist feminists have held that in the draft material used for *Capital* (I), Marx addressed the question of women more elaborately, which does not appear in the published form of the book. Later, Marx included women in the First International as equals, and his appreciation of working women's demands was evident during and after the Paris Commune, since the programme for the workers' party opens with the line: 'The emancipation of the productive class is that of all human beings without distinction of sex or race' (Marx 1880).

Marx's writings underlined the historical nature of gender relations; he held that the relative positions of women and men were not natural; they could and should change. Marx was opposed to the nature/society dualism; his primary aim was to reclaim man for history. In this sense, it is argued, Marx was opposed to Darwin. It was Engels who attempted the reconciliation of Darwin and Marx. Marx, according

to Stedman Jones, made the link between man and nature through labour. From this perspective, labour is what made man social, and hence, alienation emerges as a major problem in Marx's writings (Jones 2016). Such a perspective, when applied to women's labour, raised new questions about the natural/biological understanding of femininity and women's role.

In various writings of Marx, there was a critique of the bourgeois family and the position of upper-class women in a capitalist society, including passing comments on such issues in the *Communist Manifesto*. In the published first volume of *Capital*, however, Marx did pay tangential attention to wage work by women and children in the new industrial economy. This short section appeared in the chapter on machinery. The focus was more on children than women, but some quite striking arguments were made.

At the heart of industrial transformation was the substitution of labour power with machine power. However, the operation of machines also required some kind of labour power. According to Marx, this determined a shift from physical strength to suppleness. The advantage of men (relative to women and children) was reduced, and there was a preference for 'labourers of slight muscular strength, and those whose bodily development is incomplete'. Thus, capitalists, who adopted machinery, were predisposed to the employment of women and children. Machines were not in the first instance a *substitute* for labour in general as much as occasioning the substitution of one form of labour by another.

Looking from the perspective of the workers, the shift in labour deployment meant not the reduction of labour 'but a means for increasing the number of wage-labourers by enrolling, under the direct sway of capital, every member of the workman's family, without distinction of age or sex. Compulsory work for the capitalist usurped the place, not only of the children's play, but also of free labour at home within moderate limits for the support of the family' (Marx 1887: 272). Thus, returning to the loss of the advantage of adult male labour, the employment of women and children, i.e., the whole working-class family, cheapened the labour of the male head of the household. It also eroded the bargaining strength of labour in the market and the scope for resistance; it reduced the ability of male workers to confront the despotism of capital by opening up an unlimited supply of labour.

Marx made another, more startling, leap of logic. When the workman sold his own labour power, he disposed of it, nominally at least, as a free agent. However, patriarchy (Marx does not use the word) enabled the man to 'own' the labour power of members of his family. The women and children did not sell their labour to the capitalist as free agents. It was the male head of the household, who controlled this sale. Thus, when the man worker sold the labour of his wife and child, he became 'a slave-dealer'. In this, Marx set out a key notion of patriarchy. Moreover, he connected this form of 'slave' transaction in child labour to race. He connected child labour with Atlantic slavery. The use of female and child labour, according to this reasoning, was not covered by normal rules of market or by contractual relations. It could not be left to self-regulation by participants, capital and/or labour. Rather, the employment of women and children undermined the primacy of the labour contract and provided

the state with a reason to interfere in labour conditions. Thus, the first state regulation in factories was in conditions of work of women and children.

The consequence of the employment of women and children was physical deterioration, which carried a high social cost. Marx cited mortality figures.

> As was shown by an official medical inquiry in the year 1861, the high death-rates are, apart from local causes, principally due to the employment of the mothers away from their homes, and to the neglect and maltreatment, consequent on her absence, such as, amongst others, insufficient nourishment, unsuitable food, and dosing with opiates; besides this, there arises an unnatural estrangement between mother and child, and as a consequence intentional starving and poisoning of the children. (Marx 1887: 273)

Most surprisingly, Marx then took the argument further and extended his observation to agriculture. It may be that he wished to comment on the radical change in agriculture by pointing out the transformation of the gender division of labour. An industrial style of working introduced in agriculture necessitated the employment of married women, boys and girls, who were all included in itinerant labour gangs:

> These gangs will sometimes travel many miles from their own village; they are to be met morning and evening on the roads, dressed in short petticoats, with suitable coats and boots, and sometimes trousers, looking wonderfully strong and healthy, but tainted with a customary immorality and heedless of the fatal results which their love of this busy and independent life is bringing on their unfortunate offspring who are pining at home. (Marx 1887: 274)

Marx thus emphasised both physical deterioration and moral degradation as a result of the capitalist exploitation of the labour of women and children. '[T]he intellectual desolation artificially produced by converting immature human beings into mere machines for the fabrication of surplus-value' compelled, he argued, the English Parliament to make elementary education a compulsory condition to the 'productive' employment of children under 14 years, but of course manufacturers evaded the laws (ibid.). He wrote at great length on the poor quality of education and the absence of any regulatory mechanism in employment conditions in general but especially in case of women and children.

While it is Engels who gave us the clearest statement of human reproduction (discussion follows in the next section), locating it in the material base and also in history, Marx too had written about reproduction. In their joint authorship, they wrote, that 'men must be a in a position to live in order to make history' and that 'life involves before everything else eating, drinking, a habitation, clothing and many other things', which includes procreation since '…men, who daily remake their own like being to make other men, to propagate their kind' (Marx and Engels 1845). It is fundamental to Marxism that the basics of life are subject to material determination. Marx firmly locates human reproduction as well as social relations of reproduction in the material base of society (Marx 1857–1858).

I take from Marx's discussions in *Capital*, two important issues, which have been developed in later feminist writings. There is first, the description of the male head of the household as 'slave-holder' selling the labour power of women and children, which affirms an understanding of the family in which the husband/father owns his wife and children. How does this work in terms of understanding gender relations

within the family? Second, he posed the separation between home and work as a health and a moral problem. Both these issues were developed much further by Engels, leading to the later dual systems theory. Marxist Feminists have discussed at length the separation of family and market and the interaction between patriarchy and capitalism. There has been considerable criticism of both Engels and the dual systems theory, but some of their basic insights have proved very durable. In the two sections that follow, I will discuss the relevance of some of these for discussions on women's work in the Indian context. The third section will focus on domestic work in particular.

Engels, Dual Systems and the Emancipation of Women

If Marx dubbed the male head of household a 'slave-holder', Engels used the analogy of capitalism: 'Within the family, the husband is the bourgeois, and the wife represents the proletariat' (1884: 137).[1] It is, of course, Friedrich Engels' *Origin of the Family, Private Property and the State* (Engels 1884) rather than Marx's own writings, which is the most significant contribution of the duo to the 'women's question'. *Origin* pioneered a major strand in feminist methodology by placing human reproduction along with production as equally constitutive of the material basis of society. Engels fulsomely acknowledged Marx's contributions to this book, in the form of scribbled notes on Lewis Henry Morgan's monumental *Ancient Society* (1877).

Origin has been criticised from diametrically opposite standpoints. Marxists have blamed Engels for granting too much autonomy to reproduction and family. At the other end, feminists have been suspicious of his subordination of sex to class. Two parts of Engels' argument were a hypothesis about the origin of women's subordination and a prediction for an emancipatory future. The first part has been invalidated by new anthropological research and the latter failed on many counts not only because socialism did not deliver women's emancipation but itself collapsed in most parts of the world. Yet, some of the core insights of this book have been obstinately durable and impossible to dismiss. In all, it has posed a troubling legacy for feminism.

The 'gender versus class' debates and Marxist Feminist discussions on dual systems have returned repeatedly to *Origin*. To Engels has been attributed the opposition between production and reproduction, which has proved such an obstacle in resolving fundamental questions of feminism. Possibly the most quoted lines of his book are:

> According to the materialistic conception, the determining factor in history is, in the final instance, the production and reproduction of immediate life. This again is of a twofold character: one the one side, the production of the means of existence, of food, clothing and

[1] Later communists, such as Mao Zedong, echoed this dictum. It should also be noted that in *Origin*, Engels also evoked slavery to discuss the family. He pointed out that the word itself derived from famulus, meaning slave. There have been many later discussions about the resemblance of family relations to slavery and servitude.

> shelter and the tools necessary for that production; on the other side, the production of human beings themselves, the propagation of the species. The social organisation under which the people of a particular historical epoch live is determined by both kinds of production: by the stage of development of labour on the one hand, and of the family on the other. (Engels 1884: 71–72)

Marxist feminists have perceived a dualism in these lines, signalling an independent origin of male supremacy and a relative autonomy for the domains of production and reproduction. Vogel, for instance, attributes to Engels, the notion that the family is an autonomous category (1984:130). Others have disagreed. Gimenez, for instance, believes that the tendency to grant autonomy to patriarchy came later, with disillusionment in socialist solutions. In Engels' writing, reproduction and family were parts of a whole, which were anchored in a change in the production system. The understanding of a material base of reproduction was embedded in earlier writings of Marx and Engels. There were three fundamental premises of human existence—(a) production of material life, (b) the constant process through which needs are satisfied and new needs created and (c) the production of life through propagation (Gimenez 1987). In this schema, production included reproduction; the latter referred to production by workers of themselves and their families, while the former meant producing goods and services for others.

Thus, the twofold character delineated by Engels must be read as an analytic: The domains of production and reproduction are not autonomous of each other, but the mode of their articulation could and did vary historically. Engels was able to establish that the division of social from individual production or reproduction was not universal but historically determined and this was his signal achievement (Sayers 1987). Moreover, Engels solved the problem of a possible dualism by making the two the same—the material basis of women's oppression was traced to the same institution that was the material basis of class oppression. It is thus that the organisation of reproduction was made dependent on the production and the relations of reproduction secondary to class. This is why in Engels' formulation, feminist politics is derivative of class struggle. This aspect of his argument has been unacceptable to many (including radical) feminists.

There have been continued and complex debates over the anthropological evidence (as well as theoretical framework) on which Engels based his argument about 'overthrow of mother right', the 'world historical defeat of the female sex' and the emergence of patriarchy. In this essay, however, we focus on two other aspects of Engels' thesis. Engels predicted that drawing women into social production will erode patriarchy and socialism will complete the process of liberating women. This prediction followed from his understanding of the nature of family. We will look at these two questions in brief to explore how they may be contextualised within the existing understanding of the work/family binary in South Asia.

According to Engels, the 'emancipation of woman will only be possible when woman can take part in production on a large, social scale' (Engels 1884: 221). Further, once property is socialised, Engels argued, women as well as men will be liberated, the tyranny of family will vanish and sexual love will come into its own. Of his own times, he commented:

> …now that large-scale factory has taken the wife out of the home onto the labour market and into the factory and made her often the breadwinner of the family, no basis for any kind of male supremacy is left in the proletarian household, except perhaps, for something of the brutality toward women that has spread since the introduction of monogamy. (Engels 1884:135)

This part of the Engelsian thesis stands most discredited. In the countries that experienced socialism and the abolition of private property, there was no erosion of patriarchy or democratisation of family. Yet, the core of this argument—that women experience public/waged work as liberating—has reappeared repeatedly in empirical research in many countries. In South Asia, where women were withdrawn, not only from public work but also from public space as a mark of high status, the liberating potential of waged/visible work has attracted a great deal of scholarly attention. The terminology has changed, however. In the 1980s, more ambitious terms such as emancipation and liberation were abandoned for more limited ones such as 'autonomy'. In the current moment, the term rendered cliché by overuse is 'empowerment'. This is perhaps the least ambitious but most likely to produce a positive result, since it poses the question in degrees rather than absolutes. It also has the benefit of moving away from the work/family binary. Yet, there is no consensus even on the empowering potential of waged work; any resolution of this question has remained elusive.

In South Asia, in the last couple of decades, the debate has been re-energised by the intervention of Amartya Sen. In *Development as Freedom* (1999), he condemns development as it has unfolded and makes a powerful argument for women's 'freedom', which he connects with work outside the home. This one 'freedom' is crucial, he argues, since it leads to agency in other domains, including the family, but is not limited to it.[2]

Discussing these debates, Koggel (2003) seeks an empirical route out of the impasse. There can be no doubt that the literature on South Asia has shown both tendencies. Some scholars of Marxist (or at least Left) persuasion have underlined an implicit critique of the Engelsian thesis. The prediction that wage work will be liberating assumed that women will enter the labour market on equal terms, which is far from reality. Employers often prefer women because they can be paid lower wages and given poorer working conditions. Historically, women have been less able to bargain for better terms and have been worse off in public labour in both capitalism and socialism. Emma Goldman wrote, famously, 'independence, emancipation and equality will continue to be illusory if the narrowness and the lack of freedom in the home are exchanged for the narrowness and lack of freedom of the factory, sweatshop, department store, or office' (Goldman 1906). In case of women workers in South Asia, scholars such as Ghosh (1994, 1995, 2009), Mohanty (1997) and Gooptu (2007) have emphasised the negative. Gita Sen has argued that feminisation of labour enhances women's burdens (Sen 1997). Agarwal and Panda (2007) have argued that asset ownership rather than wage earning gives women status in the fam-

[2]Sen's notions of cooperative conflict and capabilities have also had considerable impact on these questions. In a well-known compilation of essays, scholars have discussed the gender implications of his theories (Agarwal et al. 2003).

ily. At the other end, Shah et al. (1994), Kapadia (1998), Lindberg (2001) and many others have shown how women gain independence from paid work. In recent times, the advantages to be had from paid work have possibly been most evident in the case of women garment workers in Bangladesh (Kabeer 1997).

Having surveyed the field, Koggel concludes that there are both tendencies. 'There is no single effect of… women's participation in the workforce or on their freedom and agency' (2003:179). The outcomes of women's participation in the labour market are determined by the complex interplay of local conditions, such as grassroots activities, with national and international policy. She cites the example of SEWA to show that a different imagination and the formation of collectives may indeed provide women the political leverage to gain greater benefits from paid work. Yet, while the SEWA is universally acclaimed, the benefit to the women is not an unqualified consensus. The proliferation of micro-credit schemes and self-help groups, typically associated with arguments about 'empowerment', has met with stringent criticism from some feminists. In an early critique, Maria Mies argued that translating 'labour' into 'activity' as in 'income-generating activities' was a displacement with profound legal and economic implications (1988). These developments expanded household labour and increased the burden on women. Extending this argument, John (1999) wrote of poor women being transformed into 'managers of poverty'. When the effects of local and global conditions are deeply negative, the freedom to work can have an ambiguous and contradictory impact. For many women, the decision to access the labour market may itself be coerced, directly in the form of family pressure or indirectly compelled by the ideological imperatives of reproduction.

Thus, the debates on work/family binary and the liberatory potential of paid work are far from being exhausted. Rather, they seem to reappear with cyclical regularity. What is perhaps somewhat distinctive about the debate in the South Asian context is the focus on the family. The autonomy/empowerment question is asked almost always of family. Does work give women more power in or freedom from the family? The persistence rather than the erosion of the family is the central problem in all questions of women's work, across classes and castes, industries, sectors and regions.

In Great Britain, Jane Humphries argues, scarcity, not wealth, explains the endurance of the family. A stricter sexual division of labour is required in conditions of lack (Humphries 1987). As my earlier work shows, in South Asia too, poor women have never been only housewives. They have always contributed to subsistence activity and social production (Sen 1999). This gendered pattern of work has survived longer and more extensively in the global south (Beneria and Sen 1981). This may have been Engels' crucial oversight; he may have expected less from women's integration into social production if he had taken into account their existing economic roles. As it is, for transformative change, the sexual division of labour has to alter both within the family and outside.

According to Engels, prior to capitalism, family facilitated the labour process and productive mobilisation of property. As men achieved more individual control over property, they exercised greater individual control over wives and children, who lost their customary rights, became more dependent on husband/father and vulnerable to being excluded from family resources. In this respect, the experience of women

in Europe during the transition from feudalism to capitalism was similar to that of women South Asia in the process of colonial capitalism and modernity. In the long term, however, there were powerful trends of nuclearisation and fragmentation, even though capitalism did not (has not yet) dismantled the family. The different trajectories of capitalism have meant different outcomes vis-a-vis family authority for women in different countries in the long twentieth century.

In general, gender division of labour can operate in two ways—as family labour with men and women working together, tasks being organised along the axes of gender and generation, and as public labour outside the family, where stricter gender segregation is practised. In South Asia in the nineteenth century, gender division of labour overlapped with wider social segregation of genders, not only for labour but also in the organisation of everyday life, both within the family and in public spaces. One major challenge posed by the spread of wage opportunity and capitalist modernity was to the gendered ordering of work and space, within the home and outside it. However, the challenge was also mitigated by the limited scope of industrialisation, allowing continuity in the gender division of labour in large segments of the economy. In case of Europe, Industrial Revolution forced a break with the past. As the productive role of the household declined and production began to be relocated in public spaces (such as the factory), the cost of social control via existing modes of the gender division of labour increased; women (and children) had to be inducted into factories. There were mixed-gender gangs of labour even in the new agrarian economy as noted by Marx. The erosion of gender segregation in public spaces was experienced by contemporaries as moral decline. In South Asia too, we find similar narratives in the nineteenth century. The encounter with colonial capitalism and the strain on existing values of women's seclusion and gender segregation (and caste hierarchy) was perceived as profound threats to the social and moral order. However, the capitalist industry came gradually and the modern factory (or mines or plantations) remained in small enclaves within a largely agrarian economy. While there were processes of commercialisation and a high degree of market penetration in agriculture, the colonial state prioritised the needs of revenue extraction and supported the small peasantry operating with household labour. The imperative to retain unpaid labour of women and children in small-scale peasant economy was far greater than to facilitate exodus into factory production. In agriculture, dependence on unpaid family labour increased; this required greater control over women and children. Thus, colonial modernity, rather than pose an opposition between home and work, harbingered for most women, a reinforcement of familial control over their labour and mobility.

The assumption that the nature of the family is similar for all women has been divisive in terms of race and cultural differences, especially in the context of post-colonial feminism. In South Asia, the tension between production and reproduction has resulted in a deepening significance of family for women. There are, however, deeply ambiguous consequences for women. On the one hand, the family has been oppressive and exploitative, experienced as coercive and violent; on the other hand, in colonial and post-colonial contexts, the family is perceived as a resource and a refuge. One can re-invoke in this context the characterisation of the family by Engels,

'double edged, double-tongued, divided against itself, contradictory'! (1884:130) Curiously, the subordination of women by the domestic community is overtaken by the subordination of the family as a whole by colonialism or capitalism or a combination of the two. As a result, gender relations may become the site of resistance to imperialism and the family the last bastion against colonial capital. Thus, the family can be and often is celebrated in the global south.[3] It follows then that the family has a positive side; indeed, practically speaking and particularly in the global south, left feminists have never wholly condemned the family as much as demanded its reorganisation. Perhaps the greatest contribution of Engels was to break the myth of the family as 'natural' and to locate it within social history. It is a pity that feminist scholars of Marxist persuasion in South Asia have not followed Engels' lead in turning their attention to the history of the family. The family remains too powerful perhaps, both as an ideology and in social organisation. As a result, in terms of research, we see less of the consequence of social change on the family; rather, the family is viewed as cause or determinant of social change or lack thereof.

The family is regarded as the chief determinant of women's status, their work and their ability to exercise social agency. In the 1980s and 90s, feminist scholars contributed greatly to our understanding of the family dynamics in women's work. Veronica Bennholdt-Thomsen (1988) wrote of 'housewifisation', which resonates with the later use of the term 'feminisation'. In one meaning of the term, feminisation is informalisation, more work in the economy like women's work. To work like a 'housewife' is to respond, Banerjee (1991) argued, to the imperatives of the family rather than the market. The typical woman worker in South Asia, Banerjee pointed out, was a married mother. The family mediated their access to the labour market and unpaid domestic work was a non-negotiable responsibility. Moreover, production and reproduction were necessarily interlinked, since a woman will do any work, however poorly paid, if required for household subsistence. In one of the earliest feminist formulations on the question, Jain and Banerjee dubbed this the 'tyranny' of the household (1985). Standing's (1991) research was perhaps the most categorical in this respect. She explored the question of family at considerable length. She concluded from her study of women workers in Calcutta that for women the meaning of employment was bounded by the family. The family was the critical site in the construction of female dependency. The ways in which this dependency was structured had implications for women's entry into the labour market and for their withdrawal at particular historical moments. Also, family decision-making determined women's capacity to secure their short- and long-term material circumstances. The changing demands for female labour, or their class position, were related to familial structures of dependency, but the relationship was not inevitable. The family was an arena of intense ideological mediation. Women's access to paid work was constrained by historically and culturally specific concepts of dependency and gendered norms of behaviour and occupational segregation.

[3]The first statement of the domestic community in relation to colonialism is perhaps that of Meillassoux (1981). In the South Asian context, the celebration of the domestic as a locus of resistance and of anti-colonial nationalism is most famously that of Partha Chatterjee (1989).

In the 1980s and 1990s, 'family' emerged as the chief explanatory of feminine dependence and an obstacle to achieving autonomy from work. In the South Asian context, however, a homogenising brush is always to be abjured. The very different implications of work for middle class, working-class and rural poor women cannot be unified, even in the familial idiom. Given overarching and often overlapping hierarchies of class and caste, there is a clear need for more comparative research with regard to the tyranny of the family and the liberatory potential of paid work. There have been studies on women workers in mills, mines and plantations, construction and brick-making, fisheries, garment and electronics factories, which have shown immense variety in patriarchal construction of female dependence. What are the labour implications of multiple patriarchies? To one possible axis of differentiation, we now turn.

Luxemburg and Enlarged Reproduction

Rosa Luxemburg's most striking contribution was in establishing a connection between reproduction and the colony. She argued that search for constant capital drives capital to imperialisms characterised by plunder and theft. The outside, however, remains the outside; the colony cannot be integrated into the metropolitan economy (Luxemburg 1913). This argument was extended to women, 'the last colony', who remained the 'outside' even in advanced capitalist countries. They inhabited the domain of reproduction, which was not incorporated into capitalism and were, therefore, trapped in non-capitalist relations. Mies et al. (1988) argued that women are like the colony, but they are not 'outside' capitalism; capital accumulation is premised on various relations of which wage labour is perhaps the most privileged one. Claudia von Werlhof (1988) extended this further to a three-tier rather than two-class schema for capitalist exploitation: capitalists, wage workers (mostly white and male) and non-wage workers (mostly women but including subsistence producers in the colonies). This combination of relations enabled a process of ongoing primitive accumulation. These debates of the eighties have acquired new significance in the context of globalisation, informalisation and the fragmentation of work.

The theorisation of it as 'outside' had followed from the implication in Marx's theory that reproductive labour was not abstracted labour. It did not relate to commodity production because it was not separable from the act of production. As such, it remained locked in use value and outside the domain of exchange. The inclusion of reproduction in explanations of capitalism by feminists focused on non-wage workers but also included the wage workers in the domain of reproduction (Harris and Young 1981). From the middle of the twentieth century, the distinction between social and individual production has been dissolving as reproductive services are becoming increasingly marketised. The rapid readjustments in the domain of social reproduction are at present perceived as a crisis.

The dual systems theory presented reproduction in tandem with production to explain the different but related logic of women's work. The aim was to explicate the

familial nature and household location of women's work within the context of capitalism. Thus, the persistent non-market character of housewifery and the consequences for the housewife, i.e., its unpaid and devalued character normalised within the roles of wife and mother was the chief focus of Marxist Feminists. This led to the demand for wages for housework. In the new millennium, the focus of research has shifted from unpaid housework to paid housework. The household/market divide is historically linked but not coeval with non-wage and wage labour; this is now generally recognised. In western societies, which experienced industrialisation early (such as Britain of the First Industrial Revolution), one major exception to the assumptions of the dual system was in the person of the waged domestic worker. In the first phase of industrialisation, there was considerable tension between factory work and domestic work but women had to continue to take responsibility for the latter. The induction of women into wage work did not result in any dramatic reorganisation of domestic work. For many working-class women, informal work (such as paid domestic work) allowed an easier accommodation (than factory work) with their own domestic work and childcare. Generally speaking, among the poor, even married women had to find some form of earning and since this always meant a 'double shift', they supported the demand for men's 'family wage' to enable them to shed the 'burden' of paid work. The pure housewife was a manifesto, not a reality among the working classes. This is why Engels and other early Marxists advocated socialisation of domestic tasks and the integration of women with public production. However, most socialist countries failed in this respect. According to Gimenez, this is because there was not significant qualitative change in the mode of production and social organisation to prompt reproduction to become truly social, for the family to really change and to enable women to become equal (Gimenez 1987: 52–53).

Until such major transformation takes place, the work/family relationship remains somewhat in opposition and often a zero-sum equation. Thus, the advance of some women is predicated on the oppression of others. It is possible for middle-class women to free themselves of domestic responsibilities by purchasing the labour of other women; such advance does not necessarily promote the liberation of working-class women, who are trapped into low-paid unrewarding jobs of maids, cleaners and nannies. Thus, what we get is a change in the division of labour within a gender rather than between genders. It has been pointed out also that in the given market conditions, male sharing of domestic work would be inefficient compared with the purchase of labour in the market. The possibility of waged domestic labour thus promotes private (rather than social) solutions to the challenge of the production/reproduction divide and sustains the persistence of family as the locus of reproduction. In colonial and post-colonial societies, there has been more continuity in practices such as waged domestic work from feudal to industrial and thence to post-industrial economies. Domestic work, it was once suggested, provided the great continuity across the transitions in regimes of production (Hayden 1981).

There is increasing blurring between use and exchange value and thus, between economic production and social reproduction, the binary on which the dual systems theory was constructed. This has complicated the use of terminology, which uses wage as the classificatory principle and thus, in the case of women, poses an

intractable problem. This is because the woman (sometimes the same woman) is both a paid and unpaid domestic worker. However, the new shift is more encompassing, since there are altogether new forms of labour, modes of alienation and exploitation. Hardt and Negri identify three new forms of what they term immaterial labour, one of which is affective labour, which requires human contact or care or labour in the bodily mode. The term affective labour resonates with reproductive work and draws on Marxist Feminist conceptions of invisible labour. According to these scholars, both productive and reproductive labours have entered a new phase of convergence; the struggle is no longer between labour and capital and politics no longer about 'class' (Hardt and Negri 2000; Negri and Hardt 1999).[4]These theories of convergence do not fully address the 'problem' of the simultaneity of paid and unpaid domestic work. As mentioned earlier, the materialist analysis of women's oppression has been criticised for internalising fundamental values of patriarchy, including the superiority of paid work and the inferiority of familial/reproductive work. Indeed, socialist strategies have struggled to accommodate the biological aspects of femininity while abjuring essentialisms; the problem of how to separate biological motherhood and child-caring roles of women remains as difficult today as it was hundred and fifty years ago.

Rapid strides in technology have created new forms of labour, and yet, there is also persistence of old norms. These have posed a challenge to theory and also a new terminological repertoire. The term care work, for instance, has gained considerable currency. It is more flexible than affective labour and, unlike it, has no clear Marxist lineage, even though its early enunciation included the 'commodification of affect/emotion'. Yet, in its various deployments, care work marks more continuity with debates over reproductive work, including its two major strands—domestic work and gender segregation of labour markets. It is typically associated with childcare, education and health services, though in recent years its contours are expanding to include a range of other kinds of work. In one conception, 'care' is a quality associated with work, which imbues all work and is therefore the basis of market economics (O'Hara 2014). According to Folbre (1995), credited with the introduction of the term, it is drawn from 'everyday vocabulary' and seeks to emphasise the common features of unpaid and paid work and the complementarities between them. It is considered to be between a description and a category and has lent itself to a presentist analysis ignoring complex histories.

By itself 'care' in relation to work is not a new idea. The term came into prominence in the 1970s amidst a perceived crisis in the West occasioned by the breakdown of family-based systems of care, especially for the elderly (Shanas 1979). These issues extended to childcare and disability care in the 1980s (Brody 1981; Parker 1985), and the research showed that rhetoric such as 'care in the community' in most cases translated into women's unpaid labour in the family. The term found its way into bureaucratic and judicial discourses too in many countries of the West.[5]

[4]I have discussed these issues elsewhere. See Introduction of *Accumulation in Post-Colonial Capitalism* (Mitra et al. 2016) and in Chap. 4 of *Domestic Days* (Sen and Sengupta 2016).

[5]The Live-in Caregiver Program in Canada was introduced in 1992.

It should perhaps be noted that the term was deployed by Lynne Segal, who identifies as left-feminist, if not socialist feminist, in the 1980s, a decade before Folbre made it popular. Arguing that the 'ideal family' was no longer typical but functioned as myth, she argued:

> 'Family policies' and trade union demands which recognise the variety of ways we now live and care for each other, where men and society generally assume responsibility with women for childcare, domestic life, and the care for all dependent people, could move towards solving many of our 'family' problems. This would mean adequate incomes and services, shorter working hours and realistic child benefits, operating in the context of a caring society where men as well as women know the meaning of caring. Then those same family values of love, care and commitment which, if seen as the individual responsibility of women, are oppressive, could extend beyond the confines of gender and home to become an essential part of a society which would liberate us all'. (1983: 23)

This passage underlines the departure in naming 'care work' in an attempt to revalorise the feminine, the domestic and familial-reproductive domains. The focus is on the emotional content of some kinds of labour, which is a transactional surplus. It seeks simultaneously an ideological valorisation of femininity, associated with care in the rendering of personal service, and the question of its valuation in market transactions. Folbre explicitly sought to validate 'emotional skills such as the ability to feel empathy for others'.[6] Commonly, paid and unpaid care work are approached from rather different theoretical perspectives. In considerations of unpaid care work, the focus is on the creation of social wealth or the provision of public goods, the building of social or human capital, that is to say, reproduction. The approach to paid care work has been more varied. The devaluation theory focuses on care penalty, which resonates with earlier studies of gender segregation (England 2005). The shift from the earlier reproduction debates is in the emphasis on 'commodification of emotion', which is at the heart of the notion of care work (Hochschild 1979). Folbre uses the term to challenge the binary of the family and the market—the notion that women do things for love and men for money, often named the 'love and money' theory (Folbre and Nelson 2000). By extension, the responsibility of care places its workers at a bargaining disadvantage in the 'prisoner of love' formulation (Folbre 2001).

The immediate context for the enthusiastic adoption of the term is the revival of paid domestic work in the West and the expansion of such services in countries such as India. It is but inevitable that inequalities other than gender, such as class, race (and caste) should be part of these discussions. In the 1990s, Evelyn Nakano Glenn wrote of an 'international division of reproductive labour' to indicate the transnational character of the relational net of inequalities in paid domestic work (1992). In other words, this is the 'global care chain', which highlights the inequalities embedded in migration and paid domestic work in the context of globalisation. There has been less exploration of how domestic work may be analysed as care work within intersections of class and caste in the Indian situation. Drawing on arguments about the dominance

[6]Care Work in America: An Interview with Nancy Folbre by Rohan Mascarenhas, Russell Sage Foundation, September 17, 2012. http://www.russellsage.org/blog/care-work-america-interview-nancy-folbre. Accessed on 9.6.2014.

of familial ideology mentioned in the previous section, one may argue that while the fusing of care and work is helpful for explaining expansion in paid domestic service in the West, in the culture of domestic servitude obtaining in India, there may be greater analytic dividend in separating care from work.

Let me explain this briefly in the context of Bengal.

Historically, there have been more domestic workers in this region than others in the country—in the early twentieth century, for instance, Calcutta had a higher percentage of domestic workers in comparison with other major cities. Swapna Banerjee's book shows that the employment of domestic servants in colonial Bengal became part of the construction and articulation of a new middle-class identity (2004). Raka Ray and Seemin Qayum argue that these connections linger and domestic servitude is integral to Indian modernity. The *nature* of domestic work distinguishes it from all other kinds of work. Ray and Qayum analyse the worker–employer relationship in a globalised economy in relation to class formation and domestic servitude. They argue that paid domestic work is not just work; it is an institution. They find no linear cause and effect relationship between middle-class women's labour force participation and employment of domestic servants—economic structure changed, family patterns changed, but domestic work remained outside the debate on work for a long time (Ray and Qayum 2009). Others have argued that the increasing importance of paid domestic work as a significant source of occupation for poor rural women is due to the increased demand from middle-class urban households. Most scholars have shown, in line with Ray and Qayum's arguments, that domestic work is deeply embedded in status relationships, some of them overt, but others less so (Anderson 2002). Tandon (2012) stated that as home is not seen as a workplace, a typical domestic worker is not recognised as a worker, but as a servant who takes care of the household. The unique feature of their workplace, which is the home of their employer, makes women domestic workers vulnerable to a range of abuse and exploitation.

Despite a tradition of low workforce participation of women in the region, in West Bengal, educated middle-class women and domestic workers have exceptionally higher proportionate employment compared to the rest of the country or in any other sector in the state (Chakravarty and Chakravarty 2016). Even when middle-class women do not undertake paid work, they employ domestic workers to undertake most of the manual labour in the home. There is a greater propensity in this state for substituting middle-class woman's housewifery and mothering activities with paid domestic labour. The employment of domestic workers is one of the easiest and cheapest status-raising strategies of the upwardly mobile; expansion of the middle classes has also meant an increase in the market for domestic workers. Even though there are market and institutional substitution as well, such as crèches, restaurants, laundry and so on, the availability of cheap labour has allowed home-based solutions to predominate. The absence of conflict over housework-sharing in middle-class households resulting from the increase in women's employment (as it has happened elsewhere) may be attributed to the ease of access to paid domestic labour. Middle-class men have been spared the ignominy of having to help in the house as the price of having a double income to spend. Similarly, there is a little public denunciation

of the deleterious effect of women's work on home and children—again, largely because these concerns have been accommodated by paid domestic workers. What implications does this have for the working conditions of domestic service providers?

Anuja Agrawal argues that the economic value of domestic work is realised only when it is removed from its original location within the households of which women are primary members. The long-standing feminist debate on domestic work is therefore revived on a new front (2010). The global care chain is an argument about a 'care-deficit' consequent upon the immigration of women, leading to an internationalisation of the gender division of labour. Given that, a large segment of domestic workers in cities in India is also rural, often inter-state migrants, similar questions may be posed for the organisation of paid domestic work in the local context.

The ideological valorisation of women's domesticity operates more powerfully among the middle classes. This has never quite applied to manual tasks of domesticity—even as the *bhadralok* defined itself by abjuration of manual work, the *bhadramahila* (much like the leisured lady of Victorian England) acquired status by relegating the manual aspects of housework to paid 'help'. The opposition between domesticity and work was thus sustained and, simultaneously, complicated. On the one hand, the aestheticisation of domestic work, cooking, home decoration and childcare, distanced it from connotations of work. I have argued elsewhere that the 'art' and 'craft' of housewifery and motherhood was elevated by association with nation-building (1999). Thus, nowadays, when middle-class women expand the remit of the paid domestic worker, they deploy an extant strategy—they do not relinquish their own feminine identity centred on housewifery and mothering roles, but redefine these as managerial and, increasingly, through the new discourse of care. There is an implicit conflict; a potential for competing claims on the ideological high ground of femininity. Such possibilities are contained by the social distance between the mistress and the maid and also by the conditions of employment. Paid domestic work remains highly informal, defined as unskilled and governed by extremely flexible contracts. These allow the social invisibility of unpaid domestic work to extend to paid domestic work too, which confers on middle-class women a double advantage. They are able to substitute their unpaid domestic labour without relinquishing the most highly valued virtue of feminine domesticity, i.e., 'care'.

The double advantage of the mistress becomes the double jeopardy of the maid. While domesticity may be more powerful in the context of the middle classes, in its contrivance as well as its compulsions, it operates across classes. The domestic worker inhabits two domains of domesticity—as wife and mother in her own family, which she is unable to substitute when she enters paid work; and, the domestic roles she plays as a paid worker substituting the woman employer. As a paid domestic worker, there is expectation but rarely satisfaction of 'care', which remains the domain of the mistress. The paid domestic worker is paid to undertake the manual labour of the home. If she is a live-in worker or a commuter or a single migrant—and sometimes even if she is not—both her domains of domesticity are invisibilised. The question is whether we can conceptualise these differences as simply two kinds of care work, of the mistress and the maid, or as a tension within the term care work wrought by class and caste inequalities. The ideologies of femininity, which

the term care work seeks to foreground, cannot themselves be understood without reference to inequalities that structure the relationship between mistress and maid. The maid experiences manual domestic work as demeaning rather than as elevated by connotations of care. In hierarchical societies with converging inequalities of class and status, the valorisation of a singular feminine may be deeply problematic; in such contexts, care is itself constructed by simultaneous avowals and exclusions. The basic point may be made; terms and categories that emerge in western contexts need re-examination in the context of cultures and capitalisms of the post-colony. Labour, along with Capital, needs re-examination in the East.

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Non-violent Socialism: Marx and Gandhi in Dialogue

Anjan Chakrabarti and Anup Dhar

Abstract What happens when a thinker and practitioner of transformative politics claim to be imagining and doing socialism from a perspective drawn from the resources in the East? We show how Gandhi seeks to shape an Indianized version of non-violent socialism consistent with what is claimed to be Marx's basic principle of communism: "To each according to his need, from each according to his capacity." His framework challenges any claim to violence as a necessary condition for the praxis of socialism. He seeks to end capitalism without putting an end to the 'capitalist subject.' This dialogue of Gandhi with Marx's *Capital* on socialism gathers further steam when we unpack the former's conceptual contour that underpins non-violent socialism—labor, capital, capitalist, capitalism, property, industrialization—in order to set up its encounter with the fundamental point of Marx's critique of political economy foregrounded in his book *Capital*—modes of surplus labor appropriation and its specific form in (capitalist) exploitation. Our analysis reveals that, when made to confront surplus and exploitation, Gandhi's insistence on a non-violent relationship with the 'capitalist subject' even as capitalism is supposed to be withering away is inconsistent in terms of his own framework. Likewise, any asserted Marxian claim of socialism as necessarily epitomizing material development and abundance and which is to be arrived at through class violence is rendered problematical by Gandhi. These insights then open up the possibility of further exchanges about post-capitalist futurities.

Keywords Alienation · Non-possession · Bread labor · Trusteeship · Class · Exploitation

My language is aphoristic, it lacks precision. It is therefore open to several interpretations.

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"Discussion with Dharmadev", in *The Collected Works of Mahatma Gandhi*, Vol. 53, Appendix III, p 485.

This paper takes up a narrow-angle question: what is the relation of Marx's thought with those of Gandhi's? It looks closely at one particular work of Gandhi on socialism titled *Towards Nonviolent Socialism* (1951), which is a careful collection of Gandhi's writings from Hind Swaraj, Harijan, Young India, and Yeravda Mandir between 1908 and 1947; a work that perhaps stemmed out of the strike of the "mill-hands" in Ahmedabad in 1918 [see "In Touch with Labor" in *The Story of My Experiments with Truth* (Gandhi 1968: 472–474)] and Gandhi's fast [see "The Fast" in Gandhi 1968: 477–480)].[1]

The paper argues that Gandhian 'socialism' stands in direct contradistinction to Cohen's (1986, 1988) work on 'historical materialism.' Cohen "predicts large scale social transformation" and "claims that their course is violent" (Cohen 1986: 227). Thus, transition from capitalism to socialism is a by-product of *material advancement of the forces of production* and *class violence*. This quite familiar version of Western/classical Marxism with its vision of socialism stands in contrast to the *poor man's socialism* espoused by Gandhi.

Gandhi's opposition to the Western/classical Marxian approach was based on a rejection of the dominant post-enlightenment master signifier: *alienated life* (see Bilgrami 2009, 2014). The axiom of alienation generated a 'scientific outlook' that precipitated the hyperseparation of 'human' and 'nature,' thought and practice, politics and ethics. The overall result was immorality and destruction of individual, social, and ecological forms of life. In contrast, drawing upon a critical engagement with the civilization resources of 'India,' Gandhi proposed *unalienated life* as the master signifier, which he deployed to derive the architecture of poor man's socialism as the most fitting alternative to the immorality and destructive power of alienated life and capitalism. But Gandhi was by no means the sole thinker of unalienated life.

Bilgrami (2014) argued that, despite their different backgrounds and frameworks, both Gandhi and Marx share a 'nodal signifier': *unalienated life*. Taking note of this shared signifier, we bring the Gandhian framework of "militant non-violence" to contend with classical Marxism's defense of revolutionary violence that marked much of the twentieth-century socialist practice. We also bring to dialogue Marx's concept of exploitation with the Gandhian idea of 'non-possession,' as also of the expansion of the forces of production with Gandhi's emphasis on containment of 'need.'

Gandhi's own encounter with the 'capitalist subject' premised on the moral idea of 'non-possession' leads us to Marx's concept of exploitation, an engagement whose effects, destabilizes both versions of socialism, Gandhian and Marxian alike. Gandhi's insistence on a non-violent relationship with the 'capitalist subject' even

[1] "At the time of the Ahmedabad strike, Gandhi was forty-eight years old: middle-aged Mahatma, indeed"; the experience of the strike was generative of what Erikson calls Gandhi "religious actualism" (1993: 396); i.e. attention to "that which feels effectively true in action" (as against factual reality or truth). Gandhi thus foregrounded a conception of truth (*sat*) which he attempted to "make actual in all compartments of human life" (see Dhar and Chakrabarti 2016: 568–570).

as capitalism is supposed to be withering away is shown to be in crisis in terms of his own framework. Likewise, any asserted Marxian claim of socialism as necessarily epitomizing material development and abundance and which is to be arrived at through class violence is rendered problematical by Gandhi. It is argued that one cannot protect the subject-position of 'capitalist' if capitalism is sought to be ended as Gandhi desired, but one can achieve socialism without material advancement and class violence being the necessary condition which is unlike what Marxists like Cohen thinks. This paper begins with an examination of Gandhi's non-violent socialism and ends in a dialogue with Marx's concept of exploitation.

Gandhi's Socialism: Break with Classical Marxian Socialism

> This socialism is as pure as crystal. It, therefore, requires crystal-like means to achieve it. Impure means result in impure ends (Gandhi 1951: 10).

Pyarelal (1946), a close associate of Gandhi, observed that the ruling principle of Gandhi's *Ashram* was: "To each according to his need, from each according to his capacity." In this regard, "His Ashrams are thus themselves experiments in Communism based on non-violence and Indian village conditions" (Pyarelal 1946). Gandhi confronted the Indian communists thus: "You claim to be Communists, but you do not seem to live the life of Communism. I may tell you that I am trying my best to live up to the ideal of Communism in the best sense of the term" (Gandhi 1951: 152). For Gandhi, it is "in the daily means that *dharma*, practicality, and ethics coincide … means are "ends-in-the-making" or "ends in process"" (Erikson 1993: 398).

> In order to reach this [socialist] state we may not look on things philosophically and say that we need not make a move until all are converted to socialism. Without changing *our* life we may go on giving addresses, forming parties and hawk-like seize the game when it comes our way. This is no socialism. The more we treat it as a game to be seized, the further it must recede from us. (Gandhi 1951: 9)

"Whatever the best man does is also done by other men; what example he sets, the world follows" (Gandhi 2010a, b: 103). He attended to both the questions of 'why a socialist society is good' (the end) and 'what is the good way to reach and maintain it' (the means); the two—end and means—are intimately stapled in Gandhi's praxis of socialism. Equal importance to moral issues of means and ends as also to the inalienable connection of politics and economics with ethics is quintessential for Gandhi's vision of socialism. The praxis (what Marx in *Theses on Feuerbach* called "human sensuous activity, practice"; see Dhar and Chakrabarti 2016) in Gandhi's Ashram can be seen as a constructive exemplification of socialism.

Examining critically the resources from Indian texts, he formulated a triadic framework: Swaraj, Swadeshi, and Khadi; all three, not penned in books, texts, or

principles but embodied in the *asketic*[2] praxis of the moral exemplar: the *satyagrahi*. For Gandhi, socialism is a term of modern age, but the concept "was not born with the discovery of the misuse of capital by capitalists" (Gandhi 1951: 132). Rather, "Lord Krishna preaches the same doctrine in Gita. One need to have in one's possession *only* what one requires" (Gandhi 2008: 101). His favorite illustration to capture the timeless relevance of socialism was the first verse of the Ishopanishad:

> Thou must know that whatever moves in this moving world is enveloped by god. And therefore find thy enjoyment in *renunciation*, never coveting what belongs to others.

Gandhi read this renunciation as not renunciation of action/labor but from any attachment to 'possession' including that derived from the fruits of others' labor. The normative demand of 'non-possession' as a value imposed by the (moving) world (that is sacred as the verse testifies) on the self will play a critical role in Gandhi's interpretation of socialism.

Finally, for Gandhi, poor man's socialism cannot be established by compulsion or submission, and if attempted, is immoral. For socialism to be relevant, it must be directed toward a voluntary praxis of self-transformation (practice of self directed on the self) to accompany social–political transformation. Praxis for self-transformation based on plain living and avoidance of excesses of wants and material bliss is what he called the 'art of living nobly.' Self-transformation offers the psychological nursery bed for social–political transformation. "If we become free, India is free…real home-rule is self-rule or self-control" (2010a, b: 59, 98).

Purusharthas and Unalienated Life

In this section, we examine two essential elements in Gandhi's philosophy of socialism: the integrationist praxis of *purusharthas* and his insistence on unalienated life. Gandhi's praxis can be traced to the theory of purusharthas (roughly, human effort) that comprises four aims of life: arthas (power and wealth), dharma (duty, religion, and ethic), kama (pleasure, sexual desire), and moksha (spiritual liberation from the temporal cycle of birth, death, and rebirth) (Parel 2006). By presenting a praxis that emphasized the interconnection, relation, and integration "in the last instance" of the four distinct aims, Gandhi challenged both classical Indian philosophical traditions and dominant enlightenment approaches that took the aims as separable and hierarchically disposed. Gandhi's relationship with the classical Indian philosophical tradition is thus not without self-reflexivity and skepticism that helped him work through to a new notion of truth (*sat*) or *dharma* ('that which holds together') that can

[2]Truth is never given to the subject by right. … truth is not given to the subject by the simple act of knowledge (connaissance), … for the subject to have right of access to the truth he [or she] must be changed, transformed, shifted, and become, to some extent and up to a certain point other than himself [or herself]. The truth is only given to the subject at a price that brings the subject's being into play.…there can be no truth without a conversion or a transformation of the subject, without a long labor of *ascesis* (*askesis*)" (see Dhar and Chakrabarti 2014).

only be actualized in this-worldly forms and pursuits of life. But, why is integrated life essential for unalienated life?

Bilgrami identifies one of Gandhi's central questions: "How and when did the concept of nature get transformed into the concept of natural resources" (2009: 48)? This transformation can be somewhat telegraphically traced to a few steps that unraveled over few centuries in the dominant enlightenment approach. The first step is the 'disenchantment of the world' (following Max Weber) by instituting a conceptual abstraction of the human subject from the world (the foundation of alienated life), thereby opening the space for the individual to be treated as isolated atoms/parts independent of the world. The second associated step was to desacralize nature so as to turn it into inert matter that can be objectively studied independent of any intrinsic value assigned to it (Newtonian revolution and the birth of modern science). However, and this is important, it subsequently opened the field for objectification of the world, giving birth to scientism (as distinct from science); that made possible a cast of mind capable of objective analysis; this also opens space for the control, penetration, and plunder of the world (including of nature and of other less than 'human'). Such an outlook paved the way for the blind worship of mechanical materialism (in philosophy), of cultures of greed and gratification (in economic forms, including commodity fetishism and cultures of life), of warfare (in politics), and of 'possession' (the 'pleasure principle' of an openly abrasive calculative and self-maximizing mind-set), thereby constituting what Gandhi (and Tagore) would refer to sarcastically as 'civilization' (Gandhi 2010a, b: 30–33). The next step turns nature into *natural resource.* Institutions and policies are thereafter created to direct the resources of the world for human satisfaction conceived in terms of desires, utilities, and preferences. Once the scientific outlook is married to capitalism, the subject–object division (the basis of alienated life) along with the worldview that sees nature as resources take a life of its own and gives shape to what we define as 'modernity.'

Despite 'being a sympathetic student of the Western social order' (Gandhi 1934), Gandhi rejects the above model in totality because he considers its underlying master signifier—alienated life—to be problematic and foreign to the Indian civilizational ethos (for Gandhi opposition to this master signifier and not British rule per se constituted the fundamental point of India's independence struggle). By extension, he considered the separation of the sacred and the political, the moral and the political, and the self and the politico-moral as *untrue.* His unit of reference was nature and not natural resource, living human beings and not citizen-subjects, people and not populations, 'knowledge to live by' and 'not expertise to rule by' (Bilgrami 2014), which can only appear in relation to unalienated life.

Prior to enlightenment values were derived from nature or this-worldly existence. This is a "picture of values in which values are not merely something we create and "project" onto the world … but they are things that are found in the world … a world of nature, of others who inhabit nature with us, and of a history and tradition that accumulates in the relations among these, and within which value is understood as being 'in the world'" (2009: 49). Gandhi contended that the self/soul (*atman*) is embodied within the "spiritually suffused natural environment it inhabited" and which contains values to which we respond through our praxis.

Like Gandhi, Marx too rejects the axiom of alienated life and the structure of capitalism that rests on its foundation; both share the idea of "presence of value properties in the world" and to which our praxis is morally responsive. This restores 'enchantment of the world' as the basic philosophical axiom whereby "the most general and underlying source of the unalienated life lies in the idea that nature contains the sorts of things (values) that make normative demands on us, and when we exercise our subjectivity and our agency to be in tune with these demands, we are in an unalienated relation with nature" (2014: 160). Gandhi inaugurated in the modern enlightenment ethos the sacralization of nature. The 'purity' of his socialism lies in this sacred reconnect between human and nature. Rather than being mere inert objects or resources presenting opportunities for extraction, possession, and plunder, nature is conceptually the other name of this-worldly existence that encompasses *everything* (in his words, the different form of energy, the forces which sustain the universe … in all its three aspects—creative, protective and destructive), and humans are in this infinity reality, connected to it inalienably. Henceforth, our relation with nature is sacred and unalienated life is not an option but an undisputable master signifier.

Once this is accepted, the axiom of an isolated discreet individual is rejected as *maya* (illusion or what following Marx one could call the 'delusional appearance of things') since "man is dependent on others in all things." Our duty is to worship this truth (*sat*) of interdependence between human and nature and between human and human by living it righteously, i.e., responding to the normative demands in connection with values arising from our mutual interdependence. This righteous living is what Gandhi calls *dharma*: "a *dharma*, which does not serve practical needs is no dharma, it is *adharma*" (Gandhi 2010b: 84, 86). *Dharma* is thus something to be *lived* and not just believed in (see Dhar and Chakrabarti 2016). It is this-worldly and not other-worldly. In its practical existence, dharma is that which "holds" (guided by *dhri*, the Sanskrit root, which means "to hold together"), or that which "binds"; and it personifies itself, as Gandhi emphasizes, in the moral deed of self-less sacrifice, cooperation/unity, and love that keep alive human's unalienated relations with nature and with other sentient beings.

Parekh (2001: 35) shows how Gandhi moved in 1926 from an earlier formulation 'God is Truth' or 'God is the ultimate truth' to 'Truth [*sat*] is God'. For Gandhi *truth is a moral notion*: "*sat* is employed in the sense of 'real' and 'good'; … *sat* is also applied to beautiful *deeds*" (Gandhi 2011 [1926]: 287); *sat* is thus trifurcated into the really real, the good/moral deed, and the beautiful/aesthetic act. While Enlightenment science focuses on *sat* as the repository of the really real, Gandhi focuses on *sat* as the register of the moral deed (Tagore sees *sat* as the register of the beautiful or the aesthetic). In practical life, *sat* is *dharma* in action; or *dharma* is *satkam* (true action).

Non-violence, hence, is not a matter of strategy/tactic; it is not utilitarian; but an inalienable constituent of a moral being; or a moral relation. Gandhian (non-violent) resistance is resistance to the immorality in the oppressive relation; and since the victim of this relation is both the oppressed and the oppressor, self-transformation applies to both. Gandhi's idea of political agent (*Satyagrahi*—a person dedicated to *sat* [truth]) is that of being an exemplar (and not vanguard) of moral deeds (and

not moral principle/sentiments that can only arise through cognitive capacity); he does not use 'body-force' (the language of modernity or 'western social order') but 'soul-force' which for Gandhi is equivalent to 'truth-force.' Satyagrahi's means *to resist* is persuasion, non-cooperation, and conversion; and where ashrams serve as living examples of unalienated life. Such kinds of passive resistance and construction involve "sacrifice of self" and not "sacrifice of others."

Swaraj, Swadeshi, and Khadi

Gandhi's Indianized political-economic understanding of arthas led him to several connecting threads—Swaraj, Swadeshi, and Khadi—that, in their overdetermination with other threads (such as 'unalienated life,' 'truth,' 'non-possession'), coalesced into a unified understanding of integrated moral self and ethical society. Swaraj is broadly self-rule and self-determination. "It is complete independence of alien control and complete economic independence. So at one end you have *political independence*, at the other the *economic*" (Gandhi 2008: 277). Emphasizing the importance of the local, Gandhi retorted that "our role of *swadeshi* is that in serving people we should give priority to those who live near us…The reason behind this rule of *swadeshi* is that we cannot reach all human beings in this world. If we ignored our neighbour, and sought to serve someone living far away, that would be pride on our part" (Gandhi 2010a: 185). His worldview thus places emphasis in what Gibson-Graham (2003) calls the "ethics of the local" that valued community reconstruction. Swadeshi is self-reliance or reliance on one's own (inner) strength; it imbibes the "spirit in us which restricts us to the use and service of our immediate surroundings to the exclusion of the more remote" (Gandhi 2008: 82). Khadi "means swadeshi mentality, a determination to find all necessaries of life in India and that too through the labor and intellect of the villagers" (Gandhi 2008: 168). "The principle of Swadeshi is the soul and khadi is its body in this age and in this country" (Gandhi 2008: 275). Khadi is the praxis of Swadeshi for achieving Swaraj. That is, the domain of production and economics generally must not be disconnected from self-reliance/Swadeshi and politics (Swaraj).

> In this structure composed of innumerable villages, there will be ever-widening never-ascending circle. Life will not be a pyramid with the apex sustained by the bottom. But it will be an oceanic circle whose centre will be the individual always ready to perish for the village, the latter ready to perish for the circles of villages, till at last the whole becomes one life composed of individuals, never aggressive in their arrogance but ever humble, sharing the majesty of the oceanic circle of which they are integral units.
>
> Therefore, the outermost circumference will not wield power to crush the inner circle but will give strength to all within and derive its own strength from it. (Gandhi 1951: 5)

State and law is, therefore, subjugated to swaraj and its moral foundation. In a scenario where "the power will vest in the unit (of village community) itself, which will be economically and politically as autonomous as possible" (Gandhi 2008: 104), it is imperative that the template of self-reliance or Swadeshi prevails.

Swadeshi will rest on the economics of Khadi that revolves around the charkha or spinning wheel, a traditional craftsmanship (involving hand spinning and hand weaving). Other industries will appear to horizontally link up with the needs of Khadi. This way, all people will find employment and the needs of the nation will be taken care of.

Poor Man's Socialism

Taking off from the above discussion on Swaraj, Gandhi (1951: 9, 5) noted that "…in *socialism* all the members of society are equal—none low, none high. In the individual body the head is not high because it is the top of the body, nor are the soles of the feet low because they touch the earth. Even as members of the individual body are equal, so are the members of society. This is socialism….In the unity of my conception there is perfect unity in the plurality of designs….Life will not be a pyramid with the apex sustained by the bottom." Connected by communitarian relations and non-violent practices, societal reproduction will be harmonized through the mutual cooperation of individuals and groups. This socialist concept of equality gets its flesh when based on the communist principle of 'from each according to his capacity, to each according to his needs.'

Gandhi suggests that distribution in terms of communist principle 'to each according to his need' has been practised since time immemorial in India. In the Indianized version of socialism, economic equality "…did not mean that everyone would literally have the same amount. It simply meant that everybody should have enough of his or her needs…If a single man demanded as much as a man with wife and four children that would be a violation of economic equality" (Gandhi 1951: 23). Elsewhere, he says, "…equal distribution is that each man shall have the wherewithal to supply all his natural needs and no more" (Gandhi 1951: 19).

Why can't one keep more than what one needs? Gandhi makes a conceptual distinction between happiness and pleasure. "A man is not necessarily happy because he is rich, or unhappy because he is poor…our ancestors dissuaded us from luxuries and pleasures" (Gandhi 1951: 3). The principle of pleasure is associated with aspects such as self-maximization, 'competition,' 'accumulation,' 'possession' (of goods and services, of money) that allowed some to live off others; the pleasure principle makes a fetish of 'excess' and of 'bodily comfort.' It culminates in a politics of 'bodily warfare' (Gandhi 2010a, b). In opposition, Gandhi proposed the ethical template of 'non-possession' (*Aparigraha*). It is a value that is imposed by the world (nature) on the subject and which must guide the pursuit of purusharthas. Non-possession is equivalent to dharma and the praxis of purusharthas based on it is the art of living nobly.

Gandhi contends that "non-possession is allied to non-stealing. A thing, not originally stolen, must nevertheless be classified as stolen property, if we possess it without needing it…If each retained possession only of what he needed, no one would be in want, and all would live in contentment" (Gandhi 1951: 12). Arguing

that the template of possession created a society in which one class lived by stealing the fruits of labor from another class and indulged in accumulation, Gandhi in a dramatic switch from the dominant Western ethos espoused that, "civilisation, in the real sense of the term, consists not in the multiplication, but in the deliberate and voluntary *reduction* of wants" (Gandhi 1951: 13). Speaking for such ethos, he held that "…our real happiness and health consisted in a proper use of our hands and feet" (Gandhi 1951: 3) which would fulfill our needs (individual and social) and nothing more.

Concerning 'from each according to capacity,' Gandhi emphasized that people have different capacities which in turn entails that not only will they perform different tasks but also earn unequal income. Doesn't it violate the principle and praxis of swaraj?

> My idea of society is that while we are born with equal opportunity, all have not the same capacity. It is, in the nature of things, impossible. For instance, all cannot have the same height, or colour or degree of intelligence etc. Therefore, in the nature of things, some will have ability to earn more or others less. People with talents will have more, and they will utilize their talents for this purpose. If they utilize their talents kindly, they will be performing the work of the State. Such people exist as trustees, on no other terms. I would allow a man of intellect to earn more. I would not cramp his talent. But the bulk of his greater earnings must be used for the good of the State, just as the income of all earning sons of the funds goes to the common family fund. It may be that I should fail miserably in this. But that is what I am sailing for. (Gandhi 1951: 155)

Wealth beyond individual's need is unnecessary and superfluous; 'equal' distribution entails that this excess wealth has to be redistributed to fulfill the needs of the people. "At the root of this doctrine of equal distribution must lie that of the trusteeship of the wealthy for the *superfluous* wealth possessed by them…The rich man will be left in possession of his wealth, of which he will use what he reasonably requires for his personal needs and will act as a trustee for the remainder to be used for society. In this argument honesty on the part of the trustee is assumed" (Gandhi 1951: 20). Gandhi hoped that capitalists in cities and zamindars in villages would come to be persuaded to be *voluntarily guided* by the principle of 'non-possession' and this self-transformation of exploiters into self-sacrificing trustees would end the presence of superfluous wealth in the hands of a few. We come back to this problem of trusteeship later which we will show to be highly deficient even if we grant him the problematic assumption of honesty.

Thus, "from each according to his capacity to each according to his need," becomes consistent with the principle of equality only when society is ruled by the conduct of "non-possession." Even if people have different capacities/roles and earn diverse income leading to inequality at that level, the normative demand of 'non-possession' ensures that equality prevails in the dispensing of wealth on the basis of needs.

Gandhian Socialism as Economic Democracy

If swaraj is to be taken as the constraint of socialism, then equal participation in decisions that affect the lives of participants—the essence of democracy—becomes an inherent quality of Gandhian socialism. What is true for political democracy of the modern state must also be true for democracy in the enterprise—decisions regarding 'what,' 'how,' 'who,' and 'where' with respect to production of use values (whether material or immaterial), especially when Gandhi vests so much importance to freedom of individuals and village units in ushering in swaraj from below. To secure swaraj in enterprises (large, medium, and small), economic democracy requires the equal participation of the direct producers (workers) in directing the enterprise—say, through one worker one vote (Wolff 2012).

In case those who perform labor (Marx's direct producers) are not in charge of deciding 'what,' 'where,' 'who,' and 'how' to produce, there appears a schism/rank/hierarchy in the sphere of production. Non-participation of workers in economic decisions institute political inequality in directing the enterprise, establishing instead, in political terms, autocracy or oligarchy; different capacities and roles become ranks and hierarchies. Since autocrats or oligarchs direct the enterprise, they are seen as representing the enterprise, as its personification. In case of the capitalist enterprise, these autocrats or oligarchs can be private persons with no connection with the state (private capitalism) or they can be bureaucrats/ministry (state capitalism). The privileged power acquired in production (and the control of income and wealth that transpires as a result) translates into broader socio-economic power and privilege (financial, legal, institutional, and political).

Such an undemocratic enterprise also undercuts the importance of the local that Gandhi sees as central to socialism. The directors of enterprise who are often far away from the sites of production and the local communities (certainly, in case of corporations and big family run business houses) and/or guided by motives (such as profit) take decisions which nevertheless has an effect (good or bad) on the well-being of the workers and communities that surround the enterprise. For example, their decision to close the plant in which the workers or the local community have no say not only obliterates that production unit but also, as is commonplace, leaves families and communities in villages, towns, and cities (wherever they are located) in ruins. Denial of economic democracy takes away from the people the ability to control and stabilize their life-activity, subsistence living and life choices which they would otherwise do or have if economic democracy was established inside the enterprise. That privilege is now conferred on a small private group over whom the greater mass of affected people has no control. That is, the absence of economic democracy inside the workplace—violation of Swaraj—has a negative bearing on self-reliance or Swadeshi inside and beyond production. Restoring Swadeshi then requires Swaraj qua economic democracy inside the workplace.

But then, what about specialization, differences in capacity (natural or acquired that Gandhi was referring to)? Does not any policy or decision (say, for financial investment or marketing strategy) involve a degree of competence that is non-

substitutable? Indeed, a case could be made that not all members are equally informed and skilled to make decisions on the allocation of resources, techniques of investment, financial management, and any number of other specialized and highly skilled decisions. Just as perhaps the most persuasive argument against political democracy has been that citizens are not always competent to make 'informed decisions,' many more would argue that the workers are not in general qualified to participate in collective decisions at the level of enterprise policy. Fanciful as this argument may seem it goes right against the essence of democracy. The strong principle of equality does not imply that all members be competent with respect to all matters or even that they agree on all matters (Dahl 1989; Cullenberg 1992, 1998). All that is required is that members participate in deciding on the policy matters regarding ' what,' 'how,' 'who,' and 'where' of production in the enterprise and regarding the appropriation and distribution of produce and the surplus value from it (discussed later). The worker's directed enterprise may decide to delegate many allocative, financial, or investment decisions to highly skilled personal of their choice, who then might insist on an array of interventions with respect to policy, which in turn would require ratification by those who have delegated the authority in the first place. They may even collectively decide to, as Gandhi suggests, fix different wage structures for the people of different capacities. Again, the point is that the delegation and ratification of such decisions are collectively made through participation of all and are thus democratic. Various combinations, actual and possible, have and can be comprehended within the organization that emphasizes governance based on the Gandhian idea of 'equality.'[3]

Action Versus Non-action: Spirituality of Bread Labor

Both action and moksha are crucial to Gandhi's purushartha. The Gandhian subject is a personification of both. However, one powerful tradition in India, consisting of sections of Hindus, Buddhists, Jains, and so on, has forwarded the thesis of non-action as a path toward achieving moksha, thereby instituting a division between the two. Gandhi took refuge to a reading and interpretation of the Bhagavad Gita which helped him to break the somewhat rigid boundary between *arthas* (the perceived domain of action, economic and political) and *moksha* (the perceived domain of non-action). Gandhi took cognizance of the following verse in the Bhagavad Gita.

> Not by refraining from action does man attain freedom from action. Not by mere renunciation does he attain supreme perfection.
>
> He who withdraws himself from actions, but ponders on their pleasures in his heart, he is under a delusion and is a false follower of the Path.
>
> But great is the man who, free from attachments, and with a mind ruling its powers in harmony, works on the path of Karma Yoga, the path of consecrated action.

[3] See the classical case of the giant Mondragon Cooperative Complex in the Basque region of Spain **for an example of economic democracy** (Wolff 2012).

> Action is greater than inaction: perform therefore thy task in life. Even the life of the body could not be if there were no action. (Chap. 3: 56)

But, how can moksha be reached and realized with and through action? Matital (2002) argued that the Bhagavad Gita can also be read as a response to the Sramana philosophy especially the Buddhist strand that extolled renunciation in the form of non-action or *a-karma* to get around the trap of desire-action-reward and hence the bondage of the vicious cycle of birth, death, and rebirth. It patently implies shunning this-worldly life that is supposedly teeming with the fuel of desire-action-reward. The path of achieving moksha through non-action in the form of renunciation of this-worldly life also influenced subsequent non-Buddhist thought and practice in India. Bhagavad Gita accepts the problem of being trapped into the cycle of desire-action-reward as hindering the trajectory of achieving moksha. But it also debunks the solution. How can man be without action when man is always already embodied in nature! Considering that Gandhi's frame of unalienated life is aligned to this interpretation of Bhagavad Gita, he concludes that man's lived experience in this-worldly web of relationships cannot but make him or her act; we are by default always in action. How then can one reach moksha without being trapped in the register, either of desire-reward or of non-action? What kind of action would be correct action (the question of *dharma*)? The Bhagavad Gita suggests: consecrated action devoid of desire for the fruits of action.

> Set thy heart upon thy work, but never on its reward. Work not for a reward; but never cease to do thy work. (Chap. 2, verse 47)
>
> The world is in the bonds of action, unless the action is consecration. Let thy actions then be pure, free from the bonds of desire. (Chap. 3: 9)

Consecrated action is *dharma*. It has two sides. One, consecrated action is service for the normative values of this-worldly relationships rather than for selfish interest. That is what makes the work sacred. But, for this to be true, action must be independent of *attachment* to reward. Attachment leads to bonds of desire and desire to rewards. Action becomes utilitarian and not sacred. This implies that one must not renounce work but any iota of feeling of attachment to the fruits from work; renouncing attachment to reward from work is imbibing non-possession in practical engagement. Moral disposition of non-possession is thus necessary to render work sacred. Given that moral disposition of sacred self-less service and non-possession is itself the basis of action the question of being interpellated by the fruits/rewards of the action becomes redundant.

Gandhi's interpretation also leads to the rejection of the liberal category of actor as an atomistic individual existing independently of this-worldly relations (here Gandhi (1958–, CW. Vol. 59, 205–6) criticizes Adam Smith).

> All actions take place in time by the interweaving of the forces of Nature; but the man lost in selfish delusion think that he himself is an actor. (Gita 27: 58)

This conception of the autonomous actor also imparts a false understanding that choice forms the basis of freedom. A Gandhian response would suggest that people always make choices including that regarding why and how they should act, but

choice-action is the *maya* of freedom if that imprisons one (i) into thinking of himself or herself as an actor independent of this-worldly relations and (ii) into bonds of desire-action-reward tied to the self. In that case, the individual will comprehend nature (other humans, animals, biotic, and ecology) as abstract and distanced objects that can be subjected to his or her calculations (through cost-benefit), control, management, plunder and destruction, and thinks of morality (whether utilitarian or sympathetic) as independent of nature. For Gandhi, moksha has to be searched from action that is this-worldly that responds to normative demands and constitutes an action of the self on the self (which involves sacrificing ones' desire-reward). Gandhi connected the production of the laboring subject to righteous or true action (dharma) that can pave the way for spiritual liberation.

The Primacy of Bread Labor

That every human being should work is the un-contestable truth of human existence for Gandhi; this is somewhat analogous to Marx's consideration of "universality of human species-being in its unique and conscious act of production" (Saito 2018: 30). Everything else must adjust to the axiom of "bread labor": "to live man must work" (Gandhi 1951: 15). Inquiring into whether an able-bodied man doing no body labor has the right to eat, he takes recourse to the Bhagavad Gita again:

> By sacrifice shalt thou honour the gods and the gods will then love thee. And thus in harmony with them shalt though attain the supreme good.
>
> For pleased with thy sacrifice, the gods will grant to thee the joy of all thy desires. Only a 'thief would enjoy their gifts and not offer them in sacrifice.
>
> Holy men who takes as food the remain of sacrifice become free from all their sins; but the unholy who have feasts for themselves eat food that is in truth sin.
>
> Food is the life of all beings, and all food comes from rain above. Sacrifice brings the rain from heaven, and *sacrifice is sacred action*. (Chap. 3: 57)

Referring to yajna Gandhi says that "…yaj means 'to worship' and we please God by worshipping Him through physical labor…Work is worship" (Gandhi 2010a, b: 98). Gandhi contends, "…he who eats without offering sacrifice eats stolen food. Sacrifice here can only mean bread labor" (Gandhi 1951: 15). Therefore, bread labor is *sacred action*. Stolen food would mean living off the fruits of other's labor, a moral sin (*adharma*); a converse proposition of 'bread labor' implies that nobody has the right to live off other's labor, another value imposed by the world (nature) on us. Paraphrasing this argument, Parel (2006: 68) foregrounds the first principle of Gandhian economics as: "human beings have a right to the fruit of their labor just as they have an obligation to earn their livelihood by the sweat of their brow."

For Gandhi, not following the moral guideline of bread labor has practical consequences. Classes, ranks and hierarchies arise because not everybody labors. Some enjoy excess wealth (free/stolen 'bread') because others create it (by working) for them.

Gandhi also problematizes the oft mentioned distinction between bodily labor and intellectual labor. To a question "May not men earn their bread by intellectual labor?" he answers: "No. The needs of the body must be supplied by the body…Mere mental, that is, intellectual labor is for the soul and is its own satisfaction. It should never demand payment" (Gandhi 1951: 17).

While he never discounted the value of intellectual labor, it is no substitute of bodily labor; if harnessed together, they produce the integrated self capable of achieving *moksha* (spiritual liberation). He found the practice of individuals living on other's bodily labor unacceptable; his critical position on manual scavenging (laboring done exclusively by Dalits) is an example. His socialism envisaged a scenario when "…invidious distinctions of rank would be abolished, when everyone without exception acknowledged the obligation of bread labor" (Gandhi 1951: 15). Like Marx, Gandhi too can be seen as arguing very strongly to abolish the distinction between intellectual and physical labor; abolish not intellectual and physical labor per se but their hierarchical/discriminatory distinction.

Finally, the primacy of 'bread labor' ruled out any dependence on charity and benevolence with respect to work. From today's vantage point, we could say that artificial distribution (redistribution) in the form of doles, grants, and subsidies to able-bodied persons (or for programs such as Universal Basic Income) is simply unacceptable to Gandhi (although not for reasons of inefficiency and waste forwarded by the liberals). Gandhi, known as the 'friend of the poor,' espoused the strict rule: "No labour, no meal" (Gandhi 1951: 138) even for the poorest of the poor. "My ahimsa would not tolerate the idea of giving a free meal to a healthy person who has not worked for it in some honest way…Such misplaced charity…gives a false sense of meritoriousness to the donor…I know it is easier to fling free meals in the faces of idlers, but much more difficult to organize an institution where honest work has to be done before meals are served" (Gandhi 1951: 138). Gandhi's poor man's socialism is based on cultivating dignity and self-reliance through institution building so that people can, as equal, be participants in the art of living nobly. Agency of the poor is a critical aspect of Gandhi's socialism. Courtesy 'bread labor' backed by economics of Khadi, everybody would have employment and enough to reproduce their means of subsistence. Not competition, fragmentation, self-maximization but cooperation, unity, and benevolence, not the calculation of possession but morality of self-sacrifice, not artificial distribution but productive activity, not free food but food against the sacrifice of labor: That is how Gandhi's economics would proceed. One can notice an uncanny similarity of Gandhi's foundational premise with that of Marx.

Labor, Machine, and Industrialization: Toward Industrialization of Khadi

Gandhi was dead against machine-based mass industrialization (whether capitalist or socialist) because it will undercut the objectives of 'bread labor,' full employment, and political-economic equality. To those who argued that he was against machine per se, Gandhi replied:

> What I object to is the craze for machinery, not machinery as such. The craze is for what they call *labour-saving machinery*. Men go on 'saving labour' till thousands are without work and thrown on the open streets to die of starvation. I want to *save time and labour*, not for a fraction of mankind but *for all*. I want the *concentration* of wealth, not in the hands of a few, but in the hands of all. Today machinery merely helps a few to ride on the backs of millions. The impetus behind it all is not the philanthropy to save labour, but greed. It is against this constitution of things that I am fighting with all my might…The supreme consideration is man. The machine should not tend to atrophy the limbs of man. (Gandhi 1951: 29)
>
> What is industrialisation, but a *control of the majority by a small minority*? There is nothing attractive about it, nor is there anything inevitable about it. (Gandhi 2008: 87; *emphasis ours*)

Gandhi opposed machine-driven industrialization (not machine per se) because he saw it as a process bent on destroying the forms of life in the Indian villages (which he called the soul of India) although, rather than take its forms of life as given, he was bent on rural transformation (through self-social-political transformations) in order address some of the hierarchies, discriminations and inequalities embodied in them (for Ambedkar Indian villages were "republics of [caste] humiliation"). The answer to India's sore points cannot be the imported axiom of alienated life with its abstract, objectified, asocial, and impersonal attributes of self-seeking behavior, possession, competition, accumulation, and control of social life by a few which he connected to the social engineering project of machine driven industrialization (Gandhi 2008: 87–89). The latter will mean the destruction of the ethos of Indian civilization which is premised on a kind of *sociality* (however fraught, due to caste) and whose finest content lies not in its sore points but in the praxis of integrated life grounded on the axiom of unalienated life. He maintained that only a patient reconstruction of the rural (rather than attempt to break it up) will overcome those sore points over time.

It is important to understand that Gandhi had little problems with machine that, rather than being labor-displacing, spreading inequality and promoting impersonal control of social life (what Marx referred to as the control of living labor by dead labor), helped in the development of laboring capacity in the Khadi economy. Gandhi realized that heavy industries were a reality and he called for their centralization and nationalization in order to control the embodied spirit of greed and possession. Keeping the heavy industries strictly at its minimum and under control, he sought the spread of Khadi-based industries in the villages of India. In Gandhi's own words, "A plea for the spinning wheel is a plea for recognising the dignity of labor…Machinery has its place; it has come to stay. But it must not be allowed to displace the necessary human labor (Gandhi in Bhattacharya 1997: 98, 89, 125). In the end, machine-based industrialization must be made subservient to the Khadi-based industrialization.

By adhering to the principle of 'bread labor,' Khadi-based industrialization operationalized through the spinning wheel was supposed to solve the problem of unemployment and poverty:

> A humanitarian industrial policy for India means to me a glorified revival of hand spinning, for through it alone can pauperism, which is blighting the lives of millions of human beings in their own cottages in this land, be immediately removed. Everything else may thereafter be added, so as to increase the productive capacity of the country
>
> ….the spinning wheel….is mass production, but mass production in people's own homes. If you multiply individual production to millions of times, would it not give you mass production on a tremendous scale? (Gandhi 2008: 87–88)

From today's vantage point, Khadi is a metaphor for indigenous technology and production methods. It implies the usage of the forces of production (means of production, technology, skills, abilities, etc.) that people can lay their hands on through their knowledge system or *Lokavidya* to reproduce their means of subsistence. It symbolizes Gandhi's counter politics, and his intent to secure, like Marx, the 'knowing' component of the register of the 'know-how' of the subaltern's world (the "how to" or the "how of doing things") and prevent its conquest by the Master (see Dhar and Chakrabarti 2019).

Gandhi argued that material progress and moral progress, economics, and ethics must be conjoined into a harmonious existence, and the latter in no way be considered secondary or redundant. In fact, the material must be subjected to the ethical.

> I must confess that I do not draw a sharp or any distinction between Economics and ethics. Economics that hurt the moral well-being of an individual or a nation are immoral and therefore sinful. Thus the economics that permit one country to prey upon another are immoral. It is sinful to buy and use articles made by sweated labour…". (Gandhi in Bhattacharya 1997: 90)
>
> Impoverished India can become free, but it will be hard for any India made rich through immorality to regain its freedom. (Gandhi 2008: 83)

The immorality of economics stems in no small part due to its denial of the values in this-worldly relations. Instead of binding things together, the essence of this economics is fragmentation, objectification, self-maximizing, calculation, profiteering, and conquest. Its deprecation of normative values in this-worldly relationships (e.g., its dismissal of a social relation with respect to land) and replacement by asocial positivist objective principle (say, positioning land it in terms of productivity) and methodologies (rationalism and empiricism are two representative epistemologies vying for socially neutral objective yardstick/standard) implies the dismissal of both humans as moral beings and of non-violent relationships as the fundamental domain of human engagement. Machine-based industrialization (whether capitalist and socialist) based on such an immoral/adharmik economic principle even if it brings material progress (say, rise in income growth) stands as rejected in the Gandhian framework.

Gandhi's Brush with Property, Reward, and Wealth

Gandhi believed that in the Indian rural economy where peasants and artisans work in interdependence and in family farm or in cooperatives, poor man's socialism could be inaugurated through a rebuilt Khadi industry. The biggest challenge to this proposition and to this praxis pertained to (i) rural land transformation—zamindari system and princely estates—brought about by the British land revenue system that in turn took its cue from Classical Political economy, albeit in a distorted form and (ii) industrial capitalism. Not only is there in these instances (spanning the rural and the urban) a *social decoupling* of property owners from non-owners but also a distinction is made between those who perform labor and ones who appropriate its fruits. Classical Marxists would advance the solution of expropriating the expropriators, principally in the form of private property. Gandhi dissented and went in a different direction through his ethical principle of 'non-possession' backed up by the theory of trusteeship. That ensured that private property need not be usurped even as the worst in the zamindari and capitalist system is done away with; what he intended was to render the socially evil *role* of private property redundant. We shall exemplify Gandhi's position in terms of industrial capitalism since it is replicated in his solution for the zamindari system.

Reading the Bolshevik revolution along the lines of ownership, Gandhi noted, "All that I know is that it aims at the abolition of the institution of private property. This is only an application of the ethical ideal of non-possession in the realm of economics and if the people adopted this ideal of their own accord or could be made to accept it by means of peaceful persuasion there would be nothing like it. But from what I know of Bolshevism it not only does not preclude the use of force but freely sanctions it for the expropriation of private property and maintaining the collective state ownership of the same…it is my firm conviction that nothing enduring can be built on violence" (2008: 96). Gandhi's reading of Bolshevism was correct in so far as, following Stalinism, state ownership of private property became coterminous with socialism foreclosing thereby the central aspect of Marx's critique of capitalism—*exploitation* (Resnick and Wolff 2002). In his debate with communists, Gandhi shared with Classical Marxists the focus on private property and *not on appropriation of surplus labor* (from where the category of exploitation is derived*)* as the centerpiece of capitalism even as he charted a new path for transiting to socialism.

Gandhi argued that the caretakers of wealth created by labor would be the owners of capital—capitalists—formed into trustees. For someone who seems to be against possession and its form in private property, this seems to be a strange response. Yet, he did have a rationale.

To begin with, instead of stressing violent class war to expropriate the capitalists, Gandhi proposed class alliance between the capitalists and workers. "A movement of mere destruction leaves the destroyer unpurified, and brings him down to the level of those whom he seeks to destroy" (Gandhi 1951: 92). Instead, Gandhi held that "…my creed is non-violence under all circumstances. My method is conversion, not coercion; it is self-suffering, not the suffering of the tyrant" (Gandhi 2008: 153).

However, how to *convert*? He espoused the conversion of capitalists (purification of the tyrant through soul- or truth-force) to become the trustees of society. The trustees are not to be seen as superior to the laborer; rather each act to safeguard the interest of the other.

> 'May you propitiate the gods and may the god propitiate you, and may you reach the highest good by this mutual propitiation,' says the Bhagavad Gita. There is no separate species called gods in the universe, but all who have the power of production and will work for the community using that power are gods – labourers no less than capitalists. (Gandhi 1951: 82)

Exclusion of class war along with the co-existence of capitalists and workers could at first glance appear as a defense of capitalism. It is, however, fallacious to reduce Gandhi's position to that held in the conventional liberal defense of capitalism. Gandhi suggested that his template of *non-possession* that demotes the social role of property and denies the impulse of self-seeking behavior and personal accumulation together with the theory of *trusteeship* that guarantees class cooperation by making the capitalist responsible to the worker and to the greater good of society would destroy the psycho-moral basis of capitalism. In fact, "by the non-violent method we seek not to destroy the capitalist, we seek to destroy capitalism" (Gandhi 2008: 97). Destroying capitalism without expropriating the capitalists: This is essence of the Gandhian path toward socialism.

Before proceeding to explain this thesis, we need to note why the counter-argument that capitalists have a right to possess the value of produce by virtue of control/ownership of the means of production is not acceptable to Gandhi. Ideally, 'non-possession' standing for non-attachment rules out ownership of property as a legitimate argument and hence would contravene the aspect of ownership of property.

> All land belongs to Gopal, where then is the boundary line? Man is the maker of the line and he can therefore unmake it. Gopal literally means shepherd; it also means God. In modern language it means the State, i.e., the people. That the land today does not belong to the people is too true. But the fault is not in the teaching. It is in us who have not lived up to it…..Land and property is his who will work it. Unfortunately the workers are or have been kept ignorant of this simple fact. (Gandhi 2008: 277–278)

On moral grounds, private property should not exist; those with private property (capitalists and zamindars) should convert to give up their claim. Here, Gandhi's position resonates well with the higher utopia of communism that calls for abolition of private property. Nevertheless, *in case where ownership remains*, the return from it should not be claimed as a legitimate enough reason to possess it.

Wealth is created through cooperation from all kinds of people. It belongs to nobody and hence to people. Therefore, "when an individual had more than his proportionate portion he became a trustee of that portion for God's people" (Gandhi 1951: 135). Wealth in excess of what is needed by an individual must have come from other's bread labor and, courtesy non-possession, must be redistributed to fulfill the greater good of workers and the rest of society according to the distribution template of communism. It is notable that for Gandhi, the issue is 'how capital may be treated' (Gandhi 1951: 132) (i.e., distribution), staying somewhat silent on the questions of creation of capital and the right of appropriating capital in the first place.

Gandhi compulsorily disconnects labor from the fruits of labor and gives the 'right' of distribution on the basis of the communist distributive condition to the capitalists. Courtesy non-possession, he achieves this by, first, debunking the principle of rewards to be any basis of work which, instead, is seen as self-less sacrifice by the workers (who gives up her claim on excess wealth that her bread labor has created) and, second, centralizing trusteeship that would ensure the distribution of surplus to the society at large (capitalists giving up his claim on excess wealth that he appropriates). The condition of non-possession is satisfied without the eradication of the capitalists; the detrimental social role of private property allowing some to possess and accumulate income and wealth from its ownership—capitalism—is destroyed. Such a virtuous scenario is to be institutionalized through the principle of trusteeship.

> God who was all-powerful had no reason to store. He created from day to day; hence men should also in theory live from day to day and not stock things. If this truth was imbibed generally, it would become legalized and trusteeship would become a legalized institution. (Gandhi 1951: 135)

However, at this point, we stumble upon a few problems that remain unanswered in Gandhi. The above condition does not satisfy "from each according to his capacity." If we accept the universality of the criteria of 'bread labor,' then there is ambivalence regarding whether the capitalists and zamindars should be performing direct labor alongside the industrial and agricultural workers. On the one hand, he suggests that "….Princes and the millionaires too should do manual work and maintain themselves on eight annas a day, considering the rest of their property as national trust" (Gandhi 2008: 100). On the other side, he also avers that "the man who supplies brains and metal is as much a tiller as the one who labours with his hands" (Gandhi 1951: 128). His ambiguity is heightened when at times he refers to the workers and farmers as 'dumb' and 'lacking talent.' Whatever it may be, his own condition of 'bread labor' qua bodily/physical labor is partially violated. Does it not reopen rank/hierarchy between mental and physical labor? Does it not also open the immoral path of inaction of masters, feudal lords (zamindars), capitalists, speculators, hoarders, and so on allowing these entities to live off other's bread labor? How is this projected ambivalence compatible with purusharthas in terms of praxis of integrated unalienated life and swaraj as self-rule that stresses equality in terms of absence of hierarchies and ranks!

Besides, if non-possession is to be seen as a universal principle, then it is not clear why possession of surplus should be left in the hands of the capitalists. Why should capitalists be the only candidate for trusteeship? Why not the workers? Why not a broader group including the workers? Any guardianship-based argument in favor of capitalists having different/higher capacities and hence the exclusive right to be director of the enterprise and by default to be the caretaker of excess income derived from it does not hold in the Gandhian frame of political-economic equality ('none low, none high').

Finally, what if the capitalists do not respond and avoid becoming the guardian of the rest of society? The onus to correct this situation lies with the workers since "the rich cannot accumulate wealth without the cooperation of the poor in society"

(Gandhi 1951: 21). Workers must resurrect themselves by forming trade unions and other organizations to resist the capitalists through non-violent practices of non-cooperation and civil disobedience. They should realize that "their strength (capitalist) is their money, your strength (worker) is your capacity to work. Capital would be helpless without labor" (Gandhi 1951: 71). The consequence of the failure of the crucial assumption—capitalists must practice 'non-possession'—is borne by the workers and not the capitalists themselves; failure of responsibilities and obligations are thus not weighed on the same scale.

Trusteeship's Trouble with Exploitation

Following an interpretation of Marx's book 'Capital' by Resnick and Wolff (1987, 2006), labor process [process where the mental and physical capacity of 'bread labor' (i.e., labor power) is combined with means of production to produce use value (goods or services—material or immaterial)] can be divided into two parts: necessary labor and surplus labor. Necessary labor is equivalent to a portion of produced per unit use value that is paid back to the workers, needed to reproduce the workers and her family. Labor above necessary labor is surplus labor, the extra surplus/unpaid portion of use value that Engels called the discretionary funds of society, i.e., the equivalence of Gandhi's excess wealth. 'Bread labor' thus has two components—necessary/paid labor and surplus/unpaid labor and which manifest in value or product form depending upon the mode of exchange—market (monetary) and non-market (non-monetary)—of produced use value. Consequently, surplus labor can take the two forms of surplus produce or surplus value. Emphasizing on the importance of surplus labor, *class is defined as process of performance, appropriation, distribution, and receipt of surplus labor,* and Marx makes it the entry point of analysis. The three volumes of 'Capital' stand as a living testimony of the conceptual arrival and work of class process of surplus labor. He explores how class and non-class processes constituted one another in shaping the economy in general and capitalism in particular. While other aspects of Marxian theory would pose interesting questions for the Gandhian framework, let us for the sake of brevity restrict our attention to the class process of performance and appropriation of surplus labor and particularly to its capitalist form, an aspect that Marx himself highlighted because it pointed to the concept of exploitation. And because the latter pertains to the moral question regarding surplus income, its dialogical connection with Gandhi's attention on excess wealth is self-evident.

For Marx, mode of appropriation of surplus labor and exploitation are conceptually different, albeit related. Exploitation concerns a specific mode of appropriation whereby the performers of surplus labor (exploited) are excluded from the process of its appropriation by non-performers (exploiters). Referring to his appropriation of other's bread labor as (legalized) theft and robbery, Marx called exploitation unjust (Cullenberg 1998; DeMartino 2003). Moreover, the schism between the mass of direct producers of surplus and few appropriators at the heart of production opens

a qualitatively different kind of societal rank/hierarchy. According to Marx, non-existence of economic democracy (discussed earlier), exploitation, and class division seem to be systemic features of capitalism. In case, performers and appropriators are the same, the mode of appropriation is non-exploitative; the end of class division signifies the thin condition that satisfies communism. It is difficult to imagine how this condition can be established without simultaneously securing economic democracy inside the enterprise (*swaraj*); in that instance, the workers collective become equal participants in directing the decisions of enterprises alongside personifying the process of appropriation and distribution of surplus value that they created.

Marx (1990) presented capitalism as an exploitative organization of surplus (personified by single proprietorship, partnership, or corporate enterprise; in small, medium, or large units) whereby a few non-performers appropriated the fruits of surplus labor of wage workers in value form; non-performers personifying the process of appropriation of surplus value was defined as 'capitalist' by Marx.[4] Their appropriation of surplus value (congealed capital created in production) allowed them control over the discretionary fund of the economy, and from today's vantage point facilitated a distribution of the overwhelming portion of surplus to the immediate condition providers who secured the class organization of exploitation—to themselves (directors fees/salaries, bonuses, stock options), middle- and lower-level managers (remunerations and operating budgets), merchants (discounted wholesale and retail prices), bankers (interest and fees), shareholders (dividends), owners of technology and land (rents).[5] The direct possession of this surplus by capitalist and its distribution to condition providers allow the capitalists and their immediately connected cohorts to further buy and possess astronomical quantum of assets (financial and material) and, through inter-generational chain of bequest, aid an exclusive lifestyle of a privileged few at the expense of others (Pickety 2014). The interconnection between organization of exploitation and skewed distribution of income and wealth remains an endemic feature of exploitative systems such as capitalism.

From a Gandhian perspective, possession or its form in exploitation is stolen bread labor and hence a clear breach of *dharma*. Put it in another way, exploitation is wrong by virtue of what it is (one does not need additional arguments) although its presence additionally has serious effects and consequences on institutions, practices, and lived experiences that need not be discussed here. We stick to its moral argument only. Unfortunately, the aspect of possession examined by Gandhi is not regarding appropriation of surplus, but possession as in the distribution of surplus wealth. The

[4]Marx actually defined them as 'productive' capitalists (a gift of industrial capitalism) as distinguished from 'unproductive' capitalists (bankers, merchants, shareholders) who generated surplus value in circulation; rather than take one as more important than the other, he considered them to be mutually related in the systemic production of capitalism. With emphasis on exploitation, our focus though is directed at productive capitalist since by virtue of appropriating surplus value through production process it is they who are the exploiters. Marx was clear that unproductive capitalists do not exploit; as condition providers to organization of exploitation and productive capitalists, they are receivers of surplus value.

[5]Another portion of surplus value goes for social sectors such as education, health, poverty schemes, etc. through alternative mechanisms such as taxation by state (Marx 1977).

aspect of theft a la appropriation of surplus is qualitatively different from 'how capital may be treated' which is a matter of what one does with the fruits of theft. The former continues to rebound on his framework because of his insistence on zero tolerance against 'possession' of any kind (here, of fruits of surplus labor). Marx's contribution was to look at the problem of *possession* in all its interconnected dimensions—appropriation and distribution. We contend that this sidelining of appropriation (by default, taking the form of exploitation in capitalism) against the background of the constraint of 'non-possession' renders inconsistent Gandhi's theory of trusteeship in terms of his own framework and more tellingly renders his goal of eradicating capitalism without expropriating (the class position of) capitalists impossible. Rather than being absent, the concept of exploitation exists as the 'unconscious' in Gandhi's frame that insists on the 'conscious' presenting of possession.

The trouble with exploitation becomes even more dramatic if we turn the Gandhian frame to face a reading of Marx which has underscored that exploitation cannot be reduced to ownership of property (Resnick and Wolff 1987). For example, in erstwhile Soviet Union, nationalization or state ownership of property facilitated another kind of organization of exploitation since the surplus created by workers came to be appropriated not by private non-performers but another kind appointed and/or sponsored by the state ministry. This organizational structure is 'state' capitalist and not socialist as is conventionally but wrongly understood; the appropriators/exploiters (bureaucracy, ministry officials) being state capitalists (Resnick and Wolff 2002). There is no one to one correspondence between socialization of ownership and socialization of surplus. Rather than merely discussing the aspect of possession and distribution with respect to the particular structure of ownership, Gandhi's invocation of bread labor in the context of unalienated life with non-possession as the moral principle warrants an inquiry into its connection with performance and appropriation of use value and surplus/excess value in production.

In this Marxian theory, there is a methodological shift in the concept of class struggle with dramatic consequences. Class struggle is now fundamentally a struggle *over* class *process of surplus labor* by contingently situated actors (and not structurally pre-defined actors). Among other struggles, class struggle includes changing its qualitative structure (from exploitative to non-exploitative). If that being the case, then it is primarily not geared toward annihilating the (productive) capitalists per se but to transform the *process* of appropriation in order to render it non-exploitative.

Moreover, struggle for class transformation does not necessitate violence because the struggle is not against the capitalists but against the class *process* that capitalists personify, a subtle but decisively fundamental difference. The point and purpose of class struggle is to transform the class process from exploitative to the non-exploitative form. Annihilating the capitalists without eliminating exploitation (as happened in erstwhile Soviet Union) would hardly be considered appropriate political transformation in Marx's terms. It only replaces, as in Soviet Union, the private capitalists with state capitalists. *Gandhi proposed to destroy capitalism without destroying the capitalist; the classical Marxists proposed to destroy the private capitalists without destroying capitalism.* With their focus on private property rather than appropriation (and its form of exploitation), both the Gandhian and the classical

Marxian framework struggle to cope with the presence, and normative demand, of non-possession qua mode of appropriation. None can stand up to the central problem of *Capital* that Marx forwarded: presence and critique of capitalist exploitation which is at the same time a rationale and call to end exploitation per se. What is the way out then?

Not annihilation of class of people (capitalists and zamindars as Gandhi feared) but annihilation of the *process* that allowed one group to appropriate the fruits of labor performed by others—that is the key. Class war following Bolshevism and Cohen (that Gandhi opposed) may be seen as demanding the physical annihilation of the group of capitalists. In our interpretation, class struggle instead is fundamentally about the transformation of the *process* of exploitation into non-exploitative forms or creation of new modes of non-exploitative organization of surplus. This transformation in the mode of appropriation encapsulates the disappearance of its exploitative form that by default eradicates the social existence of capitalists and zamindars. It though involves the process of expropriating the *class position* of capitalist; with the expropriation of capitalist class position, the 'capitalist' disappears as a social category. But it also implies that an *end* to 'capitalist' class process and to capitalism need not be inconsistent with non-violence.

In fact, one can very well consider a non-violent path in ending exploitation that is consistent with the Gandhian frame. For example, we have already discussed the possibility of non-violent change in the *process* of appropriation and distribution of surplus in a collective direction even as differential talents and incomes are accommodated within a democratic enterprise. The other example of organizational shift is also very much in the Gandhian mold. Instead of being trustee, the hitherto capitalists can be asked to perform 'bread labor' (alongside workers) and made part of the process of collective appropriation and distribution of surplus. In our opinion, Gandhi failed to convincingly explain why the conversion of capitalists and zamindars should take the form of trusteeship and not bread labor. Our suggested organizational structure satisfies the sacrosanct principle of 'bread labor' and ends the existence of exploitation. Both the solutions should be welcome in a scenario where even Gandhi himself is deeply skeptical regarding the effectiveness of his assumption of capitalists and zamindars complying with the template of non-possession implied in trusteeship logic.

Conclusion

While Gandhi's philosophy internalizes critiques informed by ownership or class violence, it is not clear that his theory of trusteeship based on non-possession can stand up against Marx's examination of possession as embedded in appropriation of surplus labor and against the charge that class alliance by default becomes a way to perpetuate the production of the immorality of exploitation embodying another form of possession. If the first principle of Gandhian economics stating that "human beings have a right to the fruit of their labor just as they have an obligation to

earn their livelihood by the sweat of their brow" (Parel 2006: 68) is to be taken seriously, then it is not clear why ending exploitation in the Marxian sense is in any way incompatible with Gandhian socialism in a scenario where the change need not necessarily involve violence. Neither the capitalist nor capitalism can be kept intact as a social category and system if the Gandhian conceptual frame is brought to engage with the process of exploitation. While this engagement with Marx somewhat displaces the Gandhian framework, it is also true that some of the conventional Marxian claims are also disturbed by Gandhi, principally, the stress that socialism is coterminous with material advancement and violence via class war. This dialogue between Marx and Gandhi has thereby opened up new avenues to rethink, redefine, and reorganize the place, content, means, and paths of post-capitalist praxis, both in its Sangharsh with 'Capital' and in its Nirman beyond 'Capital.'

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Class Processes and Cooperatives

Manas R. Bhowmik and Achin Chakraborty

Abstract There has been a revival of interest in cooperative enterprises as an alternative to capitalist enterprises. After visiting the Mondragon Corporation, the largest workers' cooperative in the world, established in the Basque region of Spain in 1956, the Marxian scholar Richard Wolff wrote an op-ed piece in *The Guardian* where he argues that cooperatives like the Mondragon Corporation must be seen as a central element of a socialist alternative to capitalism. While the conventional understanding of Marx's own writing on cooperative enterprises suggests that such a form as a cooperative enterprise cannot escape the teleological thinking which subsumes it under the forces of monopoly capital, the actually existing cooperatives around the world have occasionally received a positive reaction from the Marxian scholars. This paper is an attempt to situate cooperative enterprises in the extant literature on production organization within the Marxian tradition, keeping in view the ambiguities and contestations about the place of cooperatives within the Marxian scheme of things. We argue that a perspective founded on the class processes, which entails the production, appropriation, and distribution of surplus value, could help us understand the nature of a cooperative enterprise vis-à-vis capitalist enterprises. In this perspective, the conventional ways of judging 'successes' and 'failures' give way to an understanding based on the *fundamental* and *subsumed* class processes. Drawing on the works of Resnick and Wolff and using primarily the data collected through a survey of the handloom weavers' cooperatives in West Bengal, and a few other cases from the literature as well, this paper aims at broadening our understanding of the potential of cooperatives for providing a viable alternative to capitalist production organization.

Keywords Class process · Production-appropriation-distribution of surplus value · Cooperative · Handloom, · India

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Introduction

After visiting the Mondragon Corporation, the largest workers' cooperative complex in the world, established in the Basque region of Spain in 1956, the well-known Marxian scholar Richard Wolff wrote an op-ed piece in *The Guardian* where he argues that cooperatives like the Mondragon Corporation must be seen as a central element of a socialist alternative to capitalism. While the conventional understanding of Marx's own writings on cooperative enterprises suggests teleological thinking by arguing that cooperative enterprise will be ultimately subsumed under the forces of monopoly capital, the actually existing cooperatives around the world have occasionally received a positive reaction from the Marxian scholars. The rising interest in cooperatives among the Marxian scholars has ostensibly been motivated by a normative concern for an ideal form of production that would be non-exploitative in the Marxian sense, i.e., a production organization which is free from exploitation and domination of capital over labor in the process of production, appropriation, and distribution of surplus value. However, there are others who are still skeptical about the possibility of cooperatives to provide an alternative. The well-known philosopher of 'rational choice Marxism' Jon Elster, for example, expresses his skepticism by asking '(i)f cooperative ownership is so desirable, then why are there so few cooperatives?' (Elster 1989, p. 99).

What is a cooperative? There could be several alternative ways of defining cooperatives. The International Cooperative Alliance (ICA, established in 1895) defines a cooperative as 'an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.' Clearly, each of the words in this definition requires further specification. For example, the one-person-one-vote rule has been seen by ICA as the decision-making norm to ensure internal democracy. Cooperative enterprises are generally seen as being managed by the workers. For our purpose, however, drawing on the literature that takes class processes as the core idea of Marxian political economy, we adopt the following definition as our entry point for analyzing the cooperative:

> …the appropriation and distribution of the surplus are done cooperatively and that the workers who cooperatively produce the surplus and those who cooperatively appropriate and distribute it are identical. (Wolff 2012, p. 82)

Evidently, there has been a resurgence of interests in cooperatives in the Global North since the global financial crisis of 2008 (Wolff 2012; Dinerstein 2015; Lebowitz 2016). By contrast, although cooperatives of various forms have had a long and checkered history in India, interests in cooperatives are rarely seen in recent public discussions. The cooperative 'movement' in India originated at the initiative of the colonial government at the beginning of the past century. Even though the number of cooperatives has swelled over time, most of them are the products of a top-down approach with heavy dependence on the state for their functioning. The enthusiasm about cooperatives, which was evident in India after independence, especially during

the 1950s and 60s, has eventually given way to a pessimistic prognosis that cooperatives are destined to fail without government support. In spite of the lack of interest, a good number of cooperative organizations in production, marketing, credit, and other areas have emerged and persisted over the past century or so, some of which indeed show resilience and dynamism. Therefore, the lack of interest does not seem to be justified given the importance of cooperatives in the lives of thousands of people in India.

This paper is an attempt to situate cooperative enterprises in India in the extant literature on production organization within the Marxian tradition, keeping in view the ambiguities and contestations about the place of cooperatives within the Marxian scheme of things. Our response has been motivated by the apparent contradiction between the 'doomed to fail' thesis or 'degeneration thesis' and the richness of the variety of actually existing cooperatives. The 'doomed to fail thesis' or 'degeneration thesis' willy-nilly tends to emphasize the so-called structural problems of cooperatives, 'unstable' nature of cooperatives, etc. In order to counter such assertions, a stream of literature has aimed at comparing and contrasting cooperatives with traditional capitalist firms and tries to show how cooperatives can outperform capitalist firms.

After presenting a brief review of alternative economic perspectives on enterprises, we contrast with them a Marxian perspective that takes class and class processes as the entry point in analyzing economic enterprises. We draw the perspective opened up by the works of Stephen Resnick and Richard Wolff (RW, henceforth) (1987, 2002) who took the concept of class as the entry point of Marxian social theory. Drawing upon Marx's three volumes of *Capital*, they highlight not only the systematic feature of capitalism (its contradictions, business cycles, crisis, etc.) but also produce a micro-theoretic understanding of firm/enterprise. It is the latter which animates us in this paper. Following RW, Chakrabarti et al. (2012), and Chakrabarti and Dhar (2008) have developed their framework for developing countries like India and presented a political economy analysis of the Indian economy. In this perspective, society has been viewed as a decentered totality of overdetermined and contradictory class and non-class processes and therefore devoid of any 'essence' that is supposed to 'determine' the societal outcome or of its transition. The concept of overdetermination has been deployed to overcome the determinist epistemology and the underlying reductionist approach that underlie various interpretations of Marx's writings.

In the approach followed by RW, class process is understood as a distinct economic process of performing and appropriating surplus labor. Moreover, rather than reducing explanations to class process, what distinguishes this approach from others is that the class process is seen as being overdetermined by all non-class processes existing within the social totality. The class process cannot be taken as existing a priori, but always exists in a mutually constitutive relation with other non-class processes; the latter are the conditions of existence of the class process they constitute. Evidently, class reductionism in explaining a relation, practice, or activity is by definition ruled out here. Class has a discursive privilege (in so far as it is an entry point or focus point of explanation) but no epistemological and ontological privilege in explanation. Institutions like cooperative firms are conceptually defined as

the combined effects of mutually constituting class and non-class processes, i.e., as complexity of co-constituting relationships, practices, and activities.

People participate in class processes and thereby occupy class positions. Those who perform necessary and surplus labor are called the 'direct producers.' The produced surplus may be appropriated by those direct producers or by non-producers. What is important here is that an individual can occupy more than one class position. In any concrete conjuncture, where class processes appear in relation to non-class processes, individuals will occupy various non-class positions as well. Therefore, typically, individual actor and social actor (such as a firm, trade union, etc.) occupy multiple class and non-class positions.

Moreover, since each constituting process is distinct and thereby imparts unique effects on the constituted site—the cooperative—each cooperative is differently formed. Therefore, even with our focus on the class process, the logic of overdetermination implies that the life history of each cooperative will be irreducibly different and in analysis, one needs to internalize this aspect of non-reductionism as far as possible to deliver a more precise account. This theoretical perspective helps us understand cooperatives in a country like India where the conditions of existence of cooperatives vary widely across regions and sectors. It would be useful if we could see cooperatives as overdetermined by various class and non-class processes. While undertaking our empirical study, we have followed two properties that characterize a firm as a cooperative: (1) regular voting or assembly of existing worker-members including holding the annual election of the board of directors—decision making through this assembly of workers, and (2) firm's profit sharing with the existing workers. These two criteria in a way combine the two definitions of ICA and Wolff (2012).

Discussions on successes and failures have had a debilitating effect on the analysis of cooperatives and thinking of them as possible sites of socioeconomic transformation. In this context, the idea of 'efficiency' has been thoroughly criticized in the class-focused Marxian literature (Resnick and Wolff 1987; Wolff 2012; Chakrabarti et al. 2012). Overdetermination rejects a simple causal connection between efficiency (no matter how it is measured) and its determinants. Mutual constitutivity of various processes—natural, social, political, cultural—with their complex interplay would characterize the functioning of cooperatives, as it would in other kinds of enterprises. A concrete example would be helpful here in understanding the complexity which goes beyond successes and failures of cooperatives based on the criterion of efficiency or any such standard. In Sonali Tea Estate that we have discussed later, when the owner abandoned the estate for its alleged lack of potential to generate profit, workers took it up and ran it as a cooperative (Bhowmik 1988). As the enterprise was turned around and made viable with an intense effort from the workers, the owner came back and claimed its ownership after winning a legal battle. It seems that unsupportive legal and institutional framework, capitalists' power to influence the delivery of justice, general lack of support for cooperatives from the political class and people in general—all these conditions of existence were important factors behind such a phenomenon. From the perspective of Marxian political economy, at times 'failures' may reveal more than 'successes.' This particular case highlights the

complex interplay of several processes and the nature of the idea of successes and failures in cooperatives. Picking up just one or two factors to explain the good or poor outcome in a causal way is a reductionist way of analyzing the issue and it is possible that the bigger picture and the more nuanced story underpinning the life history of cooperatives get missed in this rush to find the essence. By presenting a more nuanced analysis of interactions between different processes and the consequent outcome, our way of looking at the cooperatives has practical implications for the normative viewpoint that sees cooperatives as a meaningful alternative to capitalist enterprises. It would also help us counter the tendency to view cooperatives as inherently unviable and therefore unlikely to thrive in a capitalist dominated economic system.

The paper is divided into six sections. In Sect. 2, we present a brief account of the debates on cooperatives, presenting the positive features as well as negative characteristics. Section 3 elaborates on the building blocks of the theoretical approach adopted in this paper drawing on the literature on Marxian class process which we believe has relevance for cooperatives. It also lays down the evaluative criteria we are proposing here to analyze cooperatives. Section 4 highlights the importance of subject formation in the cooperative formation and sustaining it. Section 5 briefly discusses the general scenario of production organization in India dominated by the informal sector and how surplus value production and appropriation can be seen in this specific context. Section 6 presents the empirical analysis in which we discuss three distinctly different cases to demonstrate how the theoretical perspective could be meaningful in illuminating the varieties of experiences of the actually existing cooperatives in India. We make a few concluding remarks in the end.

Contestation About Cooperatives and Their Feasibility

The keywords in the ICA definition of a cooperative are 'jointly owned' and 'democratically controlled.' Thus, on the basis of the nature of ownership and control, one can think of a fourfold classification of enterprises among which two are worker-controlled and two are capital-controlled. In a worker-controlled firm, workers may or may not own capital. Similarly, in a capital-controlled firm, ownership of capital may or may not be with individual capitalists. A typical capitalist enterprise is controlled by those who own capital, but in a socialist enterprise control rests with the owner of capital, i.e., the state, rather than with the workers. A cooperative enterprise is ideally worker-owned and worker-controlled. This is not to be confused with either a profit-sharing firm or a state-owned enterprise since neither type can be meaningfully called a cooperative enterprise if the right of the workers to make decisions democratically is absent. However, a state-owned enterprise can be labor-managed without being a cooperative enterprise. The Yugoslav model practiced during 1949–91 is an example of this type.

Cooperative enterprises are generally perceived as inefficient and therefore 'doomed to fail' as they are seen as lacking the dynamism necessary to compete with capitalist firms. This negative prognosis about their future can be contrasted

with the actually existing cooperatives around the world, some of which have been in existence for more than a hundred years. In some specific industries in some countries, cooperatives form a substantial share of output and employment. The relative performance of cooperatives or labor-managed firms vis-à-vis capitalist firms has been the subject of many empirical studies. Meta-analyses of these studies fail to produce any conclusive evidence apparently because only the firms producing the same range of goods and services can be compared, and within a particular industry, it is less likely to see any difference in performance in terms of standard indicators between the two types of firms (Doucouliagos 1995). Even when one finds that a cooperative firm is less efficient in terms of certain efficiency criterion, it does not necessarily mean it is nearing its doomsday. One has to establish theoretically that for the survival of an organizational form efficiency criteria must necessarily satisfy. There are many cases of survival of inefficient institutions which are explained in terms of market failure or multiple equilibria in the game-theoretic models.

Apart from charges of inefficiency and ill performance, theoretical arguments also suggest that cooperatives would under-invest and therefore suffer perennially from undercapitalization. If we assume that the median member of a cooperative is a senior person who will attain superannuation before the investment in which she has contributed generates positive returns, she would not invest. In other words, in a democratic system of one member one vote where senior members who have a few years to go are in the majority, new investment to finance long-run plans will not be made. As a result, the cooperative will remain small and stuck with outdated technology (Furubotn and Pejovich 1970, Dow 2003).

There is very little agreement among the Marxian scholars on the role of cooperatives or labor-managed firms in the overall scheme of things (Jossa, 2005). This disagreement can be traced back to Marx's own statements on cooperative factories. As in the following quote, one can smell a kind of utopian flavor in the statement extolling the virtues of cooperatives first, even though statements that follow soon after express his skepticism about the possibility of thriving cooperatives in an economy dominated by monopoly capital:

> We speak of the co-operative movement, especially of the co-operative factories raised by the unassisted efforts of a few bold 'hands'. The value of these great social experiments cannot be overrated. By deed instead of by argument, they have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands. (Marx 1864, p. 6)
>
> …however excellent in principle and however useful in practice, cooperative labor, if kept within the narrow circle of the casual efforts of private workmen, will never be able to arrest the growth in geometrical progression of monopoly, to free the masses, nor even to perceptibly lighten the burden of their miseries'. (Marx 1864, p. 6)

He further writes elsewhere, reiterating his skepticism:

> The cooperative factories of the labourers themselves represent within the old form the first sprouts of the new, although they naturally reproduce, and must reproduce, everywhere in their actual organization all the shortcomings of the prevailing system. But the antithesis between capital and labour is overcome within them, if at first only by way of making the associated labourers into their own capitalist. (1894, pp. 571–2)

The actually existing cooperatives around the world had rarely received positive reaction from the Marxian scholars earlier. The pessimistic prognosis about cooperatives by Marx himself is perhaps the reason why there is so little interest on cooperatives within the Indian left political parties as well. A related reason might be that emphasis on cooperatives was considered as supporting a 'revisionist' position, thereby compromising on the need for radical state-sponsored transformation (through the parliamentary or non-parliamentary path) to reach the transcendental goal of socialism. Even unequivocal advocacy of cooperative organizations by Lenin has not had much impact on the Indian communist parties.[1] The neglect of cooperatives in the left political discourse as well as in practice is evident from the manifestoes of the Communist Party of India (Marxist) [CPI (M)]. Table 1 lists if there is any mention of cooperatives in the successive election manifestoes of CPI (M) for the general elections to the Indian Parliament.

In spite of the general lack of interest in cooperatives among the party functionaries in the CPI (M) in India, the current Finance Minister of the State of Kerala, T. M. Thomas Isaac, who is a senior member of the party's central committee, has recently co-authored a book on Uralungal Labour Contract Cooperative Society (ULCCS) of Kerala and emphasized the important of cooperatives in alternative politics of economic reconstruction. ULCCS is one of the oldest surviving cooperative societies in India (Isaac and Williams 2017). This is along the lines of recent developments in Marxian scholarship and practice among many in which cooperatives are viewed as a non-exploitative alternative to corporate capitalism. Along the lines of Marx's characterization of cooperative production organization as 'possible' communism, this emphasis on cooperatives is part of a renewed political project of building a post-capitalist economy from below.

> If cooperative production is not to remain a sham and a mare; if it is to supersede the capitalist system; if the united co-operative societies are to regulate national production upon a common plan, thus taking it under their control, and putting an end to the constant anarchy and periodical convulsions which are the fatality of Capitalist production – what else, gentleman, would it be but Communism, 'possible' Communism?' (Marx 1871)

We argue that the potential benefits of a strategy of worker control through cooperatives and weaving political movements in and around cooperatives with active guidance of the Left in India has not been theorized with adequate care and rigor.

Table 1 Mention of cooperatives in the election manifestoes of CPI(M)

2014	'Paying special attention to solid waste management of recyclable/reusable waste; hazardous electronic/chemical and biowaste through cooperatives of SWM workers without PPP'
2009	No mention
2004	'A network of fair-price shops and cooperatives should cover all panchayats'
1999	'A network of fair-price shops and cooperatives should cover all panchayats'

[1] '…not all comrades realize how vastly, how infinitely, important it is now to organize the population of Russia in cooperative societies,' wrote Lenin (1923).

This paper is an attempt to theorize cooperatives in the context of a country like India where production, appropriation, and distribution of surplus value are carried out through a variety of forms besides the typical capitalist firm.

Class Process and Cooperatives

There are mainly three broad Marxian traditions that are relevant for studying cooperatives. While Bowles and Gintis (1993) followed the economic approach emphasizing on competition and efficiency, Resnick and Wolff, as mentioned earlier, deployed class process within an overdeterministic frame to study cooperatives. Taking off from a class focused approach, Gibson-Graham (2006) has further argued in favor of cooperatives by invoking the notions of diverse economies, communities, local, etc. Here, our focus is primarily on Resnick and Wolff (RW) who highlight the importance of the form of the class process of surplus labor in differentiating between enterprises.

> What distinguishes one industrial enterprise from another, therefore is not the existence of extraction or distribution of surplus labor, or, in this case, of production of commodities for profitable sale, private ownership of means of production, bureaucracy and hierarchy, size of unit and technology used. Rather, it is the precise qualitative form in which surplus labor is appropriated and distributed. Different forms of the appropriation and distribution processes have as their conditions of existence different economic, political, and cultural processes. It is the different forms of these extraction and non-extraction processes that define different industrial enterprises and teir different class structures. (Resnick and Wolff 1987, p. 227)

Following RW, we foreground two distinct types of enterprises with different 'qualitative forms'—capitalist enterprises and cooperative enterprises. The concept of exploitation, which is defined in terms of production and appropriation of surplus value, is important here, and cooperative enterprises are supposed to be non-exploitative. David Ruccio succinctly addresses the issue of exploitation and non-exploitation in the context of cooperatives:

> …when the collectivity of workers, those who perform necessary and surplus labor, appropriates and distributes the surplus they create, we can refer to that as nonexploitation. Why? Because the Marxian definition of exploitation is when a group other than the direct producers, for example, the capitalists appropriate the surplus labor…. (Ruccio 2011, p. 336)

According to Marxian theory, production-appropriation-distribution-receipt of surplus can be divided into two different class processes for the sake of convenience—*fundamental* class process (FCP) that consists of the process of production and appropriation of surplus value and *subsumed* class process (SCP) which consists of the process of distribution and receipt of surplus value. Following Resnick and Wolff's (1987) reading of Marx's book, Capital, volume 1 explores FCP while volumes 2 and 3 that of SCP as also their overdetermined relations. Subsumed class processes and subsumed class payments, non-class processes, and non-class payments are important as they ensure the conditions of FCP; FCP, in turn, make possible

those SCPs and non-class processes. Together, the combined effects of FCP, SCP, and non-class processes produce an organizational structure. With the change in the constituting processes, the organization undergoes an alteration. Clearly, since all these processes are overdetermined by each other, there cannot be any reduction in explaining organization by way of separable one-way causalities.

In capitalist enterprises, direct producers usually produce surplus value, but capitalists who are not direct producers are the appropriators of the surplus value. On the other hand, in producers' cooperatives direct producers, i.e., workers are producers of surplus value and the same workers currently working in the firm are the collective appropriators of the surplus value. In a producers' cooperative, workers collectively produce, appropriate, and distribute the surplus value. Hence, producers' cooperatives are non-exploitative.

Two features then stand out: one, to explore the mode of appropriation of surplus value (exploitative and non-exploitative) and to explain the existence and dynamics of organizational structure in a non-reductionist way. A concrete example would be helpful here. The long-standing extraordinary performance of Mondragon Cooperative Complex (MCC) is well documented (Bradley and Gelb 1983; Gibson-Graham 2006). MCC follows a non-exploitative organizational structure in so far as its mode of appropriation is concerned; its basic principle is economic democracy which guides all the decisions-actions it makes (Gibson-Graham 2006; Wolff 2012). Moreover, the impact of *Caja Laboral Popular,* i.e., the bank which was established in 1969 by the Mondragon group also provided important conditions for the better economic performance of Mondragon. Cooperative Banks can provide and ensure the important non-class process for the successful performance of producers' cooperatives. Moving beyond Mondragon's economic process and performance, it is also important to point out the role of different noneconomic processes such as cultural processes (which create meanings) in promoting the better performance of Mondragon. The Basque culture, its identity and independent nature, schools colleges, and cooperative universities that are established by MCC are all creating cultural conditions that help sustain the economic conditions for managing the Mondragon cooperatives. It also highlights the importance of subjectivity production geared toward sharing and solidarity and that of building a community to sustain the principle of cooperation among both the structure and subject (Gibson-Graham 2006). It is the combined effects of the constellation of class and non-class processes, economic and noneconomic processes that have helped MCC survive and grow into a giant.

Focus on exploitation and non-reductionist mode of analysis needs to be complemented by the concept of 'class justice,' which is developed by DeMartino (2003). It is useful in conceptualizing non-exploitative production enterprises such as producers' cooperatives. A fully realized cooperative is, first and foremost, a test of a just and non-exploitative society that realizes what may be called appropriative justice. Moreover, from John Rawls to Amartya Sen nearly every theory of justice has argued that a society that fails to guarantee a decent living standard to all citizens will fail the test of justice. It can therefore be argued that the desirability of cooperatives as an alternative should be tested by this yardstick of justice as it has been claimed that through cooperatives and worker control of production it may be possible to

create employment and provide a decent standard of living for the masses in a dignified way. DeMartino's idea of 'productive class justice' would also be relevant here, which refers to 'fairness in the allocation of the work of producing the social surplus' (DeMartino 2003, p. 8). Finally, distributive class justice is as important as appropriative and productive class justices. One crucial aspect of exploitation is not that something is taken away from the actual producer. Rather, it is that the producer is cut off from the conditions of social possibility that the surplus both enables and represents. Restricted to the necessary labor that sustains the worker, separated from the surplus that sustains the larger society, the worker is constituted as an individual bereft of a possible community and communal subjectivity' (DeMartino 2003, 16). It is self-evident that all three class justice conditions are unrealizable under capitalist enterprise. In addition, workers in a capitalist enterprise are deprived of the possibility of politically participating in the distribution of surplus because almost all 'social wealth' in capitalism is appropriated by private capitalists, who make private decisions about how to distribute 'their' wealth. In contrast, cooperatives may offer a way out of these deprivations by instituting a move toward realizing 'class justice' by building non-exploitative production processes and securing the three class justice conditions. Yet, as we shall argue later, cooperatives too are varied, and within this differentiated organizational forms, only a subset fulfill these justice conditions. Getting away from any romanticization of cooperative per se, our Marxian analysis deepens the critique of the simplistic notion of 'successes' and 'failures' of cooperatives as well.

Before going to the detailed exploration of different class processes and before proposing our approach of examining different class processes, it is important to comment on the existing notion of measuring successes or failures of different organizations, or social arrangements in general. Here, we argue that efficiency or simple productivity measurement or profitability figures are not enough to understand such complex processes of interactions and mutual constitutively. This is how Wolff (2012) criticizes the efficiency argument:

> …the efficiency argument hangs on identifying and measuring all costs and benefits of either distributional mechanism. Yet that is not – and never has been – feasible. The costs and benefits of either run into an unknowable future. The project of identifying all potential consequences and measuring them in some common unit is simply impossible. (p. 94)

To invoke the alternative perspective, Table 2 borrows from Chakrabarti and Dhar (2008) that can be helpful in examining the various kinds of FCP, actually and potentially, that can coexist in an economy.

Table 2 Different forms of performance and appropriation of surplus labor

Performance	Appropriation		
	Individual labor (A)	Non-labor (B)	Collective labor (C)
	AA	AB	AC
	CA	CB	CC

Source Chakrabarti and Dhar (2008)

In the pairs of the letters in the cells, the first indicates the performance of surplus labor, and the second indicates appropriation. If direct labor, non-labor and collective labor are indicated, respectively, by A, B, and C, we get a number of pairs indicating combinations of who produces surplus and who appropriates surplus, i.e., FCP. AB, for example, indicates surplus being produced by direct labor but appropriated by non-labor, and so on. Based on their mode of appropriation, among all these FCPs two different types of class processes can be further classified—exploitative and non-exploitative. Because of non-exclusion of direct producers from the process of appropriation, AA and CC are, respectively, independent class processes and communistic class processes which are by definition non-exploitative. AB and CB indicate different kinds of exploitative class processes, including capitalist ones.[2] Specifically, CB can be understood as a capitalist class process where the surplus is produced by collective labor via some division of labor but appropriated by non-laboring capitalists in value form. On the other hand, CC is the communistic class process in which workers collectively produce the surplus value and collectively appropriate the surplus value. It is important to stress that producers' cooperatives also fall in the category of CC which is a non-exploitative class process. It further follows from our Marxian analysis that in any concrete reality all these FCPs will exist in relation to overdetermination with multifaceted modes of SCPs and non-class processes forming in the process various economic forms of society—capitalist, communist, ancient, feudal, slave, and community (Chakrabarti et al. 2012).

We need to situate the cooperatives within this class focus on diverse space and assess their performance in terms of the Marxian mode of analysis. A valuable contribution would be to make it feasible for the FCPs to switch qualitatively from one kind to another, say from CC FCP to CB FCP as our example of Sonali Tea Estate revealed. Besides its descriptive value it can also serve as a theoretical tool to reshape socio-political transformation of the economy by changing the qualitative character of FCPs, from exploitative to non-exploitative as also try to actualize the other conditions of class justice we referred to earlier. We can also use this Marxian analysis to see whether a cooperative enterprise is able to sustain the CC-type FCP or not. If a cooperative is able to maintain its CC class process for a considerable time period then, rather than calling it a success or good performance, it is better to inquire what kinds of interactions with other class and non-class processes induce that observed outcome. It may produce a nuanced and illuminating picture of the FCPs, SCPs and non-class processes, and of various interactions with different economic and noneconomic processes that produce such a result.

In a system dominated by exploitative class processes like the capitalist class process, it is not easy to establish a non-exploitative class process through CC-type FCP in a cooperative enterprise. This is because other processes, i.e., social, cultural, may not be conducive for the proliferation of cooperatives. Rather, the established CB-type capitalist class processes have developed their conditions of existence by developing social and cultural processes according to their requirement. Furthermore, if a cooperative eventually moves from CC-type FCP to CB-type FCP due to various

[2]We ignore AC and CA FCPs here.

interactions with different processes then that cooperative, whatever may be its legal form, or even if it carries the cooperative tag, would pave the way to exploitative class process such as CB-type capitalist one. Rather than celebrate or mourn the failure, it would be perhaps more educational for future praxis to find out what kinds of interactions between different processes caused the degeneration of CC to the CB class process.

Cooperatives and Subject Formation

The Marxian formulation suggests that the direct producers of surplus value are productive workers and the enablers of this production process such as supervisors, managers, secretaries, accountants, and security personnel are unproductive workers (Resnick and Wolff 1987). However, there is no rank ordering of importance in this categorization of workers since the success of the process of production, appropriation, and distribution of surplus value requires both groups to fulfill their respective tasks. In a producers' cooperative as well, enablers and surplus producers, i.e., unproductive and productive workers, must decide on the following issues together democratically. First, how much surplus value to produce, appropriate, and distribute, and second, what portion of the surplus value should be made available for distribution and to what end.

The next thorny and contentious issue is exploitation within cooperatives. Is it possible for exploitation to exist within a cooperative? Many cooperatives differentiate between a worker member and a hired worker. A worker-member is entitled to all the benefits of cooperation, i.e., she can vote, she would get a share of profit, and she can potentially become a member of the board of directors in the cooperative; a hired worker is entitled to none of these benefits in the cooperative. This trend is observed in many plywood cooperatives in the USA (Craig and Pencavel 1992). The danger is that the treatment for hired labor may be similar to that of the exploitative treatment prevailing in any capitalist enterprise, i.e., the hired laborers are excluded from all decision-making processes. This means that if a cooperative employs hired labor, exploitation may happen even though it remains a cooperative in form. However, the employment of hired labor in cooperatives is not ubiquitous, and hence, exploitative cooperatives in this sense are not quite common. We can summarize the desirable attributes of a cooperative from the point of view of production, appropriation, and distribution of surplus value as presented in Table 3.

In the case of distribution of surplus value within a cooperative, lobbying, politicization, and power—all the above-mentioned factors may play important roles. The issue of what portion of the surplus to distribute for what purpose may become a contentious issue in a cooperative. It may be possible that a section of surplus producers or enablers forming a coalition with the board of directors may influence the decision regarding surplus distribution for their narrow self-interests. Hence, the siphoning of surplus to non-performers, or to a specific group among producers excluding others,

Table 3 Marxian criteria of successes and failures in cooperatives

Criteria	Description
1. CC FCP	For a cooperative to be considered as successful its ability to sustain CC mode in the long run is of critical importance
2. Hired labor	Hired labor should be avoided in cooperatives or should remain in check—else exploitation of hired labor may turn a cooperative into an exploitative enterprise (i.e. from CC to CB)
3. Distribution of surplus	Surplus should be distributed with the full participation of the direct producers
4. Assembly	Regular assembly is another key factor to identify a cooperative. Free and fair process to elect board members
5. Subject cultivation	Cooperatives may act as a medium for facilitating the non-capitalist process of subject cultivation

may also happen in cooperatives. Somewhat similar issues are observed in sugar cooperatives in the Indian state of Maharashtra (Banerjee et al. 2001).

Furthermore, while discussing the issue of 'success' and 'failure' going beyond efficiency and various quantitative and qualitative indicators, it is important to invoke the idea of 'subject cultivation' as has been pointed out by Gibson-Graham:

> What is salient here is a tendency to argue from an essentialist conception of the nature of cooperatives or of workers themselves, and from a structural vision of economic dynamics and development. Essentialist ways of thinking constrict the ethical space of becoming, obscuring possibilities of (self) cultivation and the way that cooperative practice itself calls forth and constitutes its own subjects. (Gibson-Graham 2006, p. 111)

Gibson-Graham has also pointed toward 'thinking limitation' and how Mondragon offers 'an ethical vision of subject formation.' Working need not only concern the production of goods and services but also on how work or employment has effects on workers. That is why employment relationship and organizational practices have important bearings on 'subject cultivation.' In cooperatives through their participatory roles in decision-making workers cease to be a mere appendage to the system of production, they perform as a real and conscious actor in production by actively taking part in decision making, which in turn facilitates subject cultivation. The formed subjects, in turn, have a role in shaping those relations and practices. Somewhat similar responses can be seen from the handloom weavers who are members of the handloom cooperatives. Beyond income they have a sense of belongingness to the cooperatives, the pride of a skilled worker, the pride of keeping the *mahajan* away and performing as a member of the cooperative, which seems to be important to the weaver-members of cooperatives in Dhaniakhali, West Bengal (to be discussed later). Hence, while interrogating 'success' and 'failure' of cooperatives by moving beyond economic parameters, it is important to look for the cooperatives' role in the complex process of subject cultivation.

The Indian Scenario

While discussing the Indian scenario, we would like to specifically look at the potential benefits of cooperatives with respect to the informal manufacturing sector in India. This is because the majority of workers are employed in the informal manufacturing sector in India. Table 4, which summarizes different types of putting out arrangements, can help us understand the organizational structure of the Indian informal manufacturing sector. The piece-rate wage system, putting out arrangements and merchant linked exploitation—these are systems prevalent in the Indian informal manufacturing sector.

Using these arrangements, the following types of surplus extraction mechanisms can be seen in place in Indian informal manufacturing sector: (1) wage work, (2) unequal exchange, and (3) unpaid work. Wage work may be of the capitalist wage relation type, or it may happen under a complex putting out an arrangement. Under unequal exchange, petty producers are exploited by the merchants or capitalists by using asymmetric market power and other means. Unpaid work refers to the surplus extraction from women and children without even considering their 'performance of work.' Their work is devalued and in return for providing subsistence, surplus is extracted through unpaid labor. Unequal exchange is carried out mainly by reducing output prices and increasing input prices by using the asymmetric market power of merchants vis-à-vis petty producers.

Table 5 summarizes how cooperatives may be answers to different modes of exploitation prevailing in India's manufacturing sector.

Dissecting the somewhat homogenous characterization of 'informal' and 'informality' the class focused analysis allows us to unpack its forms in a way whereby production cooperatives that realizes the class justice conditions can be conceived of as an alternative.

Table 4 Various putting out arrangements

Capital	Labor			
	Self-product and process	Self-product other process	Other product and self-process	Other product and process
Self-fixed and working	Classical artisan	X	Contemporary artisan	X
Self-fixed and other working	X	X	Putting out-I	X
Other fixed and self-working	X	X	X	X
Other fixed and working	X	X	Putting out-II	Classical wage labor

Source Basole and Basu (2011)

Table 5 Class and non-class process, exploitation, and cooperatives

Class actors	Class process	Exploitation	Cooperatives
Banks/money lenders	_	Exorbitant interest rates	Credit cooperatives
Merchants	_	Unequal exchange	Marketing cooperatives
Master weavers	Wage relation hidden behind putting out	Capitalist exploitation	Production cooperatives

Empirical Analysis of Three Cases

The three cases presented below illustrate three different aspects of cooperative forms of organization. The first case is about handloom weavers' cooperatives in India which were actually created in response to exploitation of weavers by master weavers or middlemen. These cooperatives are in operation for more than seventy years, and CC class process is apparent. The second case is regarding Sonali Tea Estate—a cooperative which was recovered by the workers from bankruptcy and run by them well enough for years. This episode ended with the capitalist owner coming back and taking over the producers' cooperative after winning a legal battle. External contradictions between several class and non-class processes can be uncovered through this example. The third case is about the sugar cooperatives in the Indian state of Maharashtra. In terms of profitability and economic performance, these sugar cooperatives are doing remarkably well for decades. Yet, the internal operation of these cooperatives, particularly in the distribution of surplus, is questionable. Let us elaborate on each.

Case 1: Handloom Weavers' Cooperatives

Handloom weavers' cooperatives like 'Dhaniakhali Handloom Weaving Cooperative' and 'Somospur Handloom Weaving Cooperative' are in operation in the Indian state of West Bengal since 1944. They are apparently maintaining the CC class process for the last seventy years. Production-appropriation-distribution of surplus happens in these cooperatives collectively by the weaver-members, as per the three conditions of class justice—appropriative, productive, and distributive.

The origin of these cooperatives was important for our purpose. They were typically formed in response to the exploitative institution of master weaver or *mahajan,* i.e., a middleman-based system. Handloom weaving is largely dominated by the piece-rate contract. Marx clearly shows the mechanisms through which middlemen can use piece-rate contract in exploitative ways:

> … the quality and intensity of the work are here controlled …piece wages therefore form the basis for the modern 'domestic labor'…as well as for a hierarchically organized system of exploitation and oppression…piece wages make it easier for parasites to interpose themselves between the capitalist and wage laborer…The profits of these middlemen come entirely from the difference between the price of labor which the capitalist pays, and the part of the price they actually allow the worker to receive'. (Marx 1867[1977]) p. 695)

Mukund and Shyamsundari (1998) and Das (2001) argue that master weavers usually make a contract with the weavers depending on weavers' requirement. For example, weavers often need consumption loans for various purposes, but options for such loans are limited in cooperatives. Hence, the master weaver takes this opportunity and lends money to the weaver as consumption loan and then designs the contract in such a way that the weaver can never move out of his control. Often the consumption loan is not to be repaid in cash; the weaver would have to work for the master weaver under a piece-rate contract. The piece-rate wage is determined in such a way that the master weaver can charge a high implicit rate of interest and depress the wage as much as possible. Whenever the weaver tries to terminate this contract and wants to move out of the stranglehold of the master weaver the latter would ask the weaver to repay the loan in cash, which would be impossible for the weaver. Thus 'debt bondage' would continue (Arora 2010). Overall, all the different modes of surplus extraction—exploitation, unequal exchange (by offering lower output price and raising input price by the merchant/mahajan/master weaver) and unpaid labor (by extracting labor from women and children without paying them) are present in different degrees. Handloom weaving cooperatives in West Bengal emerged as a response to such intensive exploitation and web of control of weavers by middlemen (Table 6).

In our study area, independent weaver (AA) is almost nonexistent. There are mainly two arrangements which are predominant—mahajan/master weaver and cooperatives. What kinds of interactions and push and pull factors between different class and non-class processes are making it impossible for the independent weaver (AA) to stay in business? Apparently, independent weavers are likely to face difficulty in terms of both access to raw material and access to the market. The choice therefore is really between the two—cooperatives and master-weaver. Here, cooperatives seem to offer a non-exploitative space, protect handloom weavers from surplus extraction through the merchant route, even though in terms of pure economic return they are no better. Furthermore, it has been observed that in the presence of cooperatives the bargaining power of master weavers gets curtailed.

Case 2: Sonali Tea Estate[3]

Sonali Tea Estate is located in the Northern part of the state of West Bengal, India. After managing this tea garden poorly for years with unpaid bank loans, pending PF payments, wage dues to workers and with other payment dues, the actual owner disappeared by abandoning the garden in 1973. Forced by these circumstances, with

Table 6 Handloom from the class process perspective

Arrangements	Class Structure	Class process
Independent weaver	AA	Independent
Mahajan/master weaver	AB	Exploitative
Cooperatives	CC	Communistic

[3]This part has been drawn on such secondary sources as Sen (1996) and Bhowmik (1988).

the help of a union leader, workers marched to the district headquarters and three options were presented to the state authorities: takeover by the state government, takeover by the bank or takeover by the workers. Neither the state government nor the banks responded, and therefore workers took over the tea garden by forming the workers' cooperative—'Saongaon Tea and Allied Plantation Workers' Cooperative Society Limited.' This cooperative was functional till 1978. By then, even with too many hurdles to overcome, it managed to clear all the due wages, all the PF dues, and so on. In 1979, the owner returned with an agent and through legal battles imposed an injunction on the functioning of the cooperative. The court case continued for years, and due to the court order, the cooperative stopped functioning. Thus, even after managing the economic processes well under an organizational setup that paid close attention to the class justice conditions, the cooperative could not continue to function due to the lack of concomitant support from political-cultural-social processes. This case also questions the simple notion of successes or failures of cooperatives that the adherents of the 'degeneration thesis' use while discussing cooperatives in order to shun and foreclose the very idea of cooperation.

Case 3: Sugar Cooperatives of Maharashtra

Sugar cooperatives of Maharashtra (Baviskar 1969; Banerjee et al. 2001) are apparently successful cooperatives if we go by membership, growth, profitability, etc. Yet from the lens of Marxian class process, we might get a problematic picture against the simplified story of profitability, growth, and success. From our vantage point, a cooperative underpinned by class justice is supposed to follow the CC-type FCP—in which production of surplus takes place through collective labor and appropriation and distribution of surplus is collectively done by the same group. Yet, it is important to note that the mode of appropriation may have become exploitative. Moreover, the contradiction between the board of directors and common worker-members within a cooperative may emerge in relation to the distribution of surplus. Decisions regarding how to distribute the surplus, what proportion of surplus should go to whom, may become contentious in a cooperative.

In the sugar cooperatives of Maharashtra, there is inequality among members of cooperatives in terms of land holding. Scholars have observed that big landholders dominate in such decisions within the sugar cooperatives. They can do so because these big landholders have succeeded in capturing the board of directors of sugar cooperatives, thereby eroding the participation of the cooperative members in the process of appropriation of realized surplus value. By virtue of their dominance in the process of appropriation of surplus, the big landlords distribute the surplus according to their own interests in the name of *Dharmodaya,* i.e., community development program (Banerjee et al. 2001). The contracts of these community development programs are typically obtained by the friends and families of those big landowners who control the cooperative's policy and influence the decision of distribution of surplus for their own vested interest. The case of sugar cooperatives shows that due to a contradiction within cooperatives, exploitation may happen even within cooperatives as well.

Concluding Remarks

This paper is an attempt to develop a framework to study cooperatives in a non-western country like India using the theoretical framework of the class focused Marxian theory. Starting with the general debate on cooperatives and their potential to offer an alternative to capitalist enterprises, we make a contrast between the standard evaluative criteria of efficiency and profitability with that of the class process of surplus labor as an evaluative criterion. With the latter, it has been possible to throw light on the variety of actually existing forms of cooperatives in a country like India. The case studies briefly reported in the paper are a testimony to the rich variety of forms. While from a purely normative standpoint cooperatives ought to be non-exploitative forms of organization in the Marxian sense, but we have seen that in reality, it may not satisfy the class justice conditions. A cooperative in apparent form may degenerate into an exploitative form if we look at them through the prism of class process. The decentered and disaggregated economic space opened up by class process and overdeterministic logic has helped us present a complex and nuanced characterization of different types of cooperatives. Moving beyond the blanket understanding of cooperatives as 'alternative,' 'non-exploitative' spaces of production vis-à-vis capitalist firms we have used three cases to point out the complex nature of operation of cooperatives in India. Operation of power, politics, culture, and consequences of all these have been captured in the three cases. From our analysis, it is quite clear that along with class actors, non-class actors too have played major roles in determining the working conditions in India and in the functioning of cooperatives roles of these non-class actors are quite important in India.

It can be argued that there is no reason to subscribe to the inevitability of the deviations from the ideal. This inevitability position has an ambiguous status in Marx's own writings. In support of Marx's pessimistic prognosis, we find evidence of cooperatives facing hurdles within a system dominated by capitalist production organizations. Marx's prognosis has had a strong influence on the perception of today's Marxian scholars, which is no different from the popular perception in general. The Marxist political parties in India have not had any serious engagement with this non-exploitative form of an alternative. Moving beyond the debate on the so-called viability of cooperatives, we have thrown light on cases of cooperatives which may not show spectacular success in terms of standard economic criteria, yet for long they maintain a fair degree of success in terms of decisions regarding production, appropriation, and distribution of surplus value and in sustaining communitarian development. It is rather ironic that a lot more energy is spent on developing arguments to establish the inevitability of degeneration of cooperatives rather than working toward the creation of cooperatives even when conditions are favorable to do so.

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