

Capitalism and the Oppressed Castes

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Capitalism is generally supposed to destroy the old pre-capitalist “community”. This “community” of course is never a true community, in the sense that people never join it voluntarily to be part of a collective. It is a “community” that people happen to be born into and it is called a “community” only in the sense that it predates the “individual”, i.e. that individuals born into it are bound by the rules that govern the community as a whole. The term does not by any means mean the absence of exploitation or hierarchy. On the contrary, the feudal “community” that existed in Europe before capitalism was marked by intense exploitation of the peasantry by the feudal lords, and also by significant differences of status even among the non-aristocracy.

The question that arises is: what are the means by which capitalism destroys the pre-capitalist community? The usual answers that are given to this question appear to me to be unsatisfactory. I shall discuss these usual answers in the present section before going on to my own answer in the next section.

One answer often given, presumed to be based on the French experience, is that it does so by a revolutionary overthrow of the feudal order which eliminates the power of the feudal lords, distributes the land belonging to the feudal estates among the peasants, proclaims equality before law, and in general liberates the individual from thralldom to the earlier rules that constrained his or her liberty. The absence of such a revolutionary overthrow is then adduced as the reason for the persistence of the old community wherever it persists.

This view however is obviously open to question for at least two reasons: first, the French experience of a revolutionary overthrow of the feudal order was not replicated in most other countries in Europe, and yet one can scarcely say that the old community was not destroyed in those countries. The English no doubt had a revolution of their own which led to the execution of the king, but the English revolution, while asserting the power of the parliament over the king, did not actually result in the break-up of feudal estates the way the French Revolution did. Secondly, even within France one cannot really think of the egalitarian impulses released by the French Revolution as continuing in an uninterrupted manner into the bourgeois period. No doubt the peasantry continued to retain the land it acquired after the revolution. But the French Revolution which was followed by a counter-revolution (“thermidor”) that undid many (though of course not all) of the gains of the revolution, cannot be said to have destroyed the old community in the sense of eliminating the status differences inherited from the earlier period. It is significant that universal adult franchise was introduced in France only in 1945, long after it came in Britain (in 1928 when women got the vote). Hence, while bourgeois political revolutions have been of outstanding historical significance, they cannot be said to constitute the *differentia specifica* between the old order and the new.

A second answer to this question of how exactly capitalism manages to destroy the pre-capitalist “community” points not so much to the political changes it brings about as to its economic working. Capitalist development draws ever larger segments of the working population into the “active army of labour” that it employs, which means that it uproots the workers from their locations within the old “community” and employs them in factories and work-places in new habitats under a new set of social relationships. To be sure, this economic working requires a political setting within which alone it can occur, but the point at issue is whether the destruction of the old “community” can occur even when there is no political-revolutionary overthrow of the feudal order.

Marxist analysis has generally been of the view that that it can, but in a far more slow, halting and painful manner. It distinguishes between “two paths” of capitalist development, the “revolutionary” or the French path, and the “Junker” or the Prussian path. The nature of capitalist development differs along these two paths. Where there has been a revolutionary overthrow of feudalism and a distribution of feudal land among the peasantry, capitalist development has been more socially and politically broad-based (“capitalism from below”) and less in need of foreign markets, because of the wide mass markets that land redistribution generates. The destruction of the old “community” proceeds more slowly in the case where no revolutionary overthrow of the old order has occurred and where the burdens of capitalist exploitation are superimposed upon the burdens of feudal exploitation. The origins of dictatorship, Barrington Moore had argued long ago, lie in the pursuit of this non-revolutionary path to capitalism.

This distinction has been used in the Indian case to explain the persistence of caste discrimination and caste oppression. It has been argued that in India decolonization was followed by no significant land redistribution. No doubt some large landlords were eliminated, and so were those unwilling to turn to capitalist farming, and their land was given to the rich peasants, who belonged at best to the middle castes; but the most oppressed castes, who were predominantly landless, continued to remain so. Land concentration in other words was not broken: the top 15 percent of land owning households continued to own roughly the same proportion of total land area as before; whatever change occurred was confined only to the composition of this top 15 percent.

The old hierarchy in short was not broken for the oppressed castes. At the same time, the old landlord class which had presided over the old order of caste oppression continued under the new order, though now transformed over large parts of the country into capitalist landlords rather than in the old guise of feudal landlords. It thereby ensured a continuation of the old caste order as well over which it had presided. Finally, the very constricted nature of the domestic market as a consequence of the absence of thorough-going land redistribution entailed a slow and arrested capitalist development which also resulted in a slow pace of employment generation in the capitalist sector, and hence the persistence of the oppressed landless castes in their old habitats, and consequently in their location within the old hierarchy.

The persistence of caste oppression in other words has been attributed by this argument to the fact that capitalism in India proceeded not by the revolutionary path but predominantly by the junker path (or at the most to a variant of it). And this in turn has been attributed to the fact that where capitalism comes late on the historical scene, it is forced to make compromises with the old landlord class for its survival. It is afraid that any attack on feudal property that it may launch, as in the case of eighteenth century France, would rebound into an attack on bourgeois property, in a world where bourgeois property has already been challenged by successful (though not enduring) socialist revolutions. In societies where capitalism arrives late on the historical scene, it follows, it lacks the dynamism to break the old “community”, and hence phenomena like caste oppression that are a feature of the old “community”.

The fact that capitalism in countries like India has not succeeded in overcoming such horrendous phenomena as caste oppression which marked the old “community” is obvious. The real issue is whether the reason for its not doing so lies in what we have just discussed, or elsewhere. And this brings us back to the question with which we started: how exactly did capitalism break the old “community” in its metropolitan base?

II

There is no gainsaying that the relocation of employment of the bulk of the working population from the pre-capitalist to the capitalist sector plays a decisive role in the

destruction of the old “community”. But what is not often appreciated is that it does so by the creation of a new “community” through “combinations” among workers. This new “community” is a genuine community in the sense that persons are not just born into it but join it voluntarily to constitute a collective. As individuals they decide to form a collective, whose chief hallmark lies in the fact that keeping the collective going becomes the overriding objective of the individuals constituting it, rather than any prospect of individual gain from it (which is why such a collective must be distinguished from a “coalition”).

The destruction of the old “community” by capitalism in other words occurs not by the substitution, historically, of the individual for the old “community” as is commonly supposed, but by the substitution of a new “community”-in-the-making in the place of the old “community”. Or putting it differently, the individual is an evanescent category in the transition from one “community” to another. A bourgeois society composed entirely of individuals as they exist in the bourgeois imagination is an impossibility, which means that a “pure” bourgeois society is an impossibility, because an aggregation of self-seeking, self-centred “bourgeois” individuals cannot constitute a society.

The question however is: what makes such a transition from one “community” to another possible? The commonly-held view is that capitalism imposes a process of primitive accumulation of capital by forcibly separating the petty producers, including the peasantry, from their means of production (where ironically the redistribution of feudal land to the peasantry can play a retarding role), and then absorbs those petty producers (and landless labourers), who are displaced from their old habitats, into the new work-force employed by it. This is how the relocation of employment from the earlier economy to the capitalist economy is affected.

The term “force” used above in describing primitive accumulation of capital must include not just direct force as in the Enclosure Movement in England, but also forcibly making the petty producers a part of the commodity economy and dispossessing them through the competition of capitalist products, such as what characterized colonial de-industrialization and what Rosa Luxemburg had described in her classic *The Accumulation of Capital*.

But the presumption that those displaced from their earlier habitats will find employment under capitalism, barring a segment that will be small in percentage terms and will constitute the “reserve army of labour”, which characterizes to this day almost the entire literature on capitalist development, is totally unfounded. Even though David Ricardo was talking about the displacement and absorption not of petty producers but of workers within the capitalist sector through the use of machinery, his conclusion that those displaced by machinery will be inevitably re-absorbed, is typically applied to this case as well. And it is as questionable in this case too, as it was in Ricardo’s original presentation of it.

Ricardo’s original argument, it may be recalled, was flawed for two obvious reasons: first, what needs to be discussed is not a single act of innovation like he did but a series of innovations, each having a labour displacing effect, and hence all of them together having a stream of cumulative labour-displacing consequence; second, his assumption that a higher profit rate leads to a higher rate of investment, irrespective of demand conditions, is a carry-over of Say’s law that is totally invalid. And exactly the same objections can be advanced against any view which holds that those displaced by primitive accumulation of capital will be (barring a small reserve army) absorbed into the “active army of labour” employed by capitalism.

In short, capitalism does not necessarily re-absorb those whom it displaces, just as it does not necessarily invest what it earns as profit at full capacity production, in which case both the destruction of the old “community” and the formation of the new “community” have to be located within and explained by something else. In the history of metropolitan capitalism this “something else” was the large-scale emigration of labour from Europe to the

temperate regions of white settlement, which in turn also kept up the inducement to invest in the “new world” and hence for the system as a whole for a very long period.

The enormity of the scale of this emigration can be gauged from just one piece of information. From Britain, over a period from 1815 to 1910, nearly half the increase in population each year went across to the temperate regions overseas, the total emigration for the period as a whole being far greater, almost one and a quarter times, the initial population of that country. They set up as farmers in the new world, forcibly taking over land from the original inhabitants, and earned a high enough income; since this income also constituted a “reservation” wage for workers back home, it helped to raise domestic wages, and the restraint on the relative size of the reserve army of labour exercised by such emigration also helped to strengthen the trade union movement, and contribute to the formation of the new “community”.

This, as we have already seen, facilitated the destruction of the old “community”, since people did not just linger on in their traditional habitats at lower and lower real incomes owing to the lack of alternative employment, as the Indian handloom weavers for instance were forced to do when “deindustrialization” occurred in the colonial period.

It is this emigration in my view, rather than either any innate capacity of capitalism to effect a transfer of working population from older pre-capitalist activities to those in which capitalism is engaged, or even the sheer fact of a political bourgeois revolution, that underlay metropolitan capitalism’s apparently revolutionary role in destroying the old “community” and the differences in status that were an integral part of it.

The point however is that scope for such emigration does not exist in today’s world, even if we leave aside all ethical issues involved in the dispossession of local inhabitants in a far-off land. If emigration on the scale that Britain experienced over the nineteenth century were to occur in India, then since independence there should have been an exodus of 40 crore Indians, which is clearly an impossibility in today’s world.

The conclusion that follows therefore is that capitalism in societies like ours lacks the capacity to destroy the old “community” and the caste oppression that was an integral part of it, unlike capitalism in the metropolis in the past. This is so not because the bourgeoisie, coming late on the scene had to make an alliance with landlordism, as the Left has generally argued (such an alliance happened in Germany too but that has not prevented Germany from reaching the same level of “modernity” that revolutionary France has done in today’s world); it is because the outlet for mass emigration that was available to metropolitan countries is not available to us. (To say this is not suggest that emigration occurred necessarily to the same extent from all the European countries; but the mass emigration from some countries created room for the absorption of labour reserves into the “active army” of capitalism in others).

What this implies is that in countries like India there is a tendency towards a rise in the relative size of the labour reserves compared to the “active army of labour”, and these reserves appear in the guise of “informal employment”, intermittent employment, petty entrepreneurship and such like. The proliferation of these categories makes the unionization of the workers covered under them difficult; additionally it also weakens the trade union movement in the organized sector, since, quite apart from the deleterious consequences of large labour reserves, the organized sector itself dwindles over time.

This dwindling occurs for two distinct reasons. One is the decline in the public sector and of the heavy industry base upon which the public sector was erected and which made unionism both possible and potent. The second is that with the proliferation of labour reserves, work rationing occurs in a way where the distinction between the active and the reserve army itself tends to disappear. Instead for instance of 90 percent of the workers being employed

and 10 percent unemployed, which is what the traditional distinction between the active and the reserve armies would suggest, every worker tends to be employed for only 90 percent of the time, which means that the distinction between an “active” and a “reserve” army itself tends to disappear. And along with it the possibility of collective organization among workers also dwindles.

Hence the new “community” does not get formed because “combinations” among such scattered workers becomes exceedingly difficult; and the old “community” does not get destroyed precisely because people linger on at diminished living standards in their traditional habitats because of the absence of alternative employment. Caste oppression, being an essential feature of the old “community” thus continues despite the development of capitalism.

In fact caste oppression does not just continue. It gets exacerbated under these conditions, for a reason to which we shall now turn.

III

Neo-liberalism has implied that even though overall employment has not increased much in India (once we stop counting disguised unemployment as employment), it has increased quite noticeably in certain sectors such as IT-related services. Besides, certain other high-end services also have witnessed an increase in employment for a reason which can be stated as follows.

The non-diminishing labour reserves keep the real wage rate tied more or less to a subsistence level even as labour productivity in the economy goes up. This raises the share of surplus in output, which in turn exacerbates income inequality in society. The expenditure of this surplus however occurs inter alia on a variety of high-end services: from the firms’ side these services can be grouped together under the term “the sales effort”, and from the consumption side they can be grouped together as “luxury services”. There is in short an increase in the relative size of the high-end services which is a reflection of the rise in the share of surplus in output. This high-end service sector too witnesses an increase in employment that is well-paid and constitutes genuine employment, compared to the low-end service sector employment that is typically afflicted with disguised unemployment.

Now, all these high-end jobs require a certain amount of education, a certain command over English, and a certain training in financial and managerial skills which for historical reasons only the children from the upper castes and from reasonably affluent backgrounds have had access to. A peculiar situation develops therefore under neoliberal capitalism, where “lower caste” children languish in low-paid jobs or in the growing reserve army of labour, while some at least of the “upper caste” children (by no means all), occupy well-paid jobs in IT-related services and other such activities.

What is more, even the limited scope for upward mobility for “lower caste” children that existed earlier because of affirmative action in the form of “reservations” in government jobs, gets restricted because privatization reduces the relative and even the absolute size of the public sector (and no “reservations” exist in the private sector). In other words, the non-diminution of labour reserves, the rise in the share of surplus, privatization, and the growing divergence in the opportunities available to children from “upper” and “lower” castes, constitute an inter-related set of developments under neo-liberal capitalism. They contribute to the fact that the caste divide gets exacerbated under neo-liberal capitalism.

So also does caste-prejudice. The upper caste children who do get better-paid jobs do not attribute their success to their relative affluence, to being better-placed in society compared to the “lower caste” children. On the contrary they internalize the ideological claim of capitalism that rewards under it are distributed according to talent. They therefore attribute

their own success to their being more talented than children from “lower caste” families, an attitude that ultimately results in the elite’s rejecting the basic premise that talent is evenly distributed in society across all social groups. It increasingly accepts instead the obnoxious and “racist” view that some social groups are innately more talented than others. In other words, an ideology of prejudice develops as a necessary accompaniment and justification for the widening gulf with regard to opportunities between the “upper caste” and “lower caste” children and reaches its inevitable denouement in the demand that “reservations” be abandoned altogether.

This demand gets intensified as the economy gets deeper into the economic crisis which has come in the wake of the world capitalist crisis. As more people, even from the “upper castes”, and especially from the elite, get afflicted with unemployment, the demand for rolling back “reservations” becomes shriller. We thus get an all-round retrogression, both in the social and in the ideological spheres. Instead of developing a new “community” we end up with a widening of the caste divide and an intensification of caste prejudices.

IV

What I am trying to suggest can be theoretically expressed as follows. One can distinguish between a “vicious cycle” and a “virtuous cycle”. Capitalist development per se is not characterized by any innate tendency towards a “virtuous” (or even a “vicious”) cycle. In societies where historical possibilities existed for the emigration of vast populations (and hence for the export of labour reserves), capitalist development set up a “virtuous cycle” which had the revolutionary impact of obliterating some of the pre-existing social inequalities of the old “community” of the feudal era. But in societies where this is not possible, that is, in third world post-decolonization societies like India, capitalist development, which really comes into its own, and re-assumes the “spontaneity” that is so important a feature of capitalism, under neo-liberalism, the opposite happens: a “vicious cycle” tends to get set up. In such societies, the institutionalized inequality of the previous order, far from getting obliterated, tends to get entrenched and accentuated. And even the ideology of capitalism gets used for refurbishing the caste prejudices derived from Manusmriti.

This has a further implication. Precisely because of this “vicious cycle”, the oppressed castes demand, as a means not just of economic betterment but of social advance, a strengthening of affirmative action. In view of the fact that the scope for affirmative action shrinks owing to the privatization of activities that were earlier the domain of the government sector (which alone has a policy of “reservations”), this constitutes a perfectly legitimate demand even for maintaining whatever meagre opportunities were available to them earlier. But for reasons already discussed, the socially more privileged castes oppose such demands and even ask for a rolling back of affirmative action altogether. The intensity of this struggle is acute, precisely because it occurs within the setting of a “vicious cycle”. In this struggle, not only are the chances of the oppressed castes realizing their demands greatly reduced, but even if they do realize their demands, the question of “annihilation of caste” recedes further into the background.

To say this is not to suggest that the demand for a strengthening of affirmative action should not be made. On the contrary, it is an absolutely urgent necessity, when even the existing avenues open to the oppressed castes are getting foreclosed through privatization. It is absolutely essential for instance that the policy of “reservations” must be extended to the private sector. The point I am making is a different one, namely that the “vicious cycle” unleashed by capitalism has the effect of pushing the question of “annihilation of caste” out of the agenda altogether. All struggles for social emancipation within the developing capitalist order take the form of competing more and more intensely for the limited, and even shrinking, employment opportunities available, rather than for transcending the caste system itself. Capitalist development in societies like ours necessarily begets “identity

politics” which, even though undoubtedly essential in the context of the oppressed castes, does not visualize the transcendence of the caste system.

Societies like ours therefore, where capitalist development in a setting free of colonialism occurs late, suffer both from capitalism and from the lateness of its arrival. They suffer from capitalism because it is a system that necessarily fragments people: commodity-owners, including the owners of labour power, who compete on the market, are necessarily fragmented. At the same time the prospects for overcoming this fragmentation, by forming “combinations” that restrict and negate the competition between the owners of labour-power, which were historically available under metropolitan capitalism, not because of capitalism itself but despite it, owing to the possibility of emigration to “new lands” that introduced some tightness into the labour market, are no longer available. Hence the lateness of capitalist development perpetuates this fragmentation, which is also a fragmentation along oppressive caste lines; it prevents even the slightest movement towards an overcoming of the caste system. It prevents in short a movement towards a “modern society”.

But that is not all. The absence of movement towards a “modern society”, where the social differences of the “old community” are eliminated, does not mean that society remains frozen in its traditional mold. The resistance to the continuation of caste and other forms of oppression is too powerful today to permit that. The absence of transition to a “modern society” therefore can only mean in contexts like ours a process of social disintegration, a process of perpetual struggle with no end in sight and no progress towards a goal, a society perpetually torn apart, in short the negation of a society itself.

The annihilation of caste, the very formation of a society in the place of a disintegrating social order with no visible end to this disintegration, requires therefore an overcoming of the capitalist development that is taking place, its replacement by an alternative trajectory of development. I see this alternative trajectory as a movement towards socialism.

Such a trajectory must entail, apart from equal rights and political democracy, full employment of the entire working population and a minimum standard life for all (and hence an alternative source of work incentive other than the coercion of unemployment that capitalism employs to extract work). For this, freedom from subservience to the caprices of international finance capital, through a delinking from the process of globalization, is an essential requisite. Likewise, the development of the domestic market through land redistribution, through State support for petty production as an interim measure (to enable such production to acquire collective forms of organization later), and through a substantial increase in State expenditure for ensuring quality education and healthcare for all, is an essential part of this trajectory.

In view of what was mentioned earlier, about the lack of emigration opportunities restricting the formation of workers’ “combinations” and hence preventing militant class action that alone can enable a transition to socialism, my suggesting a transition to socialism as the panacea for our social disintegration, may appear odd. But the fact that such a transition is difficult does not mean that it is impossible. On the contrary as the example of several third world countries (and even first world countries like Greece) has shown recently, opportunities for pursuing an alternative trajectory to the one being pursued by neo-liberal capitalism, keep arising from time to time in the context of the current world capitalist crisis. The point is to seize them.

V

What I have said above has a bearing on the much-discussed issue of the relationship between caste and class categories in social analysis. In fact I may be accused of illegitimately privileging class over caste categories and of assimilating the struggle against

caste oppression into a struggle against capitalism. I should therefore clarify my methodological position here.

The discussion in India on the appropriateness of social categories has occurred typically within a frozen frame of society, i.e. by looking at a snapshot picture of society and then asserting one or the other of the two categories as being more prominent (or even that the two broadly coincide). This to my mind is an incorrect procedure. In our society at any time there is a caste-class ensemble, a totality of relationships consisting of class and caste relationships that intermingle and interact in various ways. The point is not which of the relationships within this totality is more important but how this totality moves over time, what are the forces that propel it and in which direction. And here I believe that the most significant driving force in modern times is capitalism.

My argument in short emphasizes not the primacy of class over caste or the other way around for social analysis; it emphasizes the primacy of capitalism as the propelling force behind all movements in the caste-class ensemble in contemporary times. The reason for this emphasis arises from my recognition of capitalism as a spontaneous system, i.e. an independent self-driven system that is subject to a set of immanent tendencies and is not malleable in the sense of being capable of modification in accordance with the will of the State or some other form of deliberate external intervention.

These immanent tendencies of capitalism are independent of human will and consciousness (nobody for instance wanted the Great Depression of the 1930s to occur, or even the current world capitalist crisis, which persists despite all conscious efforts to get out of it). And what is more, the human behaviour that goes in to the constitution of these immanent tendencies is itself not a matter of volition on the part of the human (economic) agents. They are coerced into acting in particular ways because not doing so would cost them their place within the economic system. Capitalists for instance accumulate capital not necessarily because they like doing so, but because not doing so would cost them their place in the system, and they would fall by the wayside owing to competition. Capitalists too in other words are alienated agents within the capitalist system.

The development of capitalism in any society therefore brings about a complete transformation in the way we look at all social questions in that society including the question of caste oppression. It is for this reason that I have organized my remarks about caste oppression around a discussion of the possibilities that exist within a trajectory of capitalist development in societies like ours.