# Rural Society, Globalization and Crisis

There is no workable definition of the concept of 'Rural Society' (Rios 1988). Similarly, the term 'Globalization' is defined in various ways. Likewise, the phenomenon "Crisis" is understood not in terms of its root causes but in terms of its outward appearances.

Unless the concepts of 'Rural Society', 'Globalization' and 'Crisis' are reconceptualized in clearer terms, it is not possible to conduct a meaningful debate.

For this purpose, it is necessary to revisit the earlier/existing conceptions/definitions and attempt at offering relevant definitions, with the help of which a meaningful debate may be initiated with reference to Indian Rural Society.

The dichotomy between Rural and Urban was considered too simple and it was argued that there exists a continuum and not clear cut delineation between the two. Secularism, individualism, extent of division of labour, density of social relationships, ways of life etc were considered as indicators to characterize a given geographical unit as Urban or Rural. (Abercrombie 1984/1994: 364).

For the present discussion the adjective 'rural' refers to the specific but wide sphere of production namely 'agriculture' (including farming, horticulture, aquaculture, sericulture, dairy, raising of live-stock, bees, poultry and many other allied occupations such as handicrafts of various kinds).

Society is not merely a body of abstract or pure individuals, as many think, but it expresses the sum of the relationships and conditions in which the individuals stand to one another. It follows that these relationships are abstractions if one disregards their class nature. The class nature of the relationships in turn remain empty terms if one does not know the elements on which classes are based.

Before identifying the concrete social classes in the rural areas, it is better to first define what is meant by classes? A critical overview of the relevant literature prompts one to adopt the following definition of classes.<sup>2</sup>

"Classes are large groups of people differing from each other by the place they occupy in a historically determined system of social production, by their relation (in most cases fixed and formulated in law) to the means of production, by their role in the social organization of labour, and consequently, by the dimensions of the social wealth of which they dispose and the mode of acquiring it. (Lenin 1919:421)<sup>3</sup>.

Based on the criteria for class analysis suggested in this definition, one can identify "General' classes as follows:

With the help of Lenin's criteria for class analysis, it is possible to identify the following specific rural classes in terms of specific Production relations, Property relations, Division of labour and Distribution relations.  $^4$ 

Thus one will have a brief picture of two major categories of social classes in general as well as rural classes in particular as follows.

- a) Demographic aspects of Rural Society: Systematic differences and patterns of class bias have been observed in the demographic aspects of rural population in terms of Average age at marriage, Reproductive age, Life expectancy, Mortality rate, Child Welfare, Health, Nutrition, Housing, Fertility rate, sexual abuse of female children, sexual assaults on women, prostitution, destitution, suicides and such other problems (SWI 1975, Sharma 1986, Sen 1990, Bardhan 1993 and HDR 1995)
- b) Economic situation in Rural Society: A number of studies have established empirically demonstrable differences among various social groupings in their economic status. Unequal distribution/ownership of/control over/access to resources like land, cattle, implements, money etc., unemployment, underemployment, absence

- of minimum wages, lack of better working conditions, irregular hours of work, usury etc are some of the important economic problems which are faced by different sections within the Labouring Classes [mentioned in the above table.]
- c) Political participation in Rural Society: Though the rural people are mobilized by various political parties and their affiliated/front class/mass organizations, there is no enough evidence to show that they occupied important or leading positions. Movements for supporting prices, supply of seeds, fertilizers and pesticides at subsidized rates, supply of electricity, irrigation facilities; against Special Economic Zones which inevitably involve coercive acquisition of agricultural land, are largely based on the participation of the rural poor but led by various political parties who try to convert the mass mobilization into vote bank.
- d) Cultural level of Rural Society: The cultural level of rural masses is so pathetic that they suffer from acute illiteracy. Their children are deprived of schooling and as a result one finds minimum enrolment and maximum number of drop-outs, especially of girls in schools. People do not see artists, writers, dancers and singers among the rural population in the cultural life. In matters of marriage, divorce and family life, patriarchy is still dominant since modernization (= capitalism) has not eliminated it but modernized it. Domestic violence is faced by more than two thirds of married women (SWI1975, McCormick 1981, Bardhan 1993, HDR1995). The ideological onslaught of mass media especially TV channels and films is causing irreparable damage as is evident from the media reports of various forms of crime: brutal physical attacks, murders, suicides, cheating etc.

## 'GLOBALIZATION'

Today, the use of the term 'Globalization' has become so globalized that it became a 'catch-all' word of many social scientists and a 'buzz word' of lay persons. It is extremely difficult to trace the origin and history of the word because the meanings that have been attributed to it since 1990 are varied and fuzzy. However, based on certain works one may isolate the following social (economic, political, cultural) processes that refer to the concept of 'Globalization':<sup>5</sup>

- ➤ The intensification of worldwide social relations.
- > Internationalization and spread of international production.
- > Interconnectedness between and integration of economic, cultural, and political ideas and activities across the world.
- Receding of constraints of geography on social and cultural arrangements among the people of the world.
- ➤ Intensive and extensive international interactions like integration, interdependence, multilateralism, openness, interpenetration, spatial compression, universalization and homogenization.

There are two other related concepts that accompany the concept of 'Globalization'. They are (1) 'Liberalization' and (2) 'Privatization'. (6)

**'Liberalization'** is "a programme of changes in the direction of moving towards a free-market economy. This normally includes the reduction of direct controls on both internal and international transactions...In such a programme less use is made of licenses, permits, and price controls" (Black, in his 'Oxford Dictionary of Economics', 1997). In other words, Liberalization is a programme conducted by the State to serve the economic interests of the Capitalist class, both domestic and foreign.

'Privatization' refers to the "transfer to private ownership and control of assets or enterprises which were previously under public ownership", namely, the direct State ownership, or owned by local authorities, or by State-owned public corporations. Supporters of Privatization argue that assets will be used more efficiently under private ownership, to reduce the power of State authority and to raise revenue for the State."

(Black, in his 'Oxford Dictionary of Economics, 1997). In other words, Privatization is the policy of the State to be totally subservient to the class of private Capitalists, both domestic and foreign.

If the concept of 'Globalization' refers to the above mentioned social processes, the term 'Globalization' is misleading in that it conceals the social reality called 'Capitalism'<sup>7</sup>. Hence for a realistic description of Globalization', people have to (re)turn to Marx's (& Engels') works: *Manifesto of the Communist Party and Capital*.

The following summary of Marx's description of 'Capitalist Mode of Production' or 'Capitalism' exposes thoroughly the essential aspects of the so-called 'Globalization'. (8)

- Does not exist at all without foreign commerce.
- Production for the world market is one of the prerequisites and conditions.
- Dates from the creation in the sixteenth century of a world embracing market.
- Improvement of means of transport and communication due to capitalist production makes it imperative to work for ever more remote markets.
- Draws raw materials from the remotest zones of the globe.
- Requires the products of distant lands and converts them into fields for the supply of its material.
- Batters down all the commercial barriers with the heavy artillery of cheap prices of its commodities. [>Unrestricted flow of foreign goods].
- Gives cosmopolitan character to production and consumption in every country.
- Demolishes the national ground on which industry stands.
  [➤Multi-National Corporations]
- Immensely facilitates means of communication due to rapid improvement of all instruments of production. [➤Internet]
- Creates a world literature out of the national and local literature. [Ideas of Colonialism/Imperialism, Socialism, Feminism etc.]
- Draws all, even the most 'barbarian' nations into 'civilization'.
- Makes the rural areas dependent on the urban areas; barbarian and semi- barbarian countries on the civilized ones; east on the west and so on. [➤Dependence on highly developed capitalist countries.]
- Commercial crises threaten its existence due to the epidemic of over-production.
  [▶Periodic crises since 1825]
- Overcomes the crises by the conquest of new markets and by the more thorough exploitation of the old ones. [>American aggression on Iraq and Afghanisthan]
- Exposes labourers constantly to all vicissitudes of competition, to all fluctuations of the market. [>Current crisis in IT sector].

## THE CONCEPT OF 'CRISIS'

Crisis is a condition of instability, as in social, economic or political affairs. In other words, crisis refers to the breakdown of the operating principles of a given society. However the crisis emerges first in the economic life of a society and it manifests itself in social and political life sooner or later.

Many references to the term 'Crisis' in Social Science literature relate to the external manifestations of the phenomenon 'Crisis': Price-rise, reduction of subsidies, non-availability of institutional credit to the poor farmers, debt trap, suicides, health disaster, contract farming, unemployment, underemployment, etc.

Crisis in the economic sphere began to emerge only in the era of capitalism and not before. An inherent characteristic feature of Capitalism is that it goes beyond its geographical, political, administrative boundaries in search of (world-) market. The Capitalist world tries to subjugate the precapitalist world. [> the so called 'developed' countries vs. 'underdeveloped' or 'developing' countries]

Crisis is a situation which arises periodically whereby large parts of the commodities in many branches of production (including agriculture) stagnate without being sold or sold at fallen rate of profit for the Capitalist class and hence it reduces or completely stops the processes of (re)production. In such periods of crisis, the capitalist class removes some or most of the workers resulting in unemployment, underemployment or reduction in wages. These in turn will lead to debt trap, suicides, health disaster, and inaccessibility to education. As Marx (1894:484) put it, "The ultimate reason for all real crises always remains the poverty and restricted consumption of the masses as opposed to the drive of capitalist production to develop the productive forces as though only absolute consuming power of society constitutes their limit."

# GLOBALIZATION-LED CRISIS IN RURAL SOCIETY

As argued above, Globalization is nothing but another name of Capitalism and as such its policies are inherently crisis oriented. However, the class of Capitalists and its State (which manages the common affairs of the class of capitalists in a given nation-state) act as 'agents' or 'collaborators' of the more powerful class of capitalists belonging to one or several nation-states. The policies of the Indian State which are subservient to the interests of the more powerful capitalists of the world are responsible for the Crisis in Rural (as well as Urban) Indian Society. The following are some of the policies that led to the emergence of crisis in Rural Society in India. (Aerthavil 2008).

- Liberalization of import policies: This led to a flood of agricultural products from foreign countries leading to a situation of over-production. As a result, cultivation of such products was either stopped or reduced in India since there occurred a crash of prices of such products.
- Withdrawal and/or cutback in Subsidies to Agriculture: The Government reduced various kinds of subsidies to agriculture which led to the increase in the cost of production of agricultural products and discouraged small farmers from continuing in agricultural activities.
- Lack of Lending facilities and concessions of the banks: This practice of the nationalized banks forced millions of small farmers to fall a prey to the private money lending agencies or individuals, the result of which was unprecedented number (more than a lakh) of suicide deaths of poor farmers in several states of India.
- Introduction of Special Economic Zones system: In the name of the industrial development and creation of employment, the governments both at the Centre and at the level of States, have been forcibly acquiring millions of acres of agricultural lands from the farmers and depriving them of their relatively secure livelihood.

# WHO ARE THE MOST AFFECTED?

Obviously the labouring classes which are exploited by the non-labouring and propertied classes and their State machinery. For instance people have never seen the suicide of a cultivating landlord or Capitalist farmer. It is always the feudal tenants (=poor farmers), independent labourers (=small farmers) and petty bourgeois land owners (=marginal farmers).

Whatever be the shortcomings and negative aspects of the peasant movements organized by the Marxist-Leninist groups or even the parliamentary left, the Indian State did not dare to implement with rapid pace the so-called Globalization policies in the past especially during late 60s, 70s and mid- 80s. The gradual weakening of the movements of the labouring classes contributed to the aggressive implementation of anti-peasant policies of the Indian State.

# **SOLUTIONS SUGGESTED**

Various solutions have been suggested to reverse the policies that contributed to the emergence of crisis in rural society. Various political and mass organizations have been waging struggles protesting against the policies of the Governments. Though such

struggles may occasionally either give temporary relief or delay the danger, the solution lies elsewhere. The ultimate solution shall be the making rural labouring classes realize that the permanent solution lies in the elimination of the Capitalist Mode of Production. Until then the crises occur periodically in different forms and different degrees of intensity. In the meantime, struggles to reduce the intensity of the process of globalization must go on. However, such struggles should offer a long-term perspective to the people by telling them that they are fighting with the symptoms (effects) but not with the causes of the diseases.  $\Box\Box\Box$ 

#### NOTES

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- 1) We are not taking the conceptual category of 'Caste' into our discussion since the process/phenomenon of 'Globalization' does not make any distinction between different castes, as it does with regard to Classes while exerting its pressure. However, it is truism that the majority of the members of the lower castes belong to the lower rung of the exploited or Labouring classes.
- 2) See Bapuji, 1993 for a detailed discussion of the problem of Classes.
- 3) Lenin elaborates his definition further: "Classes are groups of people one of which can appropriate the labour of another owing to the different places they occupy in the definite system of social economy. Clearly in order to abolish classes completely, it is not enough to overthrow their rights of ownership; it is necessary also to abolish all private ownership of the means of production, it is necessary to abolish the distinction between town and country, as well as the distinction between manual workers and brain workers" (1919:421). It is clear from this elaboration that the ultimate goal of the development of human society should be abolition of the distinction between town (industry) and country (agriculture) and between manual workers (Physical labour) and the brain workers (Intellectual labour).
- 4) The rural social classes mentioned here are in fact sub-classes of two major classes: class of producers and class of Appropriators. These sub-classes are theoretically possible and empirically verifiable. However, exact proportions of different classes are not available because of imperfect surveys and differences in conceptual categories of classification. Yet, we may predict the existence of these classes in decreasing proportions: beginning from the class of labourers and ending at the class of absentee landlords. Based on such indicators as ownership, size of the landholding, labour contribution of the family members, fertility of the soil, access to high yielding technology etc, different studies (Bose 1984, Agarwal 1985, Desai 1986, NSSO 2002-03, Reddy 2006) have identified different rural classes under such labels as: landless agricultural labourers, or landless households, small cultivator households, small farmers or poor peasants, Middle farmers/peasants, Rich peasants, Landlords, Large farmers, or Large cultivator households and so on.
- 5) Most of the definitions describe the economic nature of the process. For details, see Giddens 1990:64, OECD 1992:202, Clark 1993, Waters 1995:3, Clark 1997:1.
- 6) The three terms are often referred as LPG. These are different aspects of the same process which is called 'Capitalism' or 'Capitalist Mode of Production'.
- 7) Among the Marxist-Left, one finds the term 'Imperialist Globalization' or 'Capitalist Globalization'. But these terms lead to the assumption that there is another kind of Globalization, say, Non-Imperialist or Non-Capitalist Globalization. Well, no such kind of Globalization exists. Globalization itself is Capitalism or to be specific rapid spread of Capitalism.

8) The non-economic aspects of Globalization, namely political and cultural, are not enumerated here. The metaphor 'base and superstructure' as used by Marx would take care of such elaboration of political and cultural aspects of the process of Globalization/Capitalism.

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## General Classes based on universal criteria for class analysis : Criteria for class analysis

- 1. Place occupied in the system of social production (= Production Relations)
- 2. Relation to the means of production (= Property Relations)
- 3. Role in the social organization of labour (= Division of Labour)
- 4. Dimension of the social wealth and the mode of acquiring it (= Distribution Relations)

### **General Classes**

- 1. Producers vs. Appropriators
- 2. Non-Owners or Small property owners vs. Owners or controllers of Large property.
- 3. Labourers vs. Lords over labour.
- 4. Exploited (of Surplus labour/value) Vs. Exploiters (of Surplus labour/value)

## General Classes

Producers/Non-owners or Small Property Owners/ Labourers/ Exploited or Partially Exploiting or

Nominally Independent Approproach Controllers (of Large Property) / Lords over Labour / Exploiters (of Surplus Labour / Value)

Appropriators/Owners or Effective

# **Specific Classes in Rural Society**

 $Labourers, Feudal\ Tenants,\ Independent\ Producers,\ Petty-Bourgeois\ Proprietors,\ Lumpen\ proletariat.$ 

Absentee Landlords, Cultivating Landlords, Capitalist Tenants, Money Capitalists.

## **Specific classes in Rural Society based on criteria for class analysis:**

	Specifi		U	ased on criteria i	or class analysis.	
Classes	Production Relations	Property Relations	Division of Labour	Distribution Relations	Form of income	
(1) Absentee Landlords.	Wholly Appropriators.	Owners of means of production.	Absentees in the social organization of labour.	Wholly Exploiters (Recipients of surplus value).	Rent.	
(2) Capitalist Tenants	Wholly Appropriators.	Controllers of means of production.	Wholly Lords over the	Wholly Exploiters (Recipients of surplus value of others)	Profit.	
(3) Cultivating Landlords.	Wholly Appropriators.	Owners of means of production.	Wholly Lords over the	Wholly Exploiters. (Recipients of surplus value)	Rent + Profit.	
(4) Money Capitalists.	Wholly Appropriators.	Owners of money.	Absentees in the social organizations of labour.	Wholly Exploiters (Recipients of surplus value).	Interest.	
(5) Landless Labourers.	Wholly producers.	of means of	Wholly labourers and wholly under the control of others.	Wholly Exploited (Recipients of value of labour power only).	Wage.	
(6)	Wholly	Essentially	Wholly	Wholly Exploited	Self-	
Feudal	producers.		labourers with	(Recipients of	wage	
Tenants	•	but will	self	value of labour	plus little	
have	organization	power plus	self-			
		temporary	of labour.	some occasional	surplus.	
access to		fringe benefi	ts due			
		means of		to access to means		
(71)	1171 11	production.	1171 II	of production.	C 10	
(7)	Wholly	Small	Wholly	Nominally	Self-	T., J., J.,
Independen wage	ι	Producers wi Producers	self-	property owners.	labourers with self (Recipien	Independent its of a plus little
wage	appropriation.	rioduceis	organization	value of labour	self-	ts of a plus little
	ирргоргицоп.		of labour.	power as well as one's own surplus	surplus.	
(0)	Matala	C11	Matala	value).	C-10	
(8) Petty-	Mainly producers,	Small property	Mainly labourers with	Partially Exploiters (Recipients of		
bourgeois	producers, partially	owners.	partial control	value	wage and little	proprietors.
appropriato	1 3	owners.	partial control	of labour power	self-	proprietors.
арргорише	13.		over others'	and one's own	surplus	
			labour.		plus little	
surplus value of surplus						
	•	•		others partially).	value (of others).	

(9) Ruined Lumpen producers. Proletariat/ Vagabonds.

Ruined nonowners or labourers. small property owners. Wholly ruined (Recipients of value of labour power occasionally and/or means of subsistence by way of alms, arity etc.)

Occasional wage and/or Alms, charity etc.