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The Indian Middle Class, the State and Development: An Enquiry into the Broad Claims of Shifts in Neo-liberal India

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I

Introduction

Middle class has been historically linked to question of development especially in the post-colonial context, where one of the defining features of this category has been its role as the articulator and representative of the interests of the masses.

This role was performed by this class in colonial India and continued in the post-independence period under the regime of the Nehruvian model of development. However, there have been increasing debates and critical analysis concerning this dimension of middle class over the recent years, largely within the popular discourse that emerged in the post-liberalization phase, centering on the rise of what has been termed as the 'New Middle Class' (NMC), and its implications for an altered understanding of the idea of 'middle class' itself in India. It is important to point out here that surprisingly enough the relation of middle class to the question of development remains a relatively less attended area in the Indian scholarly domain. Although some of the recent studies have specifically looked at the relation of middle class to the environment issue, any holistic analysis of middle class and its relation to the broader issue of development remains a less explored but a hugely interesting area. The humble objective of the present paper is to look at some of the popular claims of shift concerning the relation of middle class to the question of development and complicate this discourse by bringing together the diverse lines of arguments provided by the scholarly domain concerning this area.

I begin with a very simplistic assumption of this change in the contemporary discourses that seem to represent a contrasting picture, underscoring an interconnection between changing nature of the state and the role of the market, the resultant changing class location and the class interests of the middle class and their changed role in the public sphere. Then I go on to discuss each of these claims in some details to bring into prominence some of the contradictory lines of arguments that seem to suggest a more complex picture of the changes happening, which is evidently not as neat

as it appears to be. By trying to draw attention towards the nuances of the shifts happening and hence the complexity of it, this paper argues for a closer investigation of the claims of change regarding middle class and the question of development in neo-liberal India.

II

The Middle Class, State and Development: an Outline of the Relations

Contemporary works on Indian middle class point out that there are two opposing camps, reflecting contrasting standpoints, concerning this class. Firstly, it is viewed that the middle class has grown in terms of its sheer numerical strength and has established itself as a prominent consuming class that can be used as a case to prove the success of the liberalization of the Indian economy even to the extent of the coming of a 'New India'. Secondly, such claims have been attended with a moral anxiety concerning the changing nature of this class: whether the rise of this class, as a marker of increasing consumerism in India, can be seen as a welcome change and whether it has implications of wider kinds. To quote Varma '...the question of critical importance is the impact these policies had on most members of a class which for quite some time now had quite demonstrably surrendered all pretence of idealism or morality or social sensitivity on the twin altars of self-interest and material well-being. The policy of economic liberalization provided the Indian middle class an excuse to even more blatantly separate its 'world' from the vast masses of the destitute and deprived in India.'

The role of the middle class, as it has been perceived in such views, and the moral-ideological underpinnings of the idea of middle class as representing wider interests of the nation

which seem to have undergone a radical change over recent times, naturally come into closer scrutiny for any discussion on middle class and its relation to the question of development. If we try to look at some of the basic assumptions of this claimed change it seems to suggest a neat inter-connection between the changing state framework and its policy of economic reforms, the resultant changing class location of the middle class and consequently, its changing class characteristics and the interests that it represents.

The following Table can be used to represent some of the broad claims of shifts that seem to neatly explain the changed relation of middle class to the question of development:

This role was performed by this class in colonial India and continued in the post-independence period under the regime of the Nehruvian model of development. However, there have been increasing debates and critical analysis concerning this dimension of middle class over the recent years, largely within the popular discourse that emerged in the post-liberalization phase, centering on the rise of what has been termed as the 'New Middle Class' (NMC), and its implications for an altered understanding of the idea of 'middle class' itself in India. It is important to point out here that surprisingly enough the relation of middle class to the question of development remains a relatively less attended area in the Indian scholarly domain. Although some of the recent studies have specifically looked at the relation of middle class to the environment issue, any holistic analysis of middle class and its relation to the broader issue of development remains a less explored but a hugely interesting area. The humble objective of the present paper is to look at some of the popular claims of shift concerning the relation of middle class to the question of development and complicate this discourse by bringing together the diverse lines of arguments provided by the scholarly domain concerning this area.

I begin with a very simplistic assumption of this change in the contemporary discourses that seem to represent a contrasting picture, underscoring an interconnection between changing nature of the state and the role of the market, the resultant changing class location and the class interests of the middle class and their changed role in the public sphere. Then I go on to discuss each of these claims in some details to bring into prominence some of the contradictory lines of arguments that seem to suggest a more complex picture of the changes happening, which is evidently not as neat as it appears to be. By trying to draw attention towards the nuances of the shifts happening and hence the complexity of it, this paper argues for a closer investigation of the claims of change regarding middle class and the question of development in neo-liberal India.

Table 1: Changes in the Relation between Middle class, State and Development

State Framework		MiddleClass Characteristics	Relation to the Question of Development
Nehruvian State	Developmental	<p>'Nehruvian' Middle Class</p> <p>Largely state dependent including their employment</p>	<p>Welfare mode of development</p> <p>Middle class as the articulator and representative of the interests of the nation and the masses</p> <p>Middle class as initiator as well as active agent for movements/activism</p> <p>Issues taken up by them have a wider concern for the nation as a whole or more specifically those concerning the working class/ poor: for example, Legal Activism of the post-emergency period or the movements for alternative development such as the Narmada Bachao Andolon.</p>
Neo-liberal State		<p>Rise of the New Middle Class: Upward mobility and therefore their class location changes</p> <p>Increasing secession from the state</p> <p>Not dependent on the state for employment</p> <p>Seeks private solutions to its problems</p>	<p>Guards its own class interests rather than those concerning the lower classes</p> <p>Issues taken up by them often place them in confrontation with the issues of the poor: for example, urban development and beautification projects</p>

Table created by the author

The question that arises here: is the transformation as simple as it appears to be at a first glance?

III

A Brief Review of Existing Scholarship

In the following section I seek to provide a glimpse of some of the existing scholarship concerning the broad claims of changes about the relation of middle class and the question of development that seem to present somewhat contradictory standpoints. I examine it in terms of three central axes, which are evidently related to each other and have been differentiated only for analytical purposes: i. changed relation of the middle class with the state; ii. changed role of the middle class in the public sphere; and iii. changed class position of the middle class and hence changing class interest.

Changed Relation of the Middle Class with the State:

Building upon a robust critique of the role of the state in the post-liberalization phase, more specifically, its declining role in the civil society, Kothari (1991) argues there is a nexus between the changing face of the state, a homogenised global techno-culture promoted by contemporary capitalism and the role of a 'global middle class'— a class 'inspired by the dream of economic development and its offer of consumerist lifestyles'. This class has been instrumental in anchoring faith in an 'ideology of privatisation', that increasingly downplays the role of the state and turns to the market as a catalyst of development. He says '... the doctrine of privatisation has been used ostensibly to correct the inadequacies of the state but in reality to legitimise the sway of a middle class dominated society and polity that has systematically excluded large segments of the people from the development process and, what is worse, plundered their resource base through environment destruction and large-scale displacement of tribal and farming communities..' Kothari's argument represents one important perspective on the changing relation of the middle class with the state: a relation that underscores a growing secession of the middle class from state and turning around towards the market as an alternative 'centralizing force'.

However, a number of contemporary scholars have argued against any simplistic claim that there has been an increasing secession of the middle class from the state or that the relation between the middle class and the state is more distant under a neo-liberal regime. They argue that there is merely a reconfiguration of this relation that underscores the close connection between the middle class and the state in newer ways. Firstly, the legitimation of the state-engineered shift in economic policy in the form of liberalization depends on a close and mutually benefitting nexus between the state and the middle class. While the support of the middle class was essential for the state to legitimize the project of liberalization, it was a welcome change for the middle class too which could foresee immediate benefits out of it. According to Deshpande the middle class could make a smooth transition from its position vis-a-vis the developmental state to the process of globalization since it had already consolidated its social economic and political standing. According to him, 'from its position as a 'proxy' for the nation, this class has now graduated to thinking of itself as a 'portrait' of the nation.' Secondly, Fernandes clearly points out

that the creation of a discourse with celebratory resonances around the rise and expansion of New Middle Class is a state-led project of development that operates in conjunction with a global policy of economic liberalization. She also mentions that while in the Nehruvian era the state had a central role in 'materially creating' the middle class through subsidies in education and promoting public sector employment, in the neo-liberal era it has continued to contribute to material dimensions of the new middle class via promotion of New Middle Class lifestyles. Thirdly, Fernandes also argues against the assertion that there has been a secession of the middle class from making demands on the state. She points out that there has been an assertion of its claim on the state rather than retreat from the state through its demands made in the public sphere (by taking up issues like urban development projects), although this has largely taken a form of exclusionary politics. Thus, it seems to be evident that the state-middle class nexus continues to operate in newer terms in the new developmental regime.

Changed Role of the Middle Class in the Public Sphere:

In this section I seek to probe into the question of whether there has been a shift in the role of the middle class in the public sphere. Pavan Varma's critique of the New Middle Class rests largely around this issue: the lack of interest of this class to remain committed to its role as a representative of the nation and its well-being that cuts across the interests of particular classes.

Fernandes argues that the New Middle Class is in fact involved in 'exclusionary politics' in the civil sphere, wherein there occurs an attempt to define the terms of citizenship and of the Indian democracy within this sphere. She says, '...by cementing the boundaries of exclusionary forms of citizenship and creating new terms of public political discourse, the new middle class is in effect engaged in an attempt to reclaim Indian democracy from demands of groups such as unions, subordinated castes, and Muslims.' Mazzarella also has a similar line of argument and he asserts that it is a characteristic of post-colonial modernity: '...the very principles of universality and inclusion that are supposed to be inherent to middle class social practice instead become marks of an elite identification with a cosmopolitan ideal and, by the same token, a device of social distinction and aesthetic distaste for domestic others who conspicuously (and in fact often deliberately) fail to manifest these principles'.

Upadhyaya dwells at some length with the question of civil society activism of one of the most prominent sections of the New Middle Class, the IT sector employees in Bangalore. Her study seems to suggest that the cocooned life of the IT sector people does not prompt them to engage deeply with the problems of environmental degradation or urban development. The corporate-led civic initiatives are largely aimed at colonising and beautifying the city spaces with a notion of urban poverty as a problem to such a project. She points out 'Their solution to civic problems is not to address their root causes but to bypass them by pushing for urban development projects that will allow them to continue to function effectively *from* the city. In essence, they want to create a city within the city, a patchwork with islands of global industry and residential areas for global

workers, tied together by a network of good road that only the wealthy and the IT class can afford to use...’.

The question arises then: has there been a complete shift in the form of middle class activism and the kinds of issues they are fighting for in the post-liberalization phase? It is useful here to look at Sitapati’s classification of the typologies of middle class activism in India over the recent years, which is reproduced in the following table.

Table 2: Summary of Middle-class Intellectual Strands of Political Engagement

Middle class strand	Period	Ideology	Friend of	Enemy of	Weapons
Independent Left	Post-Emergency	State is the source of all hegemony and domination Disagreement within the strand on whether to engage with the state or discard it altogether	The marginalised of all identities – caste, class, gender, sexuality, etc	State power	Street protests, Blog posts
Legal activism	Post-Emergency	Commitment to the creation of rights through the Supreme Court. Growth after the expansion of socio-economic rights by the Supreme	All those who enjoy de jure constitutional rights	Violators of fundamental rights	Writ Petitions Public Interest Litigation Right to Information Application

		Court since the 1980s			
India shining	Post- liberalisation	Improvement in the delivery of services by the State; better governance	Other middle class Indians who want this	Inefficient politicians, bureaucrats	Facebook, Candlelight vigils, SMS campaigns
(Corporate middle class)					
Gandhigiri	Post- liberalisation	Stress on personal probity and moral clarity; Broadly nationalist	Traditionally rural poor, now urban middle class	Evil, defined as a personal vice	Hunger strikes, Rural journeys, Dharnas, Rasta roko
(Neo- Gandhians)					

Table adapted from Figure 1 and Table 1, in ‘What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other’, by Vinay Sitapati, EPW, Vol xlvi, No. 30, July 23, 2011, p. 40.

Datta’s classification involves three kinds of middle class activism since late 1980s: i. one representing middle class hegemony through the ideology of Hindutva; ii. ‘embattled patriotism’; collaboration of middle class and corporate leaders to launch a critique of the political machinery; and iii. ‘personalized’ movements around individual figures like Jessica Lal, with an ethical component.

These typologies give us a clear indication of the latest kinds of activism by the Indian middle class, especially those akin to the ‘India Shining’ campaign and Neo-Gandhianism, which seem to closely guard its own class interests.

Harriss, on the other hand, points out how the middle class continues to dominate the sphere of civil society associations. He argues that middle class activism is one of the defining features of the middle class and hence there is a very intrinsic relation between middle class and activism. Drawing upon his survey conducted in the cities of Delhi, Bangalore and Chennai to study the civil society space, he points out ‘...people from the middle classes dominate the sphere of civil and social associations. Even those associations in which numbers of informal workers are mobilized, like Penn Urimai in Chennai, or the KKNSS in Bangalore, have been established by middle-class people, although they may now have leaders from amongst the poor. There is nothing at all

surprising in this observation. 'Civil society' is the arena for middle-class activism and assertion; and to a significant extent the middle classes engage in such activities whilst people of the informal working class engage in politics.'

It is important to discuss here at some length the much hyped about 'Anna Hazare movement against corruption' for the simple reason that it stands as some kind of a peculiar movement, difficult to fit itself into any of the above typologies of contemporary activism /movements. There seems to be clearly a disjuncture between the participants of this particular movement and the kind of issues they are fighting for. The question that immediately comes to one's mind is: why is the so-called 'New Middle class' such a prominent participator to clamour for an age-old issue of corruption in bureaucracy, even when they are no longer directly dependent on the state and seem to seek private solutions to their problems? According to Sitapati what is peculiar and interesting about this movement is that it actually represents three intellectual strands of middle class activism that he speaks of: Legal Activism, India Shining and neo-Gandhianism which he terms as 'Gandhigiri'.²²

Pinto provides a somewhat convincing answer to this apparent paradox in the movement. He argues, 'The 'new' middle class – which owes nothing to state employment – wants accountability from the governing class. The old middle class is less likely to question the state, since it is dependent for employment, professional life and pensions on the state. The new middle class is disconnected from the state as far as their livelihoods are concerned. But as long as they pay taxes, they do not desire to remain passive. Anna Hazare is just a catalyst who happens to chime with the middle class mood.'²³ According to him, the prominence of the New Middle class in the Anna Hazare movement is not really a case to suggest that the middle class can rise above their narrow class interests. Rather through a sustained critique, he explains, this movement as a reaction to guard their self-interest: 'The middle class comes to the streets when their interests are at stake. They live in 'ivory towers' and see the problems in terms of how they affect them.'²⁴ His argument about the middle class activism in the Anna Hazare movement makes sense in view of his perspective that though there has been a turning away of the middle class from the state in certain respects, yet the middle-class-state relation has taken some new contours. He sees this as follows: 'The middle class paradigm of the citizen-state relationship is that of a customer-supplier. We pay you for services via tax money and you have not kept your end of the bargain.'²⁵

Changed Class Position of the Middle Class and Hence Changing Class Interest?

Fernandes dwells at some length on the question of changing class location of the middle class and the alignment of its class interest. She cautions us that while economic reforms do not serve the interests of large sections of the middle class we cannot assume that they will necessarily oppose reforms since she argues that a consumer-based identity has already started shaping the practices and attitudes of the middle class not merely restricted to the upper echelons of the class. However, at the same time she does not negate the possibility of the internal fractures within the middle class as capable of promoting cross-class alliances to press for alternative models of development.

She says, 'The disjuncture between new middle class politics and middle class interests raises the possibility of a political space for alternative cross-class alliances. Examples of such alliances have not been limited to right-wing culturalist movements but are also evident in social movements that have linked urban middle class activists with questions related to sustainability and forms of economic development that can benefit both the urban and rural poor. 26

On similar lines, Lange *et al* (2009), based on their empirical study in Bangalore emphasize on the ambivalent position of the New Middle Class, whose attitude towards consumeristic lifestyle does not preclude the possibility of their social and environmental concern. They say, '...our findings show that many of them do like to shop and consume. For a large number, buying expensive consumer goods is an integral part of their aspirations and their everyday lives. So, when it comes to consumption, personal restraint is not high on their list of priorities... But are they really 'consumerist predators', lacking any sense of either environmental or social responsibility? There is little evidence that could confirm such a view. '27 They highlight that the New Middle Class is not a homogenous group, not only in terms of their socio-economic location, 'but also in attitudinal respects and in terms of political preferences regarding resource consumption, environmental protection and social responsibility. '28 Lange *et al* raise their concern against the claim that there is an increasing dispute between the new middle class kind of activism and activism of the poor. They end with a positive note, which is hopeful about the potentials of class fractures within the New Middle Class itself. To put it in their words: '...new political coalitions and related concepts of environmental and societal futures are possible. There are good reasons to assume that, in some of its major aspects, the ensuing debate will not be acted out exclusively as a dispute between poverty stricken groups and parts of the new middle classes, but as a dispute between different sections of the new middle classes, too. '29

III

Towards Summing Up:

The above review of literature points towards the following:

So far as the relation of middle class to the state is concerned, there seems to be a continuity of the agency of the state, which is still mediating a relation between middle class and development, although the form that it takes is completely different now. In the Nehruvian era, the middle class had a prominent role in managing the developmental project of the nation. 30 In the neo-liberal phase, on the other hand, the developmental regime of the state deploys certain idealized image of middle class prosperity to make a case for liberalization as an acceptable policy. Thus, one important line of argument is that, the middle class, in an entirely different way, remains as an important connecting link for the developmental project of the state.

There are at least three different strands of thought on the relation of the NMC with the state in the post-liberalization phase: i. there has been increasing secession of the middle class from the state

which now look towards privatized solutions to the services previously provided by the state (Kothari); ii. although the NMC is turning to privatized solutions for certain services, yet it continues to expect certain basic services, like good infrastructure, from the state since it is aware of the accountability of the state towards its tax-paying citizens. Hence they are heavily invested in critiquing the inefficiency and problems of the state machinery (Pinto); and iii. the middle class continues to depend on its nexus with the state and drawing upon the support of the state to derive certain benefits for itself, for example, through clamouring for certain issues like civic beautification projects (Fernandes). Thus it is important to point out that even if we look at the relation between the NMC and the state in the post-liberalization phase it is essentially more complicated than a simple claim of increasing secession and turning away from the state.

Two basic points complicate the issue of class location of the middle class and the alignment of its class interest: first, the segmentation within the middle class and increasing gap between the segments in the post-liberalization phase as documented by scholars like Fernandes suggests the variety within the 'middle class' as a category. 31 It implies that even if they represent their own class interest, it cannot be a monolithic. Different segments of the middle class seem to occupy different positions within the class scale.

Second, even if we take the category of the New Middle Class itself, it is important to review more critically the claim that they are vested in closely guarding their own class interest rather than thinking about wider issues that do not affect them directly. If even we accept that there is a shift happening in terms of the issues they represent and fight for, the moral anxiety regarding this continues to operate in public and academic discourse, for the simple reason that middle class by definition has a strong 'ideological' component—a feature that essentially demarcates them from others. If we accept that the middle class no longer is bothered about the well-being of the masses, this essentially would mean a re-definition of the category of middle class itself, and hence perhaps there is so much of continuing discomfort around this.

This of course leads to the next issue—the role of middle class in the public sphere. The typology of contemporary middle class activism suggested by Sitapati, cited before presents the myriad ideological lineages of it. The issues represented by middle class activists and movements are essentially varied and even today seem to represent wider interests which span beyond its own class interests to include that of the masses. This is indeed a critical arena which requires adequate scrutiny since, as Harriss mentioned before, points out that middle class continues to dominate the civil society activism and it does not exhaust issues that immediately concern only their class interest. However, there seem to be emerging different typologies of middle class activism, with some coherence between the agents of these activism and their issues. For example, movements demanding for alternative development models such as 'Narmada Bachao Andolon' co-exist with corporate activism variety of the 'India Shining' camp.

Also, it is important to note that while the so called New Middle Class is fighting for civic issues like increasing the aesthetic beauty of the cities, there are sections from the middle class itself

which is fighting against the displacement of the poor in urban areas. Thus, it would be indeed interesting to analyse how these different types of activism are talking back to each other in contemporary times.

To sum up, at all the three levels, differentiated for the purpose of analysis, the picture seems to be much more complex to draw one to one equations. By turning our attention towards the nuances of the shifts happening through a brief review of literature, this paper argues that the relation between middle class and development is indeed a complex terrain that calls for a closer and deeper analysis about the claimed changes about this relation in neo-liberal India. The myriad standpoints and continuing debates concerning the relation of middle class to the question of development opens up the possibility of a rich area of scholarly investigation which may prove to be increasingly interesting and important.

P.K. Datta, 'Collectives Today: The Novelties of the Rizwanur Movement' in *Theorizing the Present: Essays for Partha Chatterjee*, eds. Ghosh, Guha-Thakurta & Nair OUP, New Delhi, 2011, pp. 293-4.

J. Harriss, 'Middle-class Activism and the Politics of the Informal Working Class', in *Critical Asian Studies*, 2006, Vol. 38 No. 4, p. 461; J. Harriss, 'The onward march of the new 'Great Indian middle class'', *The Hindu*, Online edition: Wednesday, Aug 15, 2007, Available at: <http://www.hindu.com/af/india60/stories/2007081550681800.htm>

Here I use the word 'development' in a specific sense, a sense that it largely acquired in the discourses about development in a newly independent ex-colonial nation —wherein 'development' essentially involved questions of nation-building. At this point of time, the thrust was on building a nation, wherein the leaders laid primary emphasis on the adoption of appropriate economic models with a pre-eminence of state-control as a mechanism of market regulation. Within such a framework 'development' came to be broadly seen as the nation's development. This is not to undermine the wider connotations of the word which were in vogue much prior to the popularity of the so-called 'development discourse' and can be traced back to the late colonial times in case of India. For a detailed discussion of this see B. Zachariah, 'Developing India: an Intellectual and Social History, c.1930-1950', Oxford University Press, Delhi, 2005.

This has been pointed out by several scholars working on the Indian middle class such as Varma (1998), Joshi (2001), Deshpande (2003). See P. K. Varma, 'The Great Indian Middle Class', Penguin, Delhi, 1998; S. Joshi, '*Fractured Modernity: Making of a Middle Class in Colonial North India*', OUP, New Delhi, 2001; S. Deshpande, 'The Centrality of the Middle Class' in *Contemporary India: A Sociological View*, Penguin. 2003.

This role of the middle class has been discussed in some details by Deshpande, 2003. Ibid.

A term largely used as being co-terminus with “new rich” (Fuller and Narasimhan, 2007) or “middle class elite” (Harriss, 2007). Harriss for example defines it as ‘increasing number of people with professional, technical and managerial skills’...’who depend heavily on what may be described as ‘cultural capital’ such, notably, as good command of English and of the cosmopolitan manners associated historically with the upper castes’ (The Hindu, Wednesday, Aug 15, 2007). The usual parameters to mark this group include their high income levels, propensity for increasing consumerism, globalised lifestyles and values among others (Mawdsley, 2004; Brosius, 2010).

C. J. Fuller & H. Narasimhan. ‘Information Technology Professionals and the New-Rich Middle Class in Chennai (Madras)’ *Modern Asian Studies*, Vol. 41, No.1, 2007, pp. 121–150 . J. Harriss, ‘The onward march of the new ‘Great Indian middle class’’, The Hindu, Online edition: Wednesday, Aug 15, 2007, Available at: <http://www.hindu.com/af/india60/stories/2007081550681800.htm> . Mawdsley, E. ‘India’s Middle Classes and the Environment’, *Development and Change*, 2004, Vol. 35, No. 1, pp 79–103; C. Brosius. *India’s Middle Class: New Forms of Urban Leisure, Consumption and Prosperity*, Routledge, New Delhi, 2010.

In this paper, I do not seek to dwell into the continuing debates and considerable scholarship concerning the idea of ‘middle class’ itself and the competing definitions of it in India mainly arising out of the fuzziness, the complexity and variety that this umbrella term seems to represent. But rather I take ‘middle class’ as a ‘given’ socio-economic category, having particular kinds of economic and cultural capital, and specifically look at the connotations that the middle class acquired in relation to the question of development in a post-colonial nation. According to Deshpande, in the ex-colonial nations, the idea of the developmental state accords a crucial representational role to the middle class. It is taken to be a class that includes members who will show the path of development for the nation. See Deshpande, ‘The Centrality of the Middle Class’ in *Contemporary India: A Sociological View*, op.cit.

L. Fernandes, ‘*India’s New Middle Class: Democratic Politics in an Era of Economic Reform*’, University of Minnesota Press, Minneapolis, 2006; J. Nijman, ‘Mumbai’s Mysterious Middle Class’, *International Journal of Urban and Regional Research*, 2006, 30 (4): 758--75; Fuller C. J. & Narasimhan H. ‘Information Technology Professionals and the New-Rich Middle Class in Chennai (Madras)’, op.cit .

P.K. Varma ‘The Great Indian Middle Class’, op. cit. p. 183

R. Kothari, ‘State and Statelessness in Our Time’, *EPW*, Vol. 26, No. 11/12, 1991, p. 557

A. Kohli, A. ‘The Politics of Economic Liberalization in India,’ *World Development*, 1989, Vol. 17, No. 3, pp. 305–28. L. Fernandes, ‘*India’s New Middle Class: Democratic Politics in an Era of Economic Reform*’, op.cit. 2006. L. Fernandes, ‘The political Economy of Lifestyle: Consumption, India’s New Middle Class and State-led Development’ in *The New Middle Classes: Globalizing*

Lifestyles, Consumerism and Environmental Concern, eds. Lange & Meier, Springer, New York, 2009 .

A. Kohli, A. 'The Politics of Economic Liberalization in India,' op.cit.; S. Palshikar, ' *Whose Democracy Are We Talking About?: Hegemony and democracy in India*' in *Indian Democracy: Meanings and Practices* , eds. Vora & Palshikar Sage publications, New Delhi, 2004. L. Fernandes, 2006, ibid.; L. Fernandes, 2009, ibid.

S. Deshpande, 2003, op.cit.

Ibid, p. 150

L. Fernandes, 2006, op.cit. L. Fernandes, 2009, op.cit.

Ibid.

Fernandes, 2006, ibid.

P. K. Varma, 1998, op.cit.

L. Fernandes, 2006, p. 187.

W. Mazzarella. "Middle Class", 2005, pp. 12-13, available at,

<http://www.soas.ac.uk/csasfiles/keywords/Mazzarella-middleclass.pdf>

C. Upadhyay., 'India's 'New Middle Class' and the Globalising City: Software Professionals in Bangalore, India' in *The New Middle Classes: Globalizing Lifestyles, Consumerism and Environmental Concern*, eds. Lange & Meier, Springer, New York, 2009, p 264.

P.K. Datta, 'Collectives Today: The Novelties of the Rizwanur Movement' in *Theorizing the Present: Essays for Partha Chatterjee*, eds. Ghosh, Guha-Thakurta & Nair OUP, New Delhi, 2011, pp. 293-4.

J. Harriss, 'Middle-class Activism and the Politics of the Informal Working Class', in *Critical Asian Studies*, 2006, Vol. 38 No. 4, p. 461; J. Harriss, ' The onward march of the new 'Great Indian middle class'', *The Hindu*, Online edition: Wednesday, Aug 15, 2007, Available at: <http://www.hindu.com/af/india60/stories/2007081550681800.htm>

22 . Vinay Sitapati ‘What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other’, *EPW*, Vol xlvi, No. 30, July 23, 2011, p. 40

23 S. J. A. Pinto, SJ A. ‘ Anna Hazare’s Movement and India’s Middle Class’, in *Social Action*, Vol. 61, Oct-Dec, 2011, p. 343.

24 Ibid, p. 345

25 Ibid, pp. 343-4.

26 L. Fernandes, 2009, p. 232, op.cit.

27 Lange *et al* ‘Highly Qualified Employees in Bangalore, India: Consumerist Predators?’ In *The New Middle Classes: Globalizing Lifestyles, Consumersim and Environmental Concern* , eds. H. Lange, L. Meier, Ibid., p. 293.

28 Ibid, p. 294

29 Ibid, p. 296

30 Deshpande (2003) provides a good analysis of this role which is both at ideological and institutional levels. According to him, ideologically, Nehruvian notion of development hinged upon the dependence on technical-scientific progress to be brought about by the professional experts, largely coming from the middle class. The state, assisted by such experts, would bring about development for the nation on behalf of the people who needed and wanted it. Institutionally, the model of development gave eminence to bureaucracy, again a preserve of the middle class. See Deshpande, 2003, op. cit.

31 L. Fernandes, 2006, op.cit.

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Medical Pluralism and Myopic Public Health Policy: A Study of Memeri-I Block of Burdwan District Human Development with Reference to Human Development

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I

Despite considerable improvement in overall health indices, delivery of public health in India is still in shambles. Several factors such as: asymmetrical social relations, paucity of fund, lack of proper infrastructure, acute shortage of skilled medical professionals, a strong urban bias among the qualified doctors have been responsible for such a dismal state of public health delivery system. The paper instead identifies the myopic vision of public health policy in India concerning medical pluralism as the reason for the dismal state of public health delivery system. There is no denying that the vast population of the country and innumerable diversity in healing practices demand uniformity among multiple therapeutic practices. However, in actual practice no such attempt is made by the post-independent Indian state. What we find is that public health policy in India has a colonial legacy with a particular approach to health, based on the Western bio-medical system, sometimes at the complete neglect of indigenous tradition. The colonial administration instead of acknowledging the importance of integrating multiple indigenous healing practices, decided to introduce homogeneous policy of public health based on biomedicine as that could help colonial power to overcome bewildering array of diversity in healing practices. The situation has not witnessed much transformation in the post independent India. In fact, the same colonial policy had continued in independent India through the recommendations of Bhore committee. No attempt was made to refurbish the indigenous system of medicine. It was only in the 1980s that an attempt was made in synchronizing multiple healing practices in the name of AYUS. But it was not very much successful as it failed to address the problem of asymmetrical power relations among the several medicinal systems. The paper in the light of a case study of Memeri –I Block, has explored the concept of medical pluralism and its supposed relation with the delivery of public health. It is divided into following sections: Section-I explores the concept of medical pluralism; section –II traces the evolution of public health in India with an attendant myopia of the policy makers in realizing the potential of the concept of medical pluralism in the public health delivery system. Section-III situates the problem in the background of Memeri-I Block of Burdwan district. Section-IV wraps up the discussion with a few observations.

II

Medical Pluralism- The Concept

The paper begins with a hypothesis that the dismal state of public health in India has to a great extent grown from the myopic approach of the public health policy to ‘medical pluralism’. Conceptually, ‘medical pluralism’ refers to the simultaneous presence of multiple medical and

healing practices. It could have three different connotations- 'first, co-existence of multiple systems of medicine like- primitive and folk medicine, ayurvedic, unani and biomedicine i.e. allopathy; second, pluralistic settings within a given system of medicine, which offers multiple options before the patient as to where the patient goes for his/her treatment i.e. whether the residence of the doctor or in clinic or in hospital; and third, the plurality of medical practitioners, which include specialists, generalists and registered medical practitioners(RMPs) and the quacks, who have little or no training in biomedicine'.¹ It is said to be an intrinsic feature of any system of medicine.² So, there is no purely homogenous system of medicine and it is said that therapeutic efficacy lies at the heart of medical pluralism. But, efficacy of treatment cannot alone explain the apparent co-existence of multiple medicinal and therapeutic practices. Several factors can be identified to explain the co-existence of plural systems of medicine and practitioners, which may include economic affordability, cultural propensities, religious faith and so on. Moreover, there are asymmetrical power relations between and among the multiple therapeutic and healing practices, which differ from one social milieu to another. Hence, taking dominant system of medicine as the sole representative of the society would run the risk of misinterpreting health seeking behaviour of a given population. Hence, any system of medical pluralism demands proper cognizance of the implicit power equation among various systems of medicine.

III

Medical Pluralism in India- Historical Roots

Indian society has had a well-entrenched tradition of medical pluralism, the root of which can be traced back to the medieval period. Until the Muslim invasion in India, the society was more or less homogenous with a towering presence of Brahminical texts, rituals and practices. The medical knowledge was mainly confined to theoretical wisdom codified in the sacred texts of Veda, which were generally the compilation of incantations to pacify God's wrath. Being very much possessive of those canonical texts as the sole repository of knowledge, Brahmins had jealously guarded the right to read and interpret them. Consequently, during that phase medicinal knowledge had registered a stunted growth, divorced of all practical knowledge. In addition to their antipathy for practical knowledge, the Code of Manu had turned out to be further impediment to acquiring medical knowledge as it prohibited the contact with dead bodies and asked for ritual purification, if there was any. Atharvaveda, was perhaps the first text to emphasize the practical element of medical training. In the post Vedic period the practical element of medical knowledge had come to be codified in the name of Ayurveda. The birth of Ayurveda had also marked the 'transition in therapeutics from association with religion and magic to a more rational and scientific method of treatment'.³ The classic texts such as *Charaka Samhita*, *Susrutra Samhita*, *Astanga Samgraha* bear the evidences of richness of ayurvedic medicine and a definite edge over Hippocratic tradition of medicine of the ancient Greece.⁴ However, it developed into a complete medicinal system with therapeutic and surgical elements during the heyday of Buddhism.

The situation underwent a definite change in the direction of plurality of medical practices during the mediaeval period and continued till the colonial period as the traditional Hindu medicine Ayurveda coexisted with Unani. There was no apparent incommensurability among the many and varied therapeutic and medical practices. The arrangement went quite nicely as collective pharmacopeias that served the people comprehensively.

The situation, however, underwent a radical transformation with the advent of bio-medicine during the colonial government. The official patronage coincided with a mistaken pride of modernity in the colonial era had pushed the age-old confluence of medical wisdom and practices to the margin. The colonial health administration in India emerged out of a growing concern among the British as to how the ailing army in the colony be protected from the scourge of disease, filth and debauchery. In fact, the elaborate structure of public health was a response to that concern.⁵ For, army holds the key to the success of colonial empire. The official statistics shows that the British soldiers were succumbed more to degenerative diseases than to the enemy bullets. Hence, to salvage the army from increasing morbidity a series of administrative measures were taken, which included a number of legislations and army interventions. But the said policy failed to make much headway in the overall health indices as it kept traditional indigenous medical practices especially the extremely rich tradition of folk medicine out of its purview on the pretext of being magico-superstitious. In fact, the colonial administrators had failed to appreciate the critical role played by the folk medicine in Indian societies as they often erroneously equated it with non-scientific, supernatural element of primitive medicine. Here a distinction between primitive medicine and folk medicine needs to be identified which the colonial administration seems to have forgotten at their own peril. The former is viewed as 'non-scientific and as being largely dependent upon supernatural explanations of disease and as looking upon magic as an essential ingredient of therapy. But, folk medicine is defined as medical beliefs and practices which were widely shared among people as opposed to knowledge as exclusive property of the practitioners.⁶ The apparent magico-religious foundation of primitive medicine notwithstanding, the traditional indigenous society had a 'very rich oral tradition of medicine and care' (unlike the well trumpeted Western *Materia Medica*), that had been completely lost sight of. Moreover, the century-old practice and knowledge of health and medicine was considered by the western educated administrators as primordial and superstitious and they asked for the introduction of scientific therapeutic and medical solution to eliminate any threat of epidemic. A sense of superiority and arrogance prevailed among the colonial administrators and health officials, which had defeated any possibility of meaningful dialogue between the indigenous and western medicine. In this context remarks made by one professor of physiology at Lucknow in *Indian Medical Gazette* states: 'the financing of Unani and Ayurvedic institutes by Government in the hope of finding some soul of goodness in them is precisely on a par with the same government financing archery clubs to find out the possibilities of the bow and arrow in modern warfare'.⁷

In fact, this western perception of indigenous medicine was anything but fixed. The Initial phase was of accommodative kind, marked by a keenness of Western medical practitioners to gain knowledge from Indian medical systems. In fact, a good number of European medical practitioners

started apprenticeship under Ayurvedic and Unnani practitioners. But the initial eagerness for exploring the exotic indigenous medicine had died down with the therapeutic breakthrough in anatomy and physiology in the West. A sense of supremacy prevailed among the western medical practitioners. However, the period from 1770 to 1820 was characterized by a rapprochement by the Western medical practitioners under the compulsions of imperial rule. This phase had witnessed a genuine interest of colonial administration to explore indigenous medical practices and classical texts for the expansion and consolidation of the empire. The next phase from 1820 to 1900 saw a decline in the personal contact between the indigenous and European medical practitioners. But during the final phase during 20 th century on realizing the poverty of typical bio-medical orientation, western medicine had once again started hobnobbing with the indigenous medicine in search of a holistic conception of medicine and health.⁸ Meanwhile, the sporadic outbreak of epidemics like cholera, plague, smallpox, malaria etc provided solid ground⁹ for strong state interventions, much to the dislike of indigenous population. Though, the colonial state had introduced scientific medicine (biomedicine) as a part of their civilizing mission in the colony, such medical interventions were treated by the native people as a blatant invasion into their culture and belief systems. Sometimes, the popular resentments against the colonial health measures had snowballed into fierce resistance, ethnic backlashes, riots and even assassination of health officials. For, example the assassination of the then Plague Commissioner of Pune W.C. Rand was a case in point which took a nationalist overtone and compelled the colonial administration to ‘rethink’ its policies on health. Consequently, a more cautious and calibrated approach had replaced the gung-ho approaches in public health. The legislative, political or any other forms of state interventions that might have unsettled the deeply lodged religious or cultural practices were kept to a bare minimum.¹⁰

In addition to that the colonial state had withdrawn all the unpopular and coercive measures relating to the containment of the plague epidemic with a belated realization that the role of socio-cultural factors in overall health performance needed to be honoured. Even to bring back the confidence of the populace in the administration, the colonial state had co-opted popular native figures in popularizing and sensitizing anti-plague measures. This kind of policy-shift was quite evident in the policy documents of the colonial administration. A select perusal of the Punjab *Plague Manual* of 1909, as quoted by Arnold, will cast some light on the policy shift. The manual had two basic principles which could have captured the essence of the policy shift: first, there ‘must be ...no pressure or compulsion, in any shape or form... brought to bear on people’ and second, the ‘cooperation of the people and the active assistance of their leaders is...not merely a political desideratum, but an absolute necessity’.¹¹ Similar kind of climbing down in colonial health policy in terms of situating indigenous culture in overall colonial discourse on health and medicine or at least acknowledging the importance of it in official documents were also not very rare. For example, a memorandum from the commissioners of Sind to the general department regarding the vaccination policy may be mentioned which emphatically reminded the local bodies of honouring local culture, religious belief etc in vaccination policy. It should be implemented, as the memorandum stated, ‘in deference to the scruples of Hindus, vaccination be performed as to heretofore (sic) from arm-to-arm and not from the calf and that sweepers’ children not be used for

vaccination of Hindus or Mohammedans (sic), but Hindu children for Hindus and Mohammedan children for Mohammedans, provided that calf vaccination may of course be used by those who desire it".¹² Clearly, an apparent sense of sanity and sensitivity returned to colonial administration, with an underlying design of divide and rule among different religious communities. However, such views of acknowledging socio-cultural differences in policy making were at best avoided by most of the colonial administrators in the garb of homogeneity and universality as if socio-cultural diversity was a problematique for good governance.

Consequently, the public health initiatives in India since the colonial period had repudiated the inherent pluralism of medical practices in favour of a straightjacket approach on health based on positivistic model of biomedicine although the colonial rulers did not repudiate indigenous pharmacopeia in the beginning. Initially they had taken an accommodating attitude towards indigenous medicine because that was cost-effective option. Nonetheless, the indigenous pharmacopeia survived since it enjoyed enormous popular support. In addition to that it also figured prominently in the nationalist consciousness.

IV

Hegemonization of Bio-medicine: a death-knell for pluralism of medical practices in India?

The inherent confluence of medical practices in India came under severe challenges with the introduction of bio-medicine during the colonial era. According to this approach patients were considered as a mere 'diseased bodies' bereft of all socio-cultural ties, to be repaired either by medication or by surgery. Within this positivist frame of reference, body is conceived as a fragmented entity. Socio-cultural milieu has nothing to do with it.

Colonial rulers had championed bio-medicine as an offshoot of modernity primarily for a couple of reasons: first, bio-medicine had the potential to get over innumerable socio-cultural diversity and the puzzling healing systems prevalent in India. For, such bewildering array of medical and healing practices had posed serious impediment for the colonial rulers to introduce uniform public health delivery system. Initially, the colonial rulers did not meddle with the myriad healing systems prevalent in the country. Their primary concern was to bail out the ailing army from the bane of epidemic. Hence, a straightjacket policy on public health based on biomedicine was more convenient for the colonial rulers. Second, the quick-fix solution offered by the bio-medicinal system especially allopathic medicine was beneficial for the imperial army suffering from the scourge of epidemics and the occasional bout of tropical illnesses. Consequently, bio-medicine had enjoyed official patronage from the beginning of colonial rule in India with simultaneous eclipse of several indigenous healing practices as they were branded as primordial and superstitious. Situation does not improve much after independence. In fact, the new administration had virtually emulated the same colonial policy on public health and relied on Western pharmacopeia of biomedicine at the complete neglect of indigenous healing system. If we analyze the recommendations of several commissions convened in independent India to streamline public

health delivery, such acquired bias for biomedicine could become evident. Our policy makers have failed to go beyond the recommendation of the colonial-Government that had led to the formation of Bhore committee on public health. Consequently, indigenous pharmacopeia have been left to the margin as any reference of it would have defeated the nation building project embarked upon by the newly independent state.

V

The Case Study

The paper draws on a micro- study conducted in Memeri -I block of Burdwan district in 2010. The study was conducted on 300 respondents, drawn from both sexes in three different villages of Memeri-I block. Of which one was Muslim dominated, one scheduled Caste and Tribe dominated and the last one is multi-ethnic. The method of data collection was basically direct interview method, which have been substantiated by ethno- methodological tools like focused group interviews and the ‘participant observation’ method. The findings were quite startling as they have substantially busted the myth of public health delivery. First, despite the advocacy for the need to introduce alternative medical practices within the umbrella of public health and the recognition of AYUS in government policies pertaining to public health, the ground reality is entirely different. The PHCs, BMH, subcentres under the area of study have revealed a strong bias for bio-medicine. About 71 per cent of the respondents have reposed their confidence on biomedicine, while only 23 per cent of the respondents have explored alternative therapies, and 6 per cent of respondents have remained indecisive. The study also revealed that the infrastructure for alternative or complementary medicine was either very poor or non-existent. Moreover, there was no effort on the part of the government to standardize the alternative practices. Consequently, excessive pressure on the existing medical infrastructure led to virtual crumbling of already scarce medical facilities.

Second, the study further revealed that people explored several options of healing, which include self-medication, home medication, ayurveda, homeopathy, even in many cases divine blessings, and divine remedies, folk medicine for the want of proper biomedical facilities. Of the said options, the study revealed that biomedicine has a distinct edge over other medicinal systems. However, most of the people turn to biomedicine as the last resort. The study showed that out of 71 per cent of the above respondents, 87 per cent try self medication and home remedies before they are forced to bio-medicine.

Third, the study further revealed that there is an unequal power relation between and among different healing practices. The biomedicine holds a very high place in the society in terms of efficiency, effectiveness vis-à-vis the popular indigenous healing practices like Ayurveda, Unani. In a focused group interview, such hierarchical profiling was evident as most of the respondents of the group looked down upon indigenous healing practitioners vis a vis doctors. People in the study area could not help relying on them as there was no standard research and development in

the indigenous medicinal practices. Despite the emotive part of nationalist revivalism, the indigenous medicine has failed to garner confidence among the people. A queer amalgam of confusion and scientific skepticism was evident in the attitude of the people. More often than not people resort to indigenous medicine. Hence, people's propensity to accept indigenous medicine should not be reduced to their antipathy towards biomedicine. Sometimes people were forced to rely on alternative therapeutic and medical practices due to non-availability of qualified medical practitioners at the fringe area.

Fourth, moreover, it was also found that the mystical or magical element of indigenous medicine especially its ritual part, sometimes bordering on superstition has an instrumental value in instilling the sense of hygiene and good health among the people. Here religiosity in the form of elaborate rituals has instilled good hygienic practices among the devotees. In an interactive session with a Muslim faith healer *Hafesaheb*, in the study area it was revealed that he suggested his patient socio-religious remedy, which had a strong element of faith and a very serious message of maintaining good hygiene. One may discard his religious element, but not the practical lesson of folk medicine.

Fifth, a gross mismatch was found between the demand side and supply side of public health services in the area under study. Quite to the contrary of what are popularly argued as the probable reasons behind the appalling conditions of public health, it was found that supply side part of public health delivery system was not quite inadequate. In fact, the sub-centres and PHCs under the area of study have registered adequate stock of specific types of medicines. Despite the free availability of iron and calcium tablets and other pediatric drugs in those sub centres, people prefer to avoid them in fear of side effects. Often drugs meant to be freely distributed were either found to be getting expired in the store or remained unutilized by the patients. On this issue the Women Development Officer of the Block has nicely summed up the situation in the following words:

The irony of the situation is that the expecting mother is suffering from acute deficiency of iron and calcium, while the rats of the household, feeding on those 'freely distributed' tablets, generally kept inside the thatched roof, get fatty and strong.

The above statement was corroborated by a health worker, working in the health sub-centres and PHCs. She noted that:

There is a strong antipathy to using allopathic medicine among the expected mothers in the locality in the fear of side effects. In most cases they prefer to stick to the natural supplement of freely distributed tablets.

VI

Conclusion

In the foregoing analysis an attempt has been made to identify the apparent ignorance of policy makers regarding therapeutic diversity, intrinsic to Indian society, as the probable reason behind the appalling public health conditions in India. Indian society has had a long tradition of medical eclecticism, which can be traced back to medieval period. Until the Muslim invasion in India, the society was more or less homogenous with a towering presence of Brahmanical texts, rituals and practices. The situation underwent a definitive change in the direction of plurality of medical practices during the mediaeval period and continued till the colonial period as the traditional Hindu schools of medicine like Ayurveda coexisted with Unani. The advent of colonial rule had eventually sounded the death knell for medical pluralism as they officially sponsored biomedicine as the champion of science and modernity. Consequently, the rich and variegated pharmacopeia of indigenous medicine had been pushed to the margin. The legacy of this official apathy continued to exist even in the post-independent phase as well. A series of committees starting from the famous Bhore Committee had virtually endorsed this colonial policy of overreliance on biomedicine at the neglect of indigenous medicine. The paper in the light of a case study has shown that the apparent myopia of the policy makers regarding the diverse medicinal practices prevalent in India is the major reason behind the failure of health services in India.

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Economic Integration and Development in South Asia: A Tale of Unfulfilled Promises

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I

Regionalism, besides its strategic, geopolitical and foreign policy dimensions, has been a major plank of development, cooperation and integration in many parts of the world. Development and developmental initiatives depend on a formidable regional economic exchange. The interplay of market forces has played a significant role in accelerating the process of economic integration in South Asia that triggered off in 1995 with the launching of SAPTA. The process got a fillip with the emergence of SAFTA in 2006. This historical roadmap suggests that economic integration was not the primary agenda of SAARC which was established in 1985. It was a compulsive choice in the context of changing global economic pattern in the 1990s. The choice was made to catch up with the existing vibrant trading blocs of the world. However neither of these trade agreements has been able to accrue the desired results. The uniqueness of economic engagement in this region is that the flow of goods inside and outside the region is determined by non-economic factors like the attitude of the political leaders in the region, the influence of extra-regional powers and their relational crosscurrents with the countries of the region, the terrorist threats, the operation of intra-regional groupings like BIMSTEC, etc. This paper will highlight the challenges faced by this economic cooperation within SAARC and will also suggest some roadmaps for eschewing benefit out of it. The role of India to bestow confidence among her neighbours as 'favourable trading partners' is of high importance for the prospect of regional economic cooperation in South Asia. The paper will conclude by stating that in South Asia, despite all odds, the very political compulsion that triggered initiatives for regional economic integration is expected to carry it forward.

II

In the background of the trend of globalization in the world economy the external sector in each economy has been receiving a place of primacy in the policy-making process. In a related development, the world witnessed a regionalization of the global economy. The might of the European Union (EU), the emergence of the North American Free Trade Agreement (NAFTA), the common market of the South American Southern Cone (MERCOSUR), and a wave of existing and emerging agreements in the Asia-Pacific and Africa, such as ASEAN Free Trade (AFTA), the Asia-Pacific Economic Cooperation (APEC), among others, are pointers to this fact.

Economic integration is a sequential process whereby the discriminations which occur at borders are removed. Discrimination, in simpler terms, is the hindrance to the free flow of factors of

production. The aim of the process is to integrate economies so that there is an allocative efficiency within a region. Increased economic integration leads to decreased trade barriers within markets. The theory is founded on the work of a Hungarian economist, Bela Balassa and dates back to 1960.

A Regional Trading Bloc (RTB) provides an enlarged market to the regional entrepreneurs of the countries constituting an RTB. The creation of trade is beneficial for the group as a whole as it increases welfare of the member states by providing them with cheaper goods, while the diversion of trade reduces the social welfare of the member states by providing them with cheaper goods. Article XXIV of WTO imposes two conditions for setting up a RTB- the first condition is that trade restrictions among countries forming the bloc must be eliminated over a period of normally not exceeding 10 years. They are not to be re-imposed later and the object of this condition is to ensure that a trading bloc is not used to merely circumvent the MFN (Most Favoured Nation) clause. The second requirement is that the common external tariff imposed after the formation of a bloc must not be greater than the average of the member countries existing before the formation of the bloc. It not only applies in the case of tariffs alone but also to non-tariff barriers. Looking into the theoretical stages of evolution of a regional trading bloc, they can be categorized into five stages. In practice, generally a RTB starts with Preferential Trading Agreement. Hence, we have taken it as the *first stage* of the evolution of RTB. Under this stage, the member countries identify some items individually to be traded at concessional rate of tariffs. The concessions in non-tariff barriers might also be included in this stage. The SAPTA is an example of the first stage. The *second stage* is Free trade Zone where member countries abolish all restrictions to trade within the bloc among the member states. The individual countries of the bloc are free to decide their own external trade policies. For instance, each country can set independent tariffs with non-member countries. The AFTA (ASEAN Free Trade Area) is an instance of this third stage. The *third stage*, which goes beyond that of a free trade is Customs Union. Members of a customs union obviously have free trade among themselves. In addition they decided on a common uniform economic and the country's commercial policy (tariffs and non-tariff barriers) for trade with non-members. Members of a Customs Union will, therefore, have the same tariff for imports from a country that is not a member of the union. The *fourth stage* of evolution of a regional trading bloc is a Common Market that allows free movement of labour and capital within the common market besides having the two features of customs union, namely, free trade among member countries and a uniform tariff policy towards non-members. The *fifth and final stage* is Economic Union. Apart from satisfying the conditions of the common market, the economic union achieves some degree of harmonization of the economic policies of the member countries. These economic policies include monetary policy, fiscal policy, exchange rate policy, taxation policy, etc. They also attempt to adopt a single currency. The European Union (EU) falls under this category.¹

III

Economic integration in South Asia refers to assimilation of the economies of states through integration of capital markets, labor markets, transport, infrastructure and free trade endorsement. South Asian states also possess a shared heritage and identity, infrastructure and institutions of

governance, which would have been the greatest asset of any emerging decolonized region. Unfortunately, the region has been fragmented by politics. The South Asian Association of Regional Cooperation (SAARC) has completed twenty six years following its inception in 1985. The South Asian region from the very beginning lagged behind in terms of regional cooperation under the economic integration scheme in comparison to the above mentioned regions, and therefore countries of this region were at a disadvantaged position vis-à-vis their counterparts belonging to these strong regional blocs. ***The South Asian region has been late to jump on the bandwagon of Regional Trading Blocs (RTBs).*** The idea of the South Asian Preferential Trading Arrangement (SAPTA) was mooted at the sixth SAARC Summit at Colombo in 1991 and it came into being in December 1995 during the eighth SAARC Summit. The SAPTA was conceived as an umbrella framework of rules providing step-by-step liberalization of the intra-regional trade by exchange of trade concessions on tariff and non-tariff lines. SAPTA contains favourable and special provisions for LDCs in the region (Bangladesh, Bhutan, Maldives and Nepal) like duty free area, flexibility in the restrictions on imports by LDCs from other members, etc. During the period of trade negotiation under SAPTA trade increased in the region to \$2046 millions from \$1925 millions in the first three quarters of 1999-2000. As mandated by the Ninth SAARC Summit, A Group of Eminent Persons (GEP) was constituted to further study ways and means of enhancing the effectiveness of SAARC, in achieving its objectives especially in the economic field. It submitted its report in 1999, charting out a roadmap for converting the SAPTA into SAFTA, then into South Asian Customs Union (SACU) and finally into South Asian Economic Union (SAEU) by the year 2020. It is believed that the Regional Trading Agreements (RTAs) are trade creating which is reflected by the experience of ASEAN where intraregional trade shoot up from 7 per cent before its formation to 49 per cent by 2003; of EU where compared to 23 per cent of intra regional trade in the 1980s a voluminous 67 per cent of trade is recorded in 2003 within the region and also within NAFTA 12 per cent of trade was transferred to 44 per cent by the year 2003. However in spite of the SAPTA experience, the intra regional trade in South Asia could not go above 4 per cent of the total trade of the region because of the very limited coverage of the trade basket. The agreement of SAPTA is an umbrella framework of rules providing step-by-step liberalization of the intra-regional trade (Art. 3 of SAPTA). Article 2 of the Agreement defines the aims of establishing SAPTA as to 'promote and sustain mutual trade and economic cooperation among the contracting states through exchanging concessions in accordance this Agreement.' SAPTA envisages periodic trade negotiations for exchange of trade concessions or tariff and non-tariff lines. The contracting States have agreed to negotiate the tariff preference on a product-by-product basis for an initial period. The first round of trade negotiations under SAPTA was given final shape in April 1993 and it came into force in December 1995. In SAPTA I the tariff concessions were offered on 226 commodities by all member countries of which 100 were offered to the LDCs only. However the trade increase among SAARC nations under SAPTA I was more in value terms owing to increase in prices and less in volume terms. The consolidated national schedules submitted under SAPTA II in March 1997 have more extensive coverage of goods than under SAPTA I as it cover 1871 items at a 6-digit level. Another important feature of this stage was that it has listed all important Non-Tariff Barriers (NTBs) with particular reference to Qualitative Restrictions. As a result the increase in trade was relatively satisfactory. Under SAPTA

III attempt was made to further relax the Non-Tariff barriers but due to Indo-Pakistan tensions this stage could only marginally increase the intra-regional trade. It was agreed upon by the Inter-Governmental Expert Group in 2001 that the framework and modalities of implementation of the rules of origin system under the SAPTA system is to be reviewed and modified to evolve a different framework for SAFTA.²

The 12th Summit of SAARC held in Islamabad in January 2004 was perhaps the most successful one in the history of this regional organization. Many of the leaders who participated in the Summit described the Islamabad meet a “historic”. The significant achievement of the Summit included the signing of the South Asian Free Trade Agreement (SAFTA) and the inclusion of the additional protocol on terrorism. The first tariff reduction under the Trade Liberalization Programme (TLP) of the South Asian Free Trade Programme (SAFTA) has been effected on 1st July, 2006, by all the SAARC member countries except Nepal which has implemented the agreement on 1st August 2006. The SAFTA Agreement was scheduled to come into force in January but had to be kept in abeyance because of the varying budgetary periods of the member states. The agreement envisages a phased tariff reduction liberalization programme. Within two years, the Non-Least Developed Contracting States (Non-LDCs) such as India, Pakistan and Sri Lanka would bring down tariffs to 20 per cent, while the Least Developed Countries (LDC’s) like Bangladesh, Bhutan, Maldives and Nepal would bring them down to 30 per cent. Non-LDC’s will then bring down tariffs from 20 per cent to 0.5 per cent in five years (Sri Lanka in six years), while the LDCs would do so in eight years. As a unique measure the SAARC nations have agreed to accord national treatment to the products of all the seven member countries. The SAARC nations, while making the agreement, agreed to harmonize their product standards and to recognize and accept on reciprocal basis the testing labs and certification of products located within the region. The framework Agreement on SAFTA also covers the trade in services within the region to a large extent. The member countries agreed for simplifying the procedures for intra-regional banning, removal of restrictions on investment by member countries within the region, lifting of foreign exchange restrictions for the member countries, simplification of import licensing and simplification of procedures for visa for intra regional movements for business purpose. The SAFTA Framework Agreement also provides for setting up of SAFTA Ministerial Council (SMC), as well as Committee of Experts (COE). While the SMC is the highest administrative body responsible for decision-making at the apex, the COE will be responsible for dispute settlement between the member countries arising out of the Agreement. In short, SAFTA would mean free movement of people within the region, free movement of goods and services, development of connecting physical infrastructure, harmonizing the general forms of financing, banking and foreign exchange and regional agreement for investment promotion and protection.

SAFTA is aimed at reducing existing tariffs to less than 5 per cent within a stipulated time frame to boost trade among the SAARC member countries. All the countries have been given the option of drawing up their own negative lists. For example, sensitive products covering agricultural items, textiles, pharmaceuticals, and small scale industries will be exempted from the trade liberalization programme initially. The aim is to achieve removal of all trade barriers among the member

countries by 2016. With the pronouncement of SAFTA the entire region hoped to reap the real benefits of regional trade liberalization on the pattern of other trading blocs. At the initial stages India and Pakistan agreed on a number of proposals at the end of the third round of talks on economic and commercial cooperation within the framework of Composite Dialogue in March 2006. A Joint Statement by the two countries welcomed the ratification of SAFTA by all SAARC member countries. The Declaration of the 14 th SAARC Summit at New Delhi in 2007 to move on to a 'phase of action and implementation' from a 'declaratory phase' and the inclusion of Afghanistan as the eighth member country of SAARC at the 15 th SAARC Summit at Dhaka in 2008 along with the formal presence of observer countries like China, Japan and even the EU as a bloc eager to cooperate with SAARC countries on infrastructure and energy related issues by sharing their experiences of RTAs made the context of the progress of SAFTA much more meaningful. Moreover India declared to open its borders for free flow of goods from the LDCs of South Asia by removing trade barriers in the form of zero tariffs. India has also stated to allow these goods to compete in Indian markets at competitive price by reducing the 'sensitive list' of Indian items.

The uniqueness of SAFTA and its departure from the experience of other established RTBs lies in the fact that the success of free trade zone in this region *depends mostly on* non-economic factors, i.e. geography, internal an international political milieu, societal composition, attitudes of people, etc. Unlike the Fortress Europe scenario of EU where free movement of goods, capital and labour is possible throughout Europe, in South Asia free movement of labour is a distant possibility keeping in mind the tensions between the various countries of the region regarding the problem of illegal immigration. The widespread corruption, bureaucratic lethargy, elite monopolization of power, illiteracy, unemployment, poverty and such other traits of political culture of the region prevents the percolation of the benefits of SAFTA below the business community. Importantly the success of SAFTA depends largely on the kind of framework of regional cooperation followed by the countries of South Asia that is the degree of inclination towards multilateral or bilateral cooperation. SAFTA stands on the spirit of multilateral cooperation in South Asia. Even within multilaterality, economic policy can be based on the principle of reciprocity or non-reciprocity. Although the principle of non-reciprocity is not an acceptable one in international economic bargaining, India off late promotes this policy in its economic relationship with the LDCs in the region.

An improvement in the SAFTA framework agreement, as compared to the key bilateral FTAs in the region-the India-Sri Lanka FTA and the Pakistan-Sri Lanka FTA-was that it provided room for negotiations to ensure a maximum ceiling on the number of items that could be placed under the sensitive list by each member country. It appeared in the initial stages of negotiations that a fairly liberal approach would be adopted, perhaps limiting the sensitive list to 10 per cent of the tariff lines (of a total of 2224 tariff lines at HS 6 digit level) but the final decision was to retain a sensitive list of 20 per cent of tariff lines for non-LDC member states and a close approximation of that for the LDC member countries. This means that in principle the actual trade coverage of the sensitive lists of each country could be quite high. Perhaps of more concern is that there is no formal and

binding provision in the framework agreement requiring the sensitive lists to be pursued over time. In contrast, the ASEAN Free Trade Agreement (AFTA) requires explicitly that its sensitive lists products –the corresponding Temporary Exclusion List- be phased out in five equal installments. The only provision that the SAFTA treaty has made is for a review of the sensitive list at least every four years ‘with a view to reducing the number of items’. By comparison to SAFTA, the sensitive lists of existing bilateral FTAs in the region are much more limited. As would be expected the LDC member countries have received better treatment where the percentage of export trade restricted by negative lists is substantially lower than the corresponding treatment meted to imports from SAFTA non-LDC partners. Bangladesh, for example, has protected 65 per cent of its total imports from SAFTA countries under its negative list, but in turn, only 22 per cent of its exports to the region are excluded from enjoying tariff reductions offered by other member countries. In a situation where significant bilateral imbalances pre-exist, the risks of potential revenue loss, more comprehensive import competition to domestic industries, etc, can be higher for some countries than for others. In a similar vein, while nearly 80 per cent of Bangladesh’s exports to SAFTA member countries are free of negative list exclusion, the benefits are likely to be very limited given that only 1.8 per cent of the country’s total exports find their way to the rest of South Asia. On the other hand, countries with higher proportion of trade with SAFTA members are more likely to benefit. In this context, Nepal is a significant beneficiary given that nearly 40 per cent of its exports find their way to South Asian markets and over 50 per cent of its exports to other SAFTA members will be free of negative list restrictions.³

IV

The success of SAFTA ultimately hinges on its generating a substantial amount of trade within the region. Before analyzing the potential of trade creation in the region after establishing full-fledged SAFTA, it would be worthwhile to look at the existing degree of trade flow in South Asia. Studying individually each country, it is found the scene is almost the same. The export and import volumes have increased in all the countries over the period 1980-96 but as a percentage of their total global exports and imports, they have declined. Only India and Maldives were able to increase the proportion of their total world exports going to the SAARC region over 1980-96, while the remaining- Bangladesh, Nepal, Pakistan and Sri Lanka registered a decline. The bulk of SAARC Member Countries (SMCs) export is directed to industrialized countries. Between 1990 and 1996 the share of developed countries to the exports of India, Nepal, Maldives and Pakistan declined whereas in the case of Bangladesh and Sri Lanka it has increased vis-à-vis the share of developing countries. Most of the increase in the share of developing countries as a destination for the exports of India, Maldives, Nepal and Pakistan has been accounted for by the Asian region. Developed countries still remain prominent as markets for SAARC countries exports as their shares ranged from 55.1 per cent in the case of India to 86.1 per cent in the case of Nepal in 1996. In terms of source-wise examination of imports the dependencies of SMCs on developed countries as suppliers has been high. Their shares are particularly high in the case of India (51.3 per cent). However, developed countries share in the total imports of all the SMCs except for Maldives

declined in 1996 in comparison to 1990. Overall, SAARC countries are more dependent on developed countries as markets for their exports than as sources for their imports.⁴

The reasons for this poor trade flow among the SMCs are twofold--- *structural* and *policy induced* reasons. The structural constraints stem from the fact that the patterns of production of the countries of the region are more or less the same because of their same latitudinal geographical positions as well as their development stages being at the broad category of developing economies. Among the *policy induced reasons* for the dismal trade performances within the region are pursuance of the import substitution policies to become self-reliant, lack of awareness about each others tradable products, the lack of export capabilities in the region and political considerations, which generally runs parallel to economic cooperation. Some of the goods produced on large scale in certain SAARC countries do not appear to meet the required consumer demand of the importing SAARC country. For example, Pakistan not being a tea producer, offers a large market for tea exports of Sri Lanka, India and Bangladesh. However a good part of Pakistan's tea requirement is imported from outside the SAARC region such as East African Countries because the kind of tea required by Pakistan (CTC tea) is not produced in adequate quantity in the SAARC region. Even if trade preferences increase the demand for these products it is unlikely to be significant as the sub-regional market is limited and the demand for agricultural product is somewhat inelastic. Market limitation is also the major obstacle to Bangladesh's jute products while the landlocked nature of Bhutan and Nepal gravitate the greater part of their trade towards India, which is already extending trade preferences bilaterally. In the case of India and Pakistan, it does not seem likely that trade preferences can overcome the political differences which restrict bilateral trade. The unequal size of markets in South Asia appears to be the most important factor obstructing the expansion of trade in the region. Out of the seven South Asian countries, India has the biggest market with 59 per cent of import, 62 per cent of export, 41 per cent of external resource, 79 per cent of manufacturing value added and 68 per cent of manufacturing exports. The market size of other South Asian countries is no match to India. The fear of India's economic domination over the regional markets appears to be a barrier to trade cooperation in the region. An inadequacy of regional transport communication systems has created obstacles to trade flow expansion in the region. The SAARC lack regional transportation network like the Asian highway project, Trans Asian Railway Project, developed inland waterways with special provisions for transit facilities for Nepal, Bhutan including regional shipping line with model transportation system. All these prove that South Asia has a weak infrastructure. Political obstacles have emerged from the interstate relations in South Asia which are characterized by the existence of a number of long standing bilateral disputes. Most of the disputes are India-centric. The major stumbling bloc in the progress of SAARC and SAFTA has been the tension between India and Pakistan. The disputes between India and Bangladesh over the issues of water-sharing and illegal immigrants have often caused irritation in their bilateral relations. The issue of transit is also an important factor so far as Indo-Nepalese and Indo-Bhutanese relations are concerned. Like Nepal, Bhutan is also a landlocked country and the transit through India to Bhutan would require approval of India. The results of all these disputes are mutual suspicion and misunderstanding which tend to move towards a free trade area. The informal trade between India and Pakistan has declined over the

years due to reduced incentives and a switch over to smuggled Chinese goods and also by the reduction of tariffs by the Pakistan government which has reduced incentive for smuggling, switchover from informal Indo-Pak trade to informal Pakistan-China trade in recent years and government regulations against the use of certain products. There are also signs that the Pakistan-Sri Lanka Free Trade Agreement may have led to diversion of informal Indo-Pak trade to formal Pakistan – Sri Lanka trade in certain products.⁵

However it begs the question whether Nepal has anything to gain from the SAFTA process per se given that it already has a free trade agreement that offers access to the Indian market and which accounts for virtually the entirety of Nepal's exports to the SAARC region. This raises the broader issue of the co-existence of bilateral FTAs operating alongside SAFTA and the policy implications of such arrangements. Sri Lanka at present has bilateral FTAs with both India and Pakistan and its SAFTA negative list was essentially an amalgamation of the negative lists of the two agreements. Compounding the problem is the fact that bilateral FTAs are scheduled to be fully implemented well ahead of the time frame set under the SAFTA treaty. Thus not only is the current value of intra SAARC trade found to be too restrictive under the SAFTA framework, its relevance is likely to become even more diluted over time as other agreements-which are already more liberal- are implemented more quickly. The Agreement on South Asian Free Trade Area (SAFTA) entered its second phase of implementation in 2008. The creation of a free trade area is expected to affect its participants—Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka—very differently given their diversity in terms of size, income, and structure of trade and protection.

While at the political level ambitious goals are being expounded to expand the SAFTA treaty to include trade in services and investment in the next step-with the eventual goal of moving to a South Asian Economic Union- the much anticipated regional agreement has fallen well short of expectations. Aggregate analysis of data suggests that nearly 53 per cent of the total import trade between SAFTA members has been subject to the negative lists of the respective countries. This is a significant drawback of the entire negotiating process. Given the existence of the bilateral trade agreements already in place, Sri Lanka, Nepal and Bhutan have limited interest in the SAFTA process. These countries have obtained far more favourable treatment for their key markets in South Asia through the bilateral process, which will be fully implemented well ahead of SAFTA. Rapid changes are already taking place across the region. India, for example, is heavily involved in many bilateral and regional trade negotiations with Singapore, ASEAN, Thailand, China, etc. that is also going to lead to a preference erosion for countries in the South Asian region. The emergence of BIMSTEC also poses its challenge to SAARC in general and its FTA implementation has moved much faster than SAFTA as it includes provision for fast track liberalization as well as for the inclusion of services and investment negotiations. The significant shortcomings of the negotiated SAFTA treaty need to be addressed if it is to remain relevant as a tool for liberalizing regional trade. Foremost among the reforms to substantially strengthen SAFTA is to introduce a formal binding mechanism for reducing sensitive lists over time.

Political disputes and tensions between and among the states are significant features that cannot be ignored while conducting a study of the South Asian region. However, there are possibilities for South Asia to overcome its regional disputes and integrate for greater interests such as that of energy needs, communication and technology. Moreover, Asia's emergence as new global growth center and the changing international dynamics of globalization are recent developments that can have profound implications for South Asia as external factors. West Asia is one the biggest source of energy whereas East Asia is a source of labor supply, so these regions can fulfill their mutual interest and exploit the resources to their advantage. So in this context, South Asian states have an opportunity to look upon West Asia, Southeast Asia and East Asia for regional interests.

In addition to SAFTA, there have been three bilateral free trade agreements between South Asian countries : India- Bhutan, India-Sri Lanka, Pakistan-Sri Lanka; one sub regional preferential arrangement: Asia Pacific Trade Agreement (India, Bangladesh, Sri Lanka, Philippines, Lao PDR and Korea) and seven trade agreements: India-Nepal, India-Bangladesh, India-Maldives, Bangladesh-Nepal, Bangladesh-Pakistan, Pakistan-Nepal and Sri Lanka-Nepal. Others are under process. A comprehensive Economic Partnership Agreement between India and Sri Lanka is under way. The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation i.e. BIMSTEC -FTA aims to achieve its own free trade area by 2017. Finally, four RTAs are under negotiation: India-Pakistan, India- Bangladesh, Sri Lanka-Maldives and Pakistan-Bangladesh. A distinguishing feature of these agreements is that with the exception of BIMSTEC, all others are traditional RTAs which aim at reducing/ eliminating only trade barriers and exclude from their purview all other important issues such as services, competition, IPRs, government procurement and investment. Thus, regional cooperation in South Asia represents a shallow RTA, 'old regionalism' only reducing or eliminating barriers to trade in commodities despite the fact that chronologically, it is a very recent phenomenon.

V

Today it is increasingly apparent that no state in South Asia can hold back the liberalization process unless they are willing to both revert to protecting their trade regimes and to control exit across the entire border. The political will of any state to return to such a restrictive regime seems as limited as its capability to actually resort to the degree of repression required for its implementation. The extent of informal trade already points to the impotence of the state in enforcing even its more liberalized laws governing intra South Asian exchanges. The progressive erosion in the restraining capacity of the national boundaries is contributing to a rapid and uncontrolled integration of labour markets within South Asia and indeed at a global level. Today an average Nepalese, Bangladeshi or Sri Lankan, now sees South Asia rather than their respective nation state as legitimate horizon for their search for a viable livelihood.

South Asia has emerged as one of the fastest growing regions in the world with an average rate of growth of 8 per cent sustained over the past five years. The region's macroeconomic resilience is also widely acknowledged. Aided by various national and regional cooperation initiatives, the

region is also focusing on improving access to education, health, nutrition and basic amenities like safe drinking water and sanitation, which pose serious developmental challenges. And, while they are striving to realize their developmental potential, the countries of the South Asian region remain committed to achieving inclusive growth. However, for sustaining this dynamism, the region has to mobilize resources for development of both physical and social infrastructure. It needs to be emphasized that the developmental challenges facing the South Asian region are so formidable that while national level policy initiatives are necessary, they may not be sufficient to address them. Recognizing this, and the fact they have shared history, cultural and linguistic similarities, countries in the region have engaged themselves in furthering integration of their economies.

Over the last decade the move towards economic liberalization in every country in South Asia has given greater play to an assertion of market forces in governing the level and pattern of economic transactions in each country. The interplay of market forces has played a significant role in accelerating the evolution of an economic community within South Asia. This market driven process has been particularly advantageous to the larger more diversified economies within South Asia like India. India's market access within South Asia is growing at a pace where this region is emerging as one of India's fastest growing markets in its global trade. Attempts to formally accelerate trade within South Asia to some extent thus appear to be lagging behind the realities of market place. Policies of import liberalization initiated as part of the World Bank's Structural Adjustment Reforms have emerged as a dominant influence on South Asia's trade relations. When the Cancun Ministerial collapsed, many experts advanced the same old arguments that the inevitable consequence of not concluding multilateral trade negotiations to the satisfaction of major trading partners, is to drive them to the embrace regional and bilateral trade arrangements. This argument is now being repeated with added emphasis that South Asia, especially India, stands to lose most heavily because of its not being a member of a regional or bilateral trade arrangement with developed countries. Irrespective of the situation that may emerge after the collapse of Cancun trade talks, India has followed a two-track approach over the last few years. On the one hand, India is actively trying to influence the WTO trade negotiations, while on the other, it has been involved in bilateral and regional trade negotiations too. Prior to Cancun Ministerial, India signed a framework trade agreement with the Mercosur trade block of Latin America. This sets in motion the process that will ultimately establish a 'Free Trade Area' between India and Mercosur. After Cancun, India signed free trade agreements with Singapore and Thailand (both ASEAN members). Following this is a similar agreement among China, Japan and India to create a broad East Asian group. India is also in the process of signing a PTA/FTA with Egypt. As regards other SAARC countries, recently Bangladesh and Pakistan have reached on an overall framework on the proposed FTA. Islamabad had consented to Dhaka's request to give her special trade preference under an FTA. Bangladesh also sought a longer time than Pakistan to phase out tariff under FTA and immediate free entry of its products to the Pakistani market. However, Bangladesh has reiterated that it would not have such an agreement with India if New Delhi fails to remove various trade barriers. Besides, Pakistan is also set to sign a FTA with Iran.⁶

South Asian Association of Regional Cooperation (SAARC) has come a long way in giving effect to regional economic and development cooperation projects, that too against severe constraints. The ongoing implementation of various flagship regional cooperation projects like the implementation of SAFTA Treaty, South Asian University, SAARC Development Fund and the SAARC Food Bank are but pointers to SAARC's emergence as a dynamic economic grouping. The South Asian region has moved ahead in broadening the scope of trade cooperation in recent times, especially with the implementation of the SAFTA Treaty. Besides tariff reduction commitments, SAARC countries have also made forward movement in terms of reducing the sensitive lists, tackling Non-Tariff barriers (NTBs) and granting special and differential treatment to the LDCs. Additionally, these countries have also initiated steps for enhanced customs cooperation and harmonization of standards, among others initiatives. To realize the full potential of trade in services in the region a draft agreement on trade in services is under finalization. In order to exploit its full potential of regional economic integration, SAARC countries need to put SAFTA's implementation on a fast-track, which can be done by expand its scope through whittling down the negative lists and addressing market access limitations caused by non-tariff barriers. They also need to move on to expand the scope of integration to cover trade in services, investment facilitation and industrial cooperation, financial and monetary cooperation including integration of capital markets. SAARC countries should expeditiously move towards creating a South Asian Customs Union by 2015 and move further to the South Asian Economic Union by 2020. There is no gainsaying that deepening of regional economic integration in South Asia would help countries of the region to consolidate and sustain their growth momentum, tackle the scourge of poverty more effectively, besides strengthening the region's place in the global comity of nations. The above-mentioned steps have assumed greater importance in the wake of the global financial meltdown. In a nutshell, the South Asian countries can face the challenges within and without much more effectively through deeper regional economic integration. Towards this end, specific proposals for deepening cooperation in trade in goods and services, investment, strengthening transport infrastructure, telecommunication, trade facilitation, energy security and human development within the region for mutual benefit would have to be studied with a more adept approach. In this regard, the regional social and cultural commonalities could be harnessed for addressing the social and cultural issues. And, for realizing these goals, coordinated efforts would have to be made through the involvement of all stakeholders, the government, business, think-tanks and civil society organizations.

Economic diplomacy has always been a good tool to conduct international relations and build relations at national, regional and global level. This tool has been used successfully earlier such as in integration of (EU) European Union and authorization of (SAARC) South Asian Association for regional Cooperation. Future economic scenario and success of new business will be defined by new variables such as best business practices, innovation, and cross-cultural skills that will facilitate new stakeholders in various areas of cooperation. Furthermore there are new set of random variables namely International security, geo-politics and threat of terrorism that will affect future economic prospects. The South Asia and world economic community seems to be analyzing series of myths about Indo-Pak relations, which are incoherent with the existing evidences.

Although the trade volume in intra-SAARC countries and Indo-Pakistan as well is very low as compared to EU and other unions but still there are opportunities and common interest areas between and among these nations. The South Asian business community has always been at the forefront of its governments in supporting and encouraging economic measures and profit seeking opportunities. Lastly, there is a growing tendency among general public towards business community and corporate sector for leadership and social concerns. Corporate sector should realize that reducing political tension and security risks in the region have profound long-term implications for their business. The route to involve corporate sector in peace-building role will be a positive step towards economic integration, whereas Ideologues and fundamentalist factors will have a negative impact and in economic progress and social stability.⁷ The expansion of trade within South Asia will be served by moves towards economic restructuring within the region whereby the smaller countries can diversify their economies to better avail of opportunities offered by open access to markets of their larger neighbors. In such a context of economic restructuring, however, the South Asian countries could become bitter rivals in the fight for relocated industries and as suppliers of labour intensive exports. Economic statesmanship of a high order may save South Asia from much grief if such a process of regional restructuring could be harmonized drawing upon the institutional mechanisms of SAARC. It is evident that infrastructure development, investment trade and macro-economic policy cooperation within South Asia carry positive sum benefits for all parties. But all such initiative remains constrained by inherited political inhibitions about cooperation. Obstacles to trade have tended to be conditioned by past apprehensions of the LDCs of South Asia that the bigger partners will economically dominate them in a relation of unequal trade.⁸

The South Asian regional trade integration process to date has generated only limited enthusiasm. It suffers from significant shortcomings, primarily on account of a very cautious approach adopted to achieve the ultimate objective of 'free trade' within the region. In turn, this has led to a fragmentation of the integration process, with some of the partners of the South Asian Association for Regional Cooperation (SAARC) bloc opting for a speedier and more liberal bilateral process with India. India's engagement remains the critical feature as the single most important trading partner for almost all the other South Asian countries. However, the dynamics of Indian economic integration initiatives too have been changing rapidly, whereby it is looking increasingly to strengthen its economic relations with the wider Asian region. In this context, the question of India's willingness to give leadership to carry the rest of South Asia as the bridge that connects the region to East Asia needs to be examined. The current evidence suggests that India has attempted to do so via a host of bilateral and regional arrangements, but that the divergences in strategic interests amongst SAARC countries has left Pakistan on the margins of an evolving scheme of overlapping trade initiatives in South Asia. Interestingly enough, the statistics gathered from Indian government trade department shows that with the changing political relationship with the SAARC countries, the volume of trade increase and decreases. For Example, the total trade with Pakistan was 2238.5 US \$ in 2007-2008 but after the Mumbai attack it declined to 1810.05 US\$ in 2008-2009 and 1849.26 US \$ in 2009-2010. While at the other side the trade volume of India continuously increased with Afghanistan since it became a member of SAARC from 201.09

US \$ in 2005-2006 to 588.74 US \$ in 2009-2010(see Table below). Thus, *while something approximating ‘free trade’ in South Asia appears to be taking shape, it is unlikely to take the form of an inclusive South Asian regional integration process envisaged by SAARC due to the political cross currents.*

		India's Country-wise Total Trade				
		Values in US \$ Millions				
AFGHANISTAN						
		2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT (All Commodities)		142.67	182.11	249.21	394.23	463.55
IMPORT (All Commodities)		58.42	34.37	109.97	126.24	125.19
TOTAL TRADE		201.09	216.48	359.18	520.47	588.74
BHUTAN						
		2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT (All Commodities)		99.17	57.66	86.74	111.15	118.86
IMPORT (All Commodities)		88.77	142.05	194.72	151.79	153.11
TOTAL TRADE		187.94	199.72	281.46	262.94	271.98

MALDIVES			2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT (Commodities)	(All		67.58	68.68	89.72	127.91	79.86
IMPORT (Commodities)	(All		1.98	3.05	4.15	3.97	3.63
TOTAL TRADE			69.56	71.74	93.86	131.88	83.49
NEPAL			2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT (Commodities)	(All		859.97	927.4	1507.42	1570.15	1533.31
IMPORT (Commodities)	(All		379.85	306.02	628.56	496.04	452.61
TOTAL TRADE			1239.82	1233.42	2135.98	2066.19	1985.93
PAKISTAN			2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT (Commodities)	(All		689.23	1350.09	1950.53	1439.88	1573.32

IMPORT Commodities)	(All	179.56	323.62	287.97	370.17	275.94
TOTAL TRADE		868.79	1673.71	2238.5	1810.05	1849.26
SRI LANKA						
		2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT Commodities)	(All	2024.67	2258.3	2830.43	2425.92	2188.01
IMPORT Commodities)	(All	577.7	470.33	634.96	356.57	392.19
TOTAL TRADE		2602.37	2728.63	3465.39	2782.49	2580.2
BANGLADESH						
		2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
EXPORT Commodities)	(All	1664.36	1629.57	2923.72	2497.87	2433.77
IMPORT Commodities)	(All	127.03	228	257.02	313.11	254.66
TOTAL TRADE		1791.39	1857.57	3180.74	2810.98	2688.44

Source:- eepe India Trade Statistics, 2010.

VI

In this paper the entire focus has been to underscore a new approach to the study of economic integration process in South Asia. The approach is that of a 'relative autonomy' approach, as presented in the Marxist theorization whereby in a 'base-superstructure' relation at times the superstructure attains a relative autonomy over the base and conditions the latter. ***The South Asian economic integration process is an interesting pointer of this perspective of relative autonomy of the 'politics' and 'political' over the 'economy'***. In this region the economic integration process has been a halted one. The failure of the leaders to attain deadlines for the SAPTA and SAFTA implementation, the failure to translate the lofty desires of Summits in reality so far as economic integration is concerned as is the case in other fields, the attachment of India with BIMSTEC and ASEAN as well as with Singapore in Free Trade Agreements reflects a kind of lack of interest of the largest economy of the region to be proactive in developing intra-regional trade albeit some genuine economic logic. However it is with the initiative of India that new roadmaps for economic engagement in the region at least at the bilateral level has been taking place for quite some time now with the ball made rolling by the 'Gujral Doctrine'. There is also a kind of dissatisfaction with the smaller South Asian countries as their only opportunity to see India's proactive engagement with them in economic terms is only through the mechanisms of huge developmental aids from India. The uniqueness of this economic engagement in this region is that the flow of goods inside and outside the region is through individual markets of sovereign countries rather than through a kind of common regional basis. Such a dream of a common market for the South Asian region seems a distant possibility in the foreseeable future given the political hurdles to overcome, before each country of the region specializes in the production of only those products which their geographical location suits most and come together with all their individual products to place the region in a better bargaining position vis-à-vis the other regional trading blocs (RTBs). ***In the final analysis one can sense that the tale of economic integration of the region is a politicized one where possibility of inter-region 'good' economics is marred by the exigencies of 'bad' politics.*** However the tale is only half told in this sense. Actually the remedy of eschewing benefits out of such under-utilized economic interactive potentials lies in the axis of political dialogue in South Asia. The prudent manner in which Indo-Bangladesh trade pattern is changing through the development of joint fret corridors and more liberalized trade regimes (several joint declarations in 2011 at Bangladesh during the visits of top foreign officials and ministers, the MFN status extended by Pakistan to India on certain items of trade) points to the fact that reformed political culture of mutual assistance and partnership, i.e. a shift from 'bad to good' politics to tap the potential of 'good' economics with an one-to-one dealing approach has begun in the annals of economic integration in South Asia.

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Structural Equivalence of Countries in the Worldwide FDI Flow Network and The Huntington Thesis

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Introduction

With the collapse of the Soviet in 1991, a New World Order (NWO) has emerged and it is still evolving. The NWO has adopted the Washington Consensus. As a result, with trade liberalization and unrestricted movement of capital, huge upsurge in international Foreign Direct Investment (FDI) flow has been observed since the very beginning of the 90s. This international odyssey of capital can be taken as one of the main architects and constituents of the NWO. So, to understand the NWO, it is essential to study worldwide FDI flow.

Extensive studies on the determinants of FDI flow and the impacts of FDI flow are being performed. Return on investment, trade openness, infrastructure, strength of economic fundamentals etc. have been found important determinants of FDI inflow. It has also been found that all the determinants are not similarly effective in attracting FDI across different regions, there are some region-specific institutional factors influencing FDI flow (Onyeiwu, 2003). Mutual exchange of support and influence has been observed in terms of FDI flow in some specific regions which indicates the importance of proximity and homophily (tendency to get associated with similar others) in determining FDI flow (Basu, 2012). Some studies show that international capital flows are mostly rich-rich affairs, mostly diversification finance than development finance (Obstfeld & Taylor, 2002). So, the international FDI flow is not directed solely by the objective of higher returns.

In the post-Cold War era, it has been suspected that the main determinant of the NWO will be cultural differences of different civilizations (Huntington 1993, 1996). If civilizational differences have anything to do with the NWO, we assume that it must get reflected in the pattern of FDI flow worldwide. However, civilizational differences are not only cultural, it is also economical. It is economical in the sense that the civilization of 'West' plundered the civilizations in Asia, Latin America and Africa through the colonial rule and developed at the cost of development of its colonies. So, if FDI flow is linked with civilizational differences, it is not only due to the cultural differences, but also due to a history of colonization.

We shall investigate in this study if FDI flow and civilizational differences are interdependent or not.

First, we shall identify the key concepts in this study.

Key Concepts

FDI Flow

Investment means change in capital stock. If new investment is made, the capital stock will increase if we ignore the wearing and tearing of the capital due to usage throughout the year or due to mere passage of time (this loss of value of capital stock is called depreciation of capital). So, when we talk about investment, we basically talk about capital. Foreign Investment can be of two types – Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI). FPI is foreign investment in the host economy by way of buying of nominal number of shares of one or more of the host country companies. Its objective is to reap short term windfall gains, mostly speculative. On the other hand, FDI is foreign investment in the host economy by way of buying significant number of shares of one or more of the host country companies or by acquiring assets in the host economy. Its objective is to gain command over the company and to reap long term rewards from the economy. Thus, FDI inflow works like increasing impact on the host economy by the foreign economy and FDI outflow works in the opposite. We can presume that flow of FDI has a long term impact or consequence whereas flow of FPI can create only momentary fluctuations albeit significant. Therefore, for studying the structure of the new world, in this study, we shall focus up on FDI flow, not FPI flow.

FDI can be measured on two terms – Stock and Flow. FDI Stock of the foreign country in the host country at a particular date shows the net of FDI Inflows and Outflows in the host country from and to the foreign country up to that date. On the other hand, FDI Inflow from the foreign country to the host country in a particular year shows how much FDI has flown into the host country from the foreign country throughout the year. In this study, to trace the NWO, we shall focus up on the FDI Inflows and Outflows occurring since the beginning of the 90s. The FDI Stock data may mislead us because the FDI Stock can be built up in a country from a time prior to the end of the cold war.

Network Analysis and Structural Equivalence

This study is specifically concerned with Social Network Analysis (SNA) of the worldwide FDI Flow. SNA is useful to analyze relational data. Relational data “*are the contacts, ties and connections, the group attachments and meetings, which relate one agent to another and so cannot be reduced to the properties of the individual agents themselves. Relations are not the properties of agents, but of systems of agents; these relations connect pairs of agents into larger relational systems.*” (Scott, 2000)

In the context of this study, the countries will form a network. The countries will be nodes in that network. Nodes are represented by small circles or dots in the network diagram. If there is FDI flow from country A to country B, an arrow will generate from the Node A to Node B. If there is FDI flow from country B to country A, an arrow will generate from the Node B to Node A. If we

denote the presence of an arrow by 1 and absence by 0, then the relation between A and B can be any one of the four cases – (1, 1), (1, 0), (0, 1) or (0, 0), where the first element in each pair describes the presence or absence of the arrow from A to B and the second element describes the presence or absence of the arrow from B to A. The most common method of presenting a network is by network diagram. A network diagram consists of many nodes and many arrows connecting them.

This approach is structural. So, instead of using the term ‘network’, we can also use the term ‘network structure’. In the second case, the stress is indeed up on the structural properties of the network. The network analysis is a tool of systems analysis. The network diagram represents the system in the most comprehensible manner. On basis of FDI flow data, we shall form an FDI flow network of the countries. The countries in the world are interwoven in a single system formed on basis of FDI flow. However, this does not necessarily mean that we should look the NWO as a single world system where the identities of the sub-systems, if any, are blurred. By analyzing the one world system, we can trace the sub-systems and can interpret the network structure as the representation of multiple systems connected to each other.

In the network, we can try to find out structurally equivalent countries. Two countries will be structurally equivalent if in the network they are connected to the other countries in more or less the same manner. It is generally found that if two nodes in a network are structurally equivalent, then they are also similar in some aspect other than the aspect on basis of which the network has been formed. For example, if two countries are structurally equivalent in the FDI flow network, then it may be found that they have almost same level of corruption.

In this study, we shall try to find out countries which are structurally equivalent.

The Huntington Thesis

Samuel Huntington (1927-2008) was a famous political scientist from US. In a lecture in 1993, he presented his theory commonly known as ‘Clash of Civilizations’. Later, in 1996, he expanded his theory and published the book *Clash of Civilizations and the Remaking of World Order*. His theory is about the post-Cold War NWO.

Referring to the post-Cold War era, Huntington says “*It is my hypothesis that the fundamental source of conflict in this new world will not be primarily ideological or primarily economic. The great divisions among humankind and the dominating source of conflict will be cultural. Nation-states will remain the most powerful actors in world affairs, but the principal conflicts of global politics will occur between nations and groups of different civilizations. The clash of civilizations will dominate global politics. The fault lines between civilizations will be the battle lines of the future.*” (Huntington, 1993)

Huntington divides the world in eight major civilizations –

- Western – North America, Western and Central Europe, Australia & Oceania.
- Orthodox – Countries of former USSR with some exceptions
- Islamic – The countries in the Greater Middle-East (it includes the Northern Africa)
- Sub-Saharan Africa – with some exceptions
- Latin American – South and Central American and Caribbean
- Sinic – China, Korea, Singapore, Taiwan, Vietnam
- Hindu – India, Nepal, Bhutan
- Japan – a separate civilization

He loosely adds a Ninth civilization to this world – ‘Buddhist’ that includes areas of Bhutan, Cambodia, Laos, Mongolia, Myanmar, Sri Lanka, and Thailand.

Critics think that Huntington’s theory was justifying the aggression of the US and the rest of the West against China and the Islamic world. Some argue that his classification of countries into different civilizations lacked sound logical support and did not consider the internal dynamics and partisan tensions within civilizations. Besides, critics point to that Huntington’s theory neglects ideological mobilization by elites and socioeconomic demands of the population as the real causal factors driving conflict. According to them the thesis ignores conflicts that do not fit well with the civilizational fault lines identified by Huntington. Critics also think that that Huntington’s thinking was nothing but realist thinking in which ‘states’ became replaced by ‘civilizations’. (Rubenstein & Crocker, 1993)

Citing some examples, Huntington counters as, “*If differences in civilization are not responsible for these conflicts, what is? The critics of the civilization paradigm have not produced a better explanation for what is going on in the world. The civilizational paradigm, in contrast, strikes a responsive chord throughout the world.*” (Huntington, 1993) Moreover, he asserts, “*What ultimately counts for people is not political ideology or economic interest. Faith and family, blood and belief, are what people identify with and what they will fight and die for. And that is why the clash of civilizations is replacing the Cold War as the central phenomenon of global politics, and why a civilizational paradigm provides, better than any alternative, a useful starting point for understanding and coping with the changes going on in the world.*” (Huntington, 1993)

In this study, we take the last comment of Huntington as a positivist statement, not a normative assertion, and this positivist statement may also be based on his prejudices rather than verifiable facts. So, even if we find any support for Huntington’s ideas from this study, we should not conclude on what it should be, rather we should take it as it is, we like it or not.

Objectives

This study will first form a network of worldwide FDI flow and represent it diagrammatically.

Then, it will find out the groups of structurally equivalent countries on basis of FDI flow. To find out the countries which are structurally equivalent, the Blockmodeling technique will be used.

Blockmodeling is a method by which countries can be classified into different blocks such that countries within the same block are structurally equivalent, i.e. homogenous but countries in different blocks are heterogeneous. The blockmodeling will be carried out by using the software Pajek.

Lastly, this study will test whether the FDI flow block-structure has any resemblance with the geopolitical division of the countries as per Huntington's thesis.

If we find that there is some resemblance, then we can conclude that – either FDI flow is determined by civilizational relations or inter-civilizational relations are determining the flow of FDI or both.

If we find that there is no resemblance between the two, we can conclude that – FDI flow and civilizational relations are independent, they are not influencing each other, FDI flows are not moved at least by civilizational considerations, they may be more influenced by non-civilizational economic reasons.

We cannot overlook the fact that the history of these civilizations in the last few centuries has been a shameful account of colonial exploitation of other civilizations by the Western one. So, if we find any support for Huntington's thesis, then we can conclude also that the FDI flow shaping the NWO may be bearing the legacy of the colonial relations of the civilizations. In other words, the FDI flow relations may not be clearly distinct from the relations established during the colonial era. From this particular point, arguments in favor of neo-colonization can be raised.

Key Questions

- What is the Worldwide FDI Flow Network Structure?
- What is the Block-Structure of this Network?
- Is the Block-Structure independent of the Civilizational Structure of the countries?

Methodology

1. What is the Worldwide FDI Flow Network Structure?

In the FDI Country Profiles available in the UNCTAD website, there are tables reporting Geographical Destinations of FDI Flow from the Home Country and Geographical Sources of FDI Flow to the Host Country. These tables are the sources of country-to-country FDI flow data. Reports are mostly for the period post-1991.

In that website of UNCTAD, FDI Country Profiles for 142 economies are available. In this study, we select 121 countries. Other countries are dropped for technical reasons like unavailability of data or economies not being sovereign enough etc.

Regarding formation of the network of countries on basis of FDI flow, if there is at least one instance of FDI flow from country A to country B in the post-1990 period, we acknowledge that there is a flow of FDI from country A to country B. The regularity and volume of such flows are not of our concern in this study.

We enter the data in a 121×121 Adjacency Matrix created in MS Excel. In the matrix, in each of the 14641 cells, a 0 or a 1 is entered. A zero represents that there has been no FDI flow from the country in the corresponding row to the country in the corresponding column, a one represents that there has occurred at least one instance of FDI flow. The entries in the principal diagonal are all meaningless as a country cannot send FDI to itself. They are all zeroes.

After some manipulation regarding the format of the data, we create a file that can be read by Pajek. Pajek reads the file and produces network diagram.

The Network Structure should be read both from the Adjacency Matrix and from the Network Diagram. However, we shall present here only the Network Diagram.

2. What is the Block-Structure of this Network?

To find the Block-Structure of the network derived above, we use the blockmodeling techniques available in Pajek. We set the number of blocks to be 5 and we run the process for 100 iterations. The number '5' is arbitrarily chosen. In fact, generally, a high number of blocks or too few blocks hardly help in interpreting the results. The software distributes the countries into the 5 blocks.

Reading the output file, the result is shown in a table.

3. Is the Block-Structure independent of the Civilizational Structure of the countries?

In one hand, we have derived the FDI Block-Structure in the earlier part. On the other hand, we form manually the distribution of these 121 countries into different civilizations following Huntington's thesis.

Next, we want to test H 0 : FDI Block-Structure and Huntington Civilizations are independent against H 1 : FDI Block-Structure and Huntington Civilizations are interdependent.

To test this hypothesis, we use the Chi-Square statistic.

Results

On basis of the data, we form a network of the 121 countries. In the network, there could be ${}^{121}P_2 = 121 \times 120 = 14520$ meaningful flows of FDI. In practice, we find only 2038 flows. We feed this network to the software Pajek and get the following network diagram. In the diagram, if there is an FDI flow from Country A to Country B, there is an arrow originating from Country A and going to Country B and vice versa. The countries are represented by dots with serial numbers. The countries pertaining to the numbers are listed in a table following the diagram.

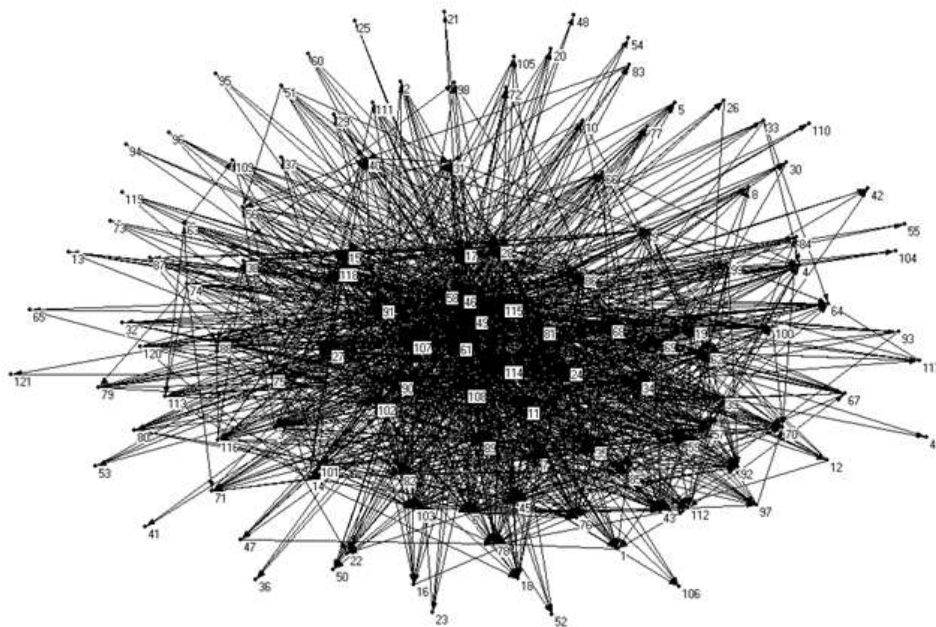


Diagram 1: Network of countries on basis of FDI flow

It is indeed difficult to discover from the above diagram which country sends FDI to which country. The above diagram should only be taken as indicative of what degree of complexity exists there in the FDI network. The numbers associated with the countries are given in the following table:

Table 1: Countries with their node numbers

1	Algeria
2	Angola
3	Argentina
4	Armenia
5	Aruba
6	Australia
7	Austria
8	Azerbaijan
9	Bahamas, The
10	Barbados
11	Belgium
12	Belize
13	Benin
14	Bermuda
15	Bolivia
16	Botswana

17	Brazil
18	Brunei
19	Bulgaria
20	Burkina Faso
21	Burundi
22	Cambodia
23	Cameroon
24	Canada
25	Central African Republic
26	Chad
27	Chile
28	Colombia
29	Congo, Democratic Republic of the
30	Congo, Republic of the
31	Costa Rica
32	Cote d'Ivoire
33	Cuba
34	Czech Republic
35	Denmark
36	Djibouti

37	Dominican Republic
38	Ecuador
39	Egypt
40	El Salvador
41	Equatorial Guinea
42	Eritrea
43	Estonia
44	Ethiopia
45	Finland
46	France
47	Gabon
48	Gambia, The
49	Germany
50	Ghana
51	Guatemala
52	Guinea
53	Guinea-Bissau
54	Guyana
55	Haiti
56	Honduras

57	Hungary
58	Iceland
59	Ireland
60	Jamaica
61	Japan
62	Kazakhstan
63	Kenya
64	Kyrgyzstan
65	Lesotho
66	Liberia
67	Libya
68	Lithuania
69	Luxembourg
70	Macedonia
71	Madagascar
72	Malawi
73	Mali
74	Mauritania
75	Mauritius
76	Mexico

77	Moldova
78	Morocco
79	Mozambique
80	Namibia
81	Netherlands
82	New Zealand
83	Nicaragua
84	Niger
85	Nigeria
86	Norway
87	Panama
88	Paraguay
89	Peru
90	Poland
91	Portugal
92	Russia
93	Rwanda
94	Saint Kitts and Nevis
95	Saint Lucia
96	Sao Tome and Principe

97	Senegal
98	Seychelles
99	Sierra Leone
100	Slovakia
101	Somalia
102	South Africa
103	Spain
104	Sudan
105	Suriname
106	Swaziland
107	Sweden
108	Switzerland
109	Tanzania
110	Togo
111	Trinidad and Tobago
112	Tunisia
113	Uganda
114	United Kingdom
115	United States
116	Uruguay

117	Uzbekistan
118	Venezuela
119	Zambia
120	Zimbabwe
121	Comoros

In the above list, the countries are arranged in alphabetical order except that Comoros enters the list at the last. This is for some little technical difficulties during the data collection period. It has no other significance.

Next, we use the blockmodeling exercise available in Pajek.

Pajek distributes the 121 countries in 5 blocks (henceforth we shall call them FDI Blocks) in the following manner:

Block1	Block2	Block3	Block4	Block5
Australia	Azerbaijan	Algeria	France	Angola
Austria	Belize	Argentina	Germany	Armenia
Belgium	Burkina Faso	Bolivia	United States	Aruba
Canada	Chad	Brazil		Bahamas, The
Czech Republic	Comoros	Bulgaria		Barbados
Denmark	Cuba	Chile		Benin
Finland	Eritrea	Colombia		Bermuda

Hungary	Ethiopia	Egypt	Botswana
Iceland	Gambia, The	Estonia	Brunei
Ireland	Guatemala	Kazakhstan	Burundi
Japan	Guinea-Bissau	Lithuania	Cambodia
Luxembourg	Honduras	Macedonia	Cameroon
Netherlands	Kyrgyzstan	Mexico	Central African Republic
New Zealand	Lesotho	Morocco	Congo, Democratic Republic of the
Nigeria	Madagascar	Norway	Congo, Republic of the
Peru	Moldova	Portugal	Costa Rica
Poland	Saint Kitts and Nevis	Russia	Cote d'Ivoire
South Africa	Saint Lucia	Slovakia	Djibouti
Sweden	Senegal	Spain	Dominican Republic
Switzerland	Seychelles	Tunisia	Ecuador
United Kingdom	Sudan	Venezuela	El Salvador
	Suriname		Equatorial Guinea
	Swaziland		Gabon
	Togo		Ghana
	Trinidad and Tobago		Guinea
	Uzbekistan		Guyana
	Zambia		Haiti
			Jamaica

				Kenya
				Liberia
				Libya
				Malawi
				Mali
				Mauritania
				Mauritius
				Mozambique
				Namibia
				Nicaragua
				Niger
				Panama
				Paraguay
				Rwanda
				Sao Tome and Principe
				Sierra Leone
				Somalia
				Tanzania
				Uganda
				Uruguay
				Zimbabwe
21	27	21	3	49

The Pajek also gives two more important outcomes, one is the final image matrix and another is the final error matrix.

Table 3: Final Image Matrix for the 5 Blocks above

	1	2	3	4	5
1	-	-	-	com	-
2	-	-	-	-	-
3	com	-	com	com	-
4	com	com	com	com	com
5	-	-	-	com	-

In the above image matrix, ‘com’ stands for ‘complete’ denoting existence a matrix where all elements are 1s. Presence of a one means there is an FDI Flow from the corresponding row to the corresponding column. E.g. at the cell R1C4, there is a ‘com’. It means that from all the 21 countries in FDI Block 1, FDI flows to all the 3 countries in the FDI Block 4. Again, there is a dash (‘-’) some cells. A dash stands for null matrix. A zero stands for no FDI flow. E.g. there is a dash in the cell R3C2. It means that from none of the 21 countries in FDI Block 3 FDI flows to any of the 27 countries in FDI Block 2. But, these statements are gross, they are not absolutely true. There are exceptions. The exceptions are called ‘errors’. The final error matrix sheds light on these exceptional cases.

Table 4: Final Error Matrix for the 5 Blocks above

	1	2	3	4	5
1	99	12	105	13	45
2	31	3	9	15	4
3	99	55	62	0	168
4	0	20	0	0	24
5	127	10	84	36	31

In the above error matrix, at the cell R1C4, we find the number 13. This means that the relation found in the cell R1C4 at the final image matrix has 13 exceptions.

Now, there are 21 countries in the FDI Block 1 and 3 countries in the FDI Block 4. So, there may be in total $21 \times 3 = 63$ relations. The ‘com’ in the cell R1C4 in the final image matrix says that these 63 entries are all 1, i.e. all the 21 countries in FDI Block 1 send FDI to all the 3 countries in FDI Block 4. The entry ‘13’ in the cell R1C4 of the final error matrix says that it is not absolute true,

in 13 cases out of those 63 cases there are zeros, i.e. in 13 cases, there is no FDI flow, in the rest 50 cases, there is FDI flow.

Similarly, in the cell R3C2 of the final error matrix, we find the entry '55'. There are 21 countries in FDI Block 3 and 27 countries in the FDI Block 2. So, there may be in total $27 \times 21 = 567$ relations. The final image matrix shows a dash in the cell R3C2 meaning that none of the 21 countries in the FDI Block 3 sends FDI to any of the 27 countries in the FDI Block 2. But, the entry '55' in the final error matrix says that this is not absolutely true. In 55 cases out of those 567 cases, we find FDI flow from a country in FDI Block 3 to a country in FDI Block 2. In the other 512 cases, there is no FDI flow.

Thus, the final image matrix actually gives an estimate of the relations among the FDI Blocks and the final error matrix shows the errors in that estimate. The total error (sum of all the cells) in this particular case is 1052. The total number of relations is $(121)^2 = 14641$. However, as a country cannot send FDI to itself, the meaningful number of relations is $121 \times 120 = 14520$. The Pajek estimate has mistaken in 1052 cases out of 14520 cases. In fact, for finding structural equivalence, the total error remains generally high, but it should not be of great concern because finding structural equivalence imposes stricter restrictions on the algorithm that Pajek uses.

After that we have understood the Pajek output on the FDI Blocks, we now turn to the last part of our study – the testing of hypothesis.

Following is the division of the 121 countries into the different civilizations as per Huntington's thesis.

Table 5: Distribution of the 121 countries into different civilizations as per Huntington's thesis

Africa	Buddhist	Islamic	Japan	Latin America	Orthodox	Western
Angola	Cambodia	Algeria	Japan	Argentina	Armenia	Australia
Benin		Azerbaijan		Aruba	Bulgaria	Austria
Botswana		Brunei		Bahamas, The	Macedonia	Belgium
Burkina Faso		Egypt		Barbados	Moldova	Canada
Burundi		Kazakhstan		Belize	Russia	Czech Republic
Cameroon		Kyrgyzstan		Bermuda		

Central African Republic	Libya	Bolivia	Denmark
Chad	Morocco	Brazil	Estonia
Comoros	Niger	Chile	Finland
Congo, Democr. Repub. of the	Sudan	Colombia	France
Congo, Republic of the	Tunisia	Costa Rica	Germany
Cote d'Ivoire	Uzbekistan	Cuba	Hungary
Djibouti		Dominican Republic	Iceland
Equatorial Guinea		Ecuador	Ireland
Eritrea		El Salvador	Lithuania
Ethiopia		Guatemala	Luxembourg
Gabon		Guyana	Netherlands
Gambia, The		Haiti	New Zealand
Ghana		Honduras	Norway
Guinea		Jamaica	Poland
Guinea-Bissau		Mexico	Portugal
Kenya		Nicaragua	Slovakia
Lesotho		Panama	Spain
Liberia		Paraguay	Sweden
Madagascar		Peru	Switzerland
Malawi		Saint Kitts and Nevis	United Kingdom

Mali				Saint Lucia		United States
Mauritania				Suriname		
Mauritius				Trinidad and Tobago		
Mozambique				Uruguay		
Namibia				Venezuela		
Nigeria						
Rwanda						
Sao Tome and Principe						
Senegal						
Seychelles						
Sierra Leone						
Somalia						
South Africa						
Swaziland						
Tanzania						
Togo						
Uganda						
Zambia						
Zimbabwe						
45	1	12	1	31	5	26

We now form the cross-tabulation of the two attributes ‘FDI Block Structure’ and ‘Huntington Civilizations’

Table 6: Cross-Tabulation of ‘FDI Block Structure’ and ‘Huntington Civilizations’

FDI Blocks	Huntington Civilizations							Grand Total
	Africa	Buddhist	Islamic	Japan	Latin America	Orthodox	Western	
1	2	0	0	1	1	0	17	21
2	14	0	4	0	8	1	0	27
3	0	0	5	0	7	3	6	21
4	0	0	0	0	0	0	3	3
5	29	1	3	0	15	1	0	49
Grand Total	45	1	12	1	31	5	26	121

It is notable that we have found no countries from Sinic and Hindu civilizations. Japan is present fully by its sole presence and from the Buddhist civilization, we have only Cambodia.

We now form the table of expected frequencies.

Table 7: Expected Frequencies prepared assuming H₀ to be true

FDI Blocks	Huntington Civilizations							Grand Total
	Africa	Buddhist	Islamic	Japan	Latin America	Orthodox	Western	
1	7.81	0.17	2.08	0.17	5.38	0.87	4.51	21
2	10.04	0.22	2.68	0.22	6.92	1.12	5.80	27
3	7.81	0.17	2.08	0.17	5.38	0.87	4.51	21
4	1.12	0.02	0.30	0.02	0.77	0.12	0.64	3
5	18.22	0.40	4.86	0.40	12.55	2.02	10.53	49
Grand Total	45	1	12	1	31	5	26	121

Using the formula $\chi^2 = \sum_{i=1}^n \frac{(O_i - E_i)^2}{E_i}$, we find the observed Chi-square to be 539.98 (approximately).

In our case, degree of freedom is $(r - 1)(c - 1) = (5 - 1)(7 - 1) = 4 \times 6 = 24$.

The theoretical value of Chi-square at 0.001 level of significance and 20 degrees of freedom is 51.18.

Our observed Chi-square is very high than the tabulated Chi-square at 0.001 level of significance.

The P-value is actually less than 0.0001.

Therefore, our test is extremely significant.

So, the null hypothesis is rejected.

This means that we have not enough evidential support to conclude that FDI Block Structure and Huntington's Civilizations are independent.

Conclusions

Following the image matrix and the final error matrix provided in the results, numerous conclusions regarding the FDI Block Structure can be drawn. However, we confine this study here strictly within its objectives.

We have found from the Chi-Square test that FDI Block Structure and the Huntington Civilizations have some resemblance, they are not independent. We propose here at this juncture that Huntington Civilizations, for our purpose, can be interpreted in two ways.

Interpretation One

The Huntington civilizations are culturally distinct, we for the time being do not consider if there is any economic difference. In that case, the economic incident of FDI flow is influenced by or is influencing the cultural identities of the different civilizations. When FDI is being exchanged, the cultural factor is working, as a determinant (is there *homophily*?) or as something that is being conditioned (*hegemony*?).

If we assume that civilizational identities are decisive only in time of conflicts, then we can conclude that the interdependence of FDI flow and Huntington Civilizations is only a coincidence or what we have found is only a spurious correlation. But, again, this argument will be wrong, because when FDI flows, there is conflict. Capital is scarce. In one hand, it is needed. So, it is desired. On the other hand, more foreign investment means more foreign intervention in the domestic economy. That is unwanted. It is difficult to presume what role foreign investment plays

in an economy. If a Western economy invests in another Western economy, it will be a rich-rich affair; the target may simply be more profit. But, when a Western economy invests in an African economy, its mode of operation and so purpose may be altogether different. The Western company may be inclined to corrupt the local governments in the African country and earn a higher level of profit by exploiting the local cheap labor; this is clearly not possible in another Western country. So, FDI can have two faces. We cannot declare unequivocally that FDI bears no notion of conflict. And in that case, the interdependence of FDI flow and Huntington Civilizations cannot be spurious. If it is not spurious, then how the interdependence is formed can be worked out to some great extent from the image matrix and error matrix (in some other research).

Interpretation Two

The colonial history shows how one civilization (West) had tried to exploit the other civilizations. So, the Huntington Civilizations may be culturally different but simultaneously they cannot escape the history of their economic relations. The West has become 'West' because there was Asia, Latin America and the Africa. The Dependency Theory suggests that the countries which are developed today have become developed at the expense of the development of the developing countries, which were once their colonies. So, if FDI Block Structure and the Huntington Civilizations are interdependent, it is not necessarily due to some extra-economic reasons. It may well happen that the NWO is actually bearing the legacy of the international relations established during the colonial era. This point can further be explored by investigating the results obtained in this study.

Limitations

- This study works only with 121 countries and drops important players in the FDI scenario like China, Italy, and India etc. It also drops the Middle-East. This study is therefore not exactly 'worldwide'.
- There is no representative from the Sinic and Hindu civilizations, the Buddhist civilization is also represented by only one country. This study, therefore, focuses on the interrelation between the Western, Latin American, Orthodox and African countries. The Islamic civilization is covered only partially as the Middle-East is absent.
- The number of FDI Blocks, 5, is chosen arbitrarily. With a different number of blocks, different results may be obtained.
- This study does not explore why FDI Block Structure and Huntington Civilizations are interdependent. It only found that they were interdependent and has speculated the possible causes of interdependence, but did not prove any ground of interdependence.
- FDI data are not easily available. Whatever is available may not be complete. So, the network that has been formed on basis of FDI flow data has high chance of not being the true picture of FDI flow.

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Perspective Section

Globalization and Challenges of India's Development

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Globalization is one of the leading issues that have captured the imagination of thinkers belonging to various academic disciplines. It has been recognized as a process of easier and accelerated trans-national movement of commodities, persons, capital and knowledge, which includes ideas, techniques and culture. With technological advances facilitating transport and communications, the processes of production, consumption and even waste disposal have taken global dimensions. Thus, as in the case of many electronic goods, a technology may be developed in Europe and put to manufacture by an American firm in China and exported to various countries and the waste dumped in Africa!

The growth and inevitability of globalization was commented upon by perceptive thinkers, as diverse as Marx and Vivekananda, even during the previous centuries. But it is also necessary to note that while trans-national interactions are inevitable, and most would agree that it is also desirable, the nature of the transactions critically depend on institutions and on ideas and beliefs, which influence national and global policies.

The current phase of globalization, which may be traced for its origins to the 1980s, is therefore distinct from the previous phases as it is characterized by a distinctive set of features and influences. Section I delineates these characteristics with a reference to India. The consequences of the new global order and ideas are presented in Section II, while section III examines the responses of leading players in dealing with these consequences. This is followed by an examination of policy imperatives for India and the lessons that are emerging from the faltering global order.

I

Human history has had many episodes of movement of people, ideas and commodities across national borders. The colonial period, as has been extensively documented, witnessed large movements of persons and capital and production processes became trans-national with increased emphasis on extraction and foreign trade. The current phase of globalization can be traced to the contemporaneous occurrences of the following events, roughly around the decade of the 1980s.

The early 1980s saw a major setback to the autonomous path of development embarked upon by many Latin American countries. These countries, after a period of respectable growth and industrialization of two decades, ran into a debt-crisis, which made it virtually impossible to continue with the strategy of self-reliant development. The capital flows that had occurred in the decade of 1970s allowed many developing countries to continue on their path of independent

development but also made them more vulnerable to external events. The increase in interest rates in the United States precipitated the Latin American debt crisis.

The impact of external financial crisis can be evaluated not only by examining the effects of the crises but also by taking into consideration the effects of the policy response. The international financial institutions - principally the IMF and the World Bank - provided credit lines to countries in crisis based on a set of conditionality that went under the broad names of 'stabilization' and 'structural adjustment'. In the decade of the 1980s, scores of developing countries were provided structural adjustment loans. The effect of these policies were to reduce the economic role of governments, expand the space available to the organized private sector and diminish barriers to entry of foreign private capital and goods. Thus what began as the globalization of bank loans in the 1970s, crystallized in the 1980s into the globalization of direct and portfolio investment and the consolidation of global commodity markets.

The role of the state in economic development was to be further circumscribed, in addition to the effects of the financial crisis, by the ideological formulations that now go under the name of 'neo-liberalism'. Whereas the earlier free-market Economics grudgingly accepted the role of the state in rectifying 'market failures' arising out of externalities, etc., the new ideas postulated the idea of 'government failures' following from the self-seeking behavior of politicians and bureaucrats. The spectacular collapse of the Soviet Union seemed to re-enforce the impression that governments may not have the necessary virtues to deal with the problems of 'market failure'. The neo-liberals therefore went on to suggest mechanisms which mimicked, or approximated, markets and set limits to the economic role of the state. A major consequence of these influences was the relegation of the idea of economic equality to the background. Efficiency became the central objective of policy and it became 'glorious to the rich'.

India entered the present phase of globalization with the financial crisis and subsequent structural adjustment loans in 1991. India's policy adjustments have been slow and partial. But the fundamental premises have been the same: namely, reduced role of the state, de-emphasis on independent or autonomous development and amnesia of the earlier policy goal of relative economic equality.

II

The developed countries may have believed that globalization would open up markets for goods and services and lead to job-creation. In fact, contrary to expectations, globalization began to bring greater benefits to the developing countries from the late 1990s. The erstwhile CIS countries, which underwent a painful decade of adjustment and decline in incomes, began to register positive rates of growth in the late nineties. Latin America and much of Africa, which had witnessed a lost decade of growth in the eighties, also started to recover in the late nineties. However, the East Asian countries experienced a major financial crisis in 1997, but the growth rates for most of the decade was high.

But the most spectacular success has been witnessed by China and India in the last ten years, after a sustained period of growth of nearly two decades. Between 2007 and 2011, the developing countries accounted for 77 per cent of the incremental global GDP (in PPP terms), compared to 23 per cent accounted for by the advanced countries. China's share in the incremental GDP was 32 per cent and India's 11 per cent, which was higher than the contribution of large economies like the USA (8 per cent) and the European Union (7.8 per cent). Chinese and Indian companies, many of them state-owned, have grown in size and are counted amongst the large global players. Both the countries have now a significant number of persons figuring in a list of world's billionaires. A robust indicator of the growing importance of the 'south' is the increase in south - south trade and the emergence of groupings like the BRIC(S).

In contrast, the developed countries have fallen into a deep and prolonged economic mess. The growth rates of most are minimal, unemployment rates are high (estimated 40 per cent for the youth in Greece), external indebtedness is high, the size of government debt is at crisis levels and the stability of the financial systems are under threat.

The developing countries success story is not based on weak foundations. Both China and India have sustained one of the highest rates of domestic saving and investment over the previous decade. External indebtedness is low and well within manageable levels. Investment in infrastructure and education are rising, though not adequate in India, which shall allow the large working force in these countries to remain competitive. Wage rates are also low by international standards. Finally, the budgetary position is far more comfortable than in most advanced countries.

III

The developments over the previous decade raise the interesting question as to the reasons for the reversal of economic fortunes of developed and developing countries. One anticipated contributory factor, of course, has been the movement of capital to take advantage of cost differentials. The decade of 1990s, as stated earlier, was undoubtedly marked by the flow of foreign direct investment (FDI) to developing countries, sometimes to take advantage of privatizations and mergers and acquisitions. These capital flows may have helped the processes of fiscal consolidation, eased the balance of payments difficulties, created jobs and demand and, thereby, contributed to higher growth rates. But this does not explain the reasons for the difficulties faced by the advanced nations and the overall robustness of growth in developing countries marked by high savings rates and good economic fundamentals.

It may appear paradoxical that the problem of the developed countries and the success of the developing ones may both be due to the value system dominating policy in the west, which sees progress as increased consumption by individuals, without regard to social goals like equality. In fact, the central theme of the current phase of globalization has been higher consumption in an era of higher inequalities.

Inequalities increased in USA to reach levels equal to levels prevailing just prior to the great depression. Between 1940 and 1970, the USA registered steady and inclusive growth with the median income doubling in the three decades. Since then, the income of the bottom 90 per cent increased by a mere 5 per cent. On the other hand, the income of the top 1 per cent of the population is reported to have increased by 281 per cent between 1999 and 2007. It is therefore not surprising that the rallying call of the 'Occupy Wall Street' movement has been 'we are the 99 per cent!'

One of the effects of rising inequalities, in conjunction with other causes like longevity and rising health costs, has been the political pressure on the state to spend more on social sectors. Social sector spending as proportion of GDP increased, between 1980 and 2007, from 10 to 21 per cent in Greece, from 18 to 25 per cent in Italy and from 13 to 16 per cent in USA. These increases in social sector spending, and other increases in expenditures, were not accompanied by commensurate increases in tax revenues. In fact, if press reports are to be believed, the two wars fought by America, in Iraq and Afghanistan, were not accompanied by increased taxes. As mentioned earlier, neo-liberalism seeks to put a limit to the size of the state, which practically has meant that raising taxes is against the current orthodoxy. Also the nature of politics in most countries has made it extremely difficult to tax the rich who wield enormous power over the formulation of public policy. The result has been that most developed countries have been forced to run large fiscal deficits. The USA, for example, has an outstanding public debt of over \$ 14 trillion. With government spending at 24 per cent of GDP and taxes at only 15 per cent, the problem is likely to exacerbate. In many cases, the public debt is not only internal both also is significantly financed by capital inflows from abroad. Thus countries like Greece, Italy and Spain face severe external pressures due to their external indebtedness arising principally out of public indebtedness. A large part of the US public debt is financed by China and other East Asian economies.

The ability of China and other developing countries to lend to the USA is the also the result of reckless consumption by US citizens. As the majority of the population in the US found its income to be nearly stagnant, consumption was allowed to increase with the help of easy consumer finance, which included housing finance. The case of the sub-prime crisis has been well documented. The crisis only brought to fore the fact that expenditure financed by debt has severe limits. As the American financial system, encouraged by government policy that could not frontally deal with the problem of rising inequalities, provided easy credit to both credit and non-credit worthy Americans, US household debt as a percentage of annual disposable income rose from 77 per cent in 1990 to 127 per cent in 2007. The average American household possessed seventeen credit cards! The rate of savings became negligible and occasionally even fell into negative territory. The financial system also benefitted from the lending to USA by the export surplus countries. The current phase of globalization has therefore been marked by a reversal of capital flows to the advanced countries from the developing ones.

IV

The current crisis of globalization have been sought to be addressed with a mindset that remains rooted in old ideas that are becoming increasingly irrelevant in a globalized world. Problems have grown and taken on international dimensions and they cannot be solved effectively from perspectives of 'national interests'. To take an example, the Greek economic crisis cannot be addressed by imposing greater hardships on the Greek people alone. The beneficiaries of the single European currency also need to share the benefits with disadvantaged countries of the Euro zone. The inequalities, which perpetuate due to lack of movement of labour and the absence of cross-national fiscal transfers, do not allow an effective resolution of the crisis faced by a number of Euro zone countries. Similarly, it is not possible to sustain debt-driven high consumption in one part of the world by running export surpluses and capital outflows in other parts of the globe for a substantial period of time.

A second lesson that is emerging is that increasing income and wealth inequalities can no longer be brushed under the carpet of growth fundamentalism. The world today produces enough, on a per capita GDP basis, to meet even an extended basic needs list of every global citizen. Yet, in country after country, inequalities are on the rise. Many developing countries, including China and India, have high growth rates and worsening Gini-coefficients. We seem to be repeating the mistakes of the post 1970s western economies. This could be sustained by exporting to the Western economies. But with those economies faltering, the need to address the problem of inequality is not only an ideal but a practical necessity even to sustain the growth momentum.

Finally, the 'invisible hand' has not been able to resolve many of the problems arising out of unbridled pursuit of self-interest. Devising systems of incentives and disincentives does not seem to adequately address the mismatch between personal and social ends.

The financial crisis and the subsequent response have only highlighted the problems of free-markets and incentive systems within organizations. There is once again a call for regulation. But in a globalized world, the effectiveness of regulation by individual countries is extremely limited. The problem may be addressed by agreeing to regulatory measures and systems that are adopted and effectively implemented by all countries. But this is extremely difficult to put in place, besides having doubtful utility. Perhaps we need an alternative world-view based on equality, justice and cooperation. Can India contribute towards the building of a new global vision that more effectively deals with the inevitable process of globalization?

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Commentary Section

Naked Life in the Borders

Arup Kumar Sen

Our political imagination is dominated by the nation state and the notion of citizenship. The onset of 'globalization' has opened up the borders of the nation states regarding flow of commodities, technologies, information and ideas. But, the flow of people across borders has not got due attention in the mainstream political discourse. At the beginning of the 21st century, the eminent political philosopher, Giorgio Agamben, put a question mark to our notion of 'politics':

If politics today seems to be going through a protracted eclipse and appears in a subaltern position with respect to religion, economics, and even the law, that is so because, to the extent to which it has been losing sight of its own ontological status, it has failed to confront the transformations that gradually have emptied out its categories and concepts.¹

The liberal theory of citizenship is grossly inadequate to capture the specific experiences of the Indian nation. An Indian theory of citizenship is urgently needed for understanding the biography of the Indian nation. It should be kept in mind in this connection that the nation has two equally authentic subjects - the citizen and the alien. A theory of citizenship which does not take into account the existence of the alien fails to acknowledge the milieu of borders as well as of trans-border flows.²

At present, India possesses 111 enclaves inside Bangladesh territory while Bangladesh has 51 enclaves within Indian territory. The two countries govern their respective territories with these cartographic anomalies. The plight of the residents in the enclaves - estimated between 50,000 and 1,00,000 - cannot be ignored. Cut off from the mainland, the enclaves lack basic infrastructure such as electricity, hospitals, schools, etc. The residents are allowed to go to their respective countries after seeking permission from the border guards. The latter use their authority to extract bribes and protection money.³

The recent video footage of a suspected Bangladeshi smuggler being brutally beaten and humiliated by BSF jawans has caused outrage in Bangladesh.⁴ In the Raninagar border of Murshidabad, the suspected cattle smuggler reportedly did not pay the usual bribe to please the jawans. He was forcibly stripped off and his naked body was brutally tortured by the jawans.⁵

The above incident has terrorized the residents of the Changrabandha border in the Coochbehar district of West Bengal. They fear that the border guards of Bangladesh (BDR) may torture them in retaliation. It is reported that about 1000 farmers of Changrabandha border stopped cultivating their lands. It may be mentioned that there are many tea gardens and agricultural lands in the region. The residents of India and Bangladesh cohabit there and many Indian residents cross the

barbed wires of the Tinbigha Corridor for cultivating lands. Though Murshidabad is far away from the Changrabandha border, the story of brutal torture of a Bangladeshi there created great fear in the distant border.⁶

The coercive power of the Border Security Force (BSF) is not exercised only on the border-crossing Bangladeshis. The Indian residents living in the Murshidabad border face multiple kinds of torture from the BSF in their everyday lives. The tale of Tuluara Bibi and Sirajul Mondol is an exemplary case of such torture.

Sirajul Mondol resides in a village under the Jalangi Police station in the Murshidabad district. The village is located in the Indo-Bangladesh border area on the eastern side of the river Padma. On October 3, 2011, Sirajul's wife, Tuluara Bibi, became sick due to continuous bleeding from menstruation and her life was at stake. Seeing her condition, Sirajul took her ailing wife in a 'donga' (a tiny boat made of tin) for her immediate treatment. He reached the nearby BSF outpost, showed his voter ID card and requested the two BSF jawans on duty to allow them to cross the river Padma to go to Sadikhan Dearth Hospital. The BSF jawans asked them to wait at the outpost for two hours. Sirajul informed them that the condition of his wife was critical and requested them to allow to move her as early as possible. On hearing this, the two BSF jawans used slangs and attacked Sirajul with sticks. After observing this bizarre episode, she came down from the donga, started crying and appealed to the jawans to leave them. The jawans threw abusive language and threatened to beat her as well. Within a few minutes, Tuluara became senseless due to heavy bleeding. Luckily, two women from the village came to the spot and took her care. After Tuluara regained her sense, they took her back to the donga. By this time many people came to the outpost to cross the river. Some of them sent messages to the villagers of Char Paraspur Sushil Colony. About 300 people gathered at the outpost and requested the BSF jawans on duty to release Sirajul and Tuluara immediately. But the jawans did not honor the request. Then, the villagers told Sirajul to flee with his ailing wife. When Sirajul and his wife came to the mid-river, the BSF personnel started indiscriminate lathicharge on the people gathered there. But, the people took all the boats, crossed the river and started 'road blockade' to protest against continuous harassment by the BSF.⁷

At the time of field study by a human rights organization (October, 10) Tuluara Bibi was under treatment at Sadikhan Dearth Hospital and two kids of Sirajul-Tuluara and their grandparents were living anxiously at Char Paraspur Sushil Colony. It may be noted in this connection that after admitting his wife at the hospital on October 4, Sirajul visited Jalangi Police Station the very next day to lodge complaint against atrocities of the BSF. But, the Sub-Inspector of police on duty did not accept the written complaint and threatened to arrest him. Sirajul was compelled to flee the police station. Sirajul expressed his strong apprehension to the representatives of the human rights organization that his aged parents and two innocent children may die of starvation in his absence.⁸

The above story testifies the precarious lives of inhabitants of the borders. The rights guaranteed in the Constitution do not carry any significant meaning in their lives. But, how do they survive against so many odds? The empathy and compassion of the co-inhabitants make their survival

possible. We do not know the language of such 'ethics of care'. Our rights-based language of politics is inadequate to address the ethos of survival and resistance of the border inhabitants.

(The present communication is dedicated to the fond memory of Dipika Das who embodied 'ethics of care' in her life.)

Notes:

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4. Ibid
5. See Ekdin, Kolkata, January 19, 2012.
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The Madras Presidency Army: Recruitment Doctrine and Training Mechanism, 1800-1857

Manas Dutta

Army is an important organization of a state which is essential for the protection of territorial integrity and security of the state. Recruitment is the first step in the making of a sepoy in army. In respect of the Army of the Madras Presidency the recruitments had to be moulded into the traditional European style. In the beginning, the East India Company showed more interest in recruiting the Europeans because they had no faith in the natives. But, soon the Company realized the practical difficulties to get sufficient number of qualified Europeans for its service in the Army. So there was no alternative and the Company was compelled to recruit the natives to the military force. This essay explores the strategies adopted by the East India Company to recruit the natives and organizing the natives in the Army during the period 1800 to 1857.

Recruitment and Training of European Soldiers

The successful wars with the French and local rulers in South India resulted in territorial expansion of the Company in Madras Presidency. The European military officers were recruited for the administration of the Madras Presidency. Since the numbers of civil servants were inadequate, the services of the military officers were utilized for the maintenance of the Army and the administration of the newly conquered territories as well.¹ But, the small number of the European officers recruited in the Army was a major problem².

In the early days direct commissions were offered to young Englishmen. This was the most popular policy followed by the Company while recruiting the officers.³ This kind of commission was not followed for Company's Army as it was in the case of the Royal Army. But, in the case of the Company's Army the retired officers of the European Regiments and those who are in the half pay during the peace time in Europe were also recruited in Company's Army.⁴ Such officers improved the organizational structure and boosted the morale of the Army. In 1786, the Court of Directors succeeded in getting some officers trained at their own expenses in the Royal Military Academy at Woolwich. Since then the quality of officers had greatly improved.⁵ Similarly, the Court of Directors clearly realized the importance of training, imparted to the officers who shouldered the serious responsibility of administration of the British India. With this objective the newly appointed Viceroy Lord Wellesley founded the Fort William College in Calcutta in November, 1800 to train the civil servants. Similarly, the Fort St. George was also set up in Madras⁶.

But the number of officers provided by the Royal Military Academy at Woolwich was not adequate for Company's need for a vast army to control the territories under its occupation. Even in 1800,

Major General Braithwaite, the Commander-in-Chief of the Madras Army was worried about the security of European officers.⁷ So in 1812, the East India Company founded its own military College at Addiscombe⁸ for training the Artillery officers and Engineers.⁹ Later, the officers of the Infantry were also admitted into the College. Though officers, attached to the corps of Artillery engineers and to the infantry were imparted training at Addiscombe, there was no training worth the name for the officers of cavalry. But, the Court of Directors had given all the posts of commissioned officers to their relatives and friends without reference to qualifications and training. Consequently, these officers neither learnt on their own nor during their tenure in the regiments after their appointments¹⁰.

The Court of Directors was particularly eager to maintain a powerful European Corps since it was felt absolutely necessary for the security of their possessions.¹¹ They felt that since they were strangers in a foreign land they should have exclusive faith in the service of the natives in the army, and so they should keep faith in the soldiers brought from the European Companies.¹² Therefore they organized the Madras European regiment in order to infuse loyalty among the native troops to Company's rule and allowed it to mingle with the native troops

The European in the Company Army Service

In the early days there was no standard method followed by the Company for the recruitment of the European soldiers.¹³ The Company's European troops comprised the soldiers sent out from England. Moreover, there were very few prospective soldiers that would voluntarily come forward to enlist their names in the Company's Army. It is found that the European troops mostly composed of the mercenaries, deserters, prisoners of war, debtors, criminals, convicts, derelicts and bad characters.¹⁴ For example, by the end of 1754 sixty eight foreigners, some of whom were deserters from the French Army were enlisted in the European Infantry.¹⁵ Besides, men of all nationalities, those who were smuggled or kidnapped were enlisted.¹⁶ In 1796, the Governor-General directed the Madras Government also to recruit from amongst the Dutch in the neighbourhood of Madras¹⁷.

In 1781, the Company introduced a new method of enlistment of European soldiers. They entered into contracts with recruiting parties to enlist soldiers on certain conditions. So the enlisted soldiers were subjected to medical tests. When found fit, they were approved by the Majesty's inspecting officers, although this system proved ineffective.¹⁸ Similarly, in 1799, the system of recruitment of Europeans was revised.¹⁹ The Court of Directors dealt with the European soldiers in Company's Army in the same manner and with the same privileges as it was followed in the case of the British Army.

This greatly facilitated the proper uniformity between the King's troops and the Company's European Infantry.²⁰ Further the establishment to the recruiting soldiers and depots came into being in 1799.²¹ But, in 1801 the Depot was set up in the Isle of Wight.²² Another source of enlistment was provided by the list of volunteers from among the retiring personnel of the regiments of King's Majesty's Army.²³ These were the possible sources through which recruitment

for Company's Army in India were being carried out. The whole recruitment was carried out under the provision of Annals Mutiny Act and the Article of War²⁴.

The Native Recruitment

The natives were recruited in a large numbers in the later part of the eighteenth century. The Company required Indian military's man-power for several reasons. The Indian people (native troops) were healthier, compared to the white troops. This might have been considered due to the climatic conditions.²⁵ Also the Indian soldiers were four times cheaper than the white personnel. Moreover, utilization of colonial manpower for military purpose was necessary.²⁶ The East India Company's Army offered a large number of the government employment to the colonized Indians. Probably, they spent a large amount for their Army in India. About 30 per cent of the whole budget went into the maintenance of the Army during this time. But most of the revenues of the Colonial government went to feed the military establishment in the subcontinent.²⁷ This clearly indicates that Company's Army was always considered a more important segment. The Colonial government used two strategies, namely, 'inducement' and 'encouragement of younger sepoys'. Similarly, in the second half of the eighteenth century the East India Company had to depend largely on native agents for recruitment of the natives. The Company used mostly the tactics known in the military rank as 'inducement'.²⁸ For example, the Commander of the East India Company in Madras offered anybody who brought in 50 recruits the rank of Jemadar, or anybody who brought 30 recruits the rank of Havildar and the one who brought in 20 recruits the rank of Naik.²⁹ The Madras Government also encouraged the children of sepoys, wounded or killed in action to join the service. These boys were attached to the European units as cooks. Inner Munro says that these boys were attached to their masters and will keep close to their heels in the midst of the greatest dangers. When they grew up they became the best sepoys as all of them spoke English well.³⁰ The above explanation clearly focuses on how younger natives were recruited in the East India Company as sepoys and this also led from 1785 onwards the recruitment of the sepoys from the same village or related to each others as kinsmen. However, these are enough evidences to show that the natives were attracted by good and regular pay and by the magnetic influence of the military success. As a result the natives came forward to enlist themselves in the Company's military service.³¹ Apart from that, the Government of Madras was also interested to enlist them, so as to maintain a powerful army for the protection of the presidency against the formidable enemies like Tipu Sultan and the French.³² For the enlistment of the natives, recruiting parties detached themselves from the head quarter of recruitments or from the recruitment depots, authorized to enlist by the order of the Adjutant-General.³³ When the native officers or their sepoys went on furlough, they were instructed to bring with them recruits for the Company's native army.

A recruiting party normally consisted of European non-commissioned officers and native officers. After the arrival of a recruiting party in a particular district, its officer-in-charge either broke his detachment into smaller parties or sent out his men individually to different villages. Recruits were brought before the recruiting party, and they were examined by a medical officer. If they passed the tests, they were considered enlisted from the date of examination and their names were

forwarded on a monthly basis to the regiment by the recruiting officers. The selections of those recruits were to be approved by the commanding officers of the regiments. An important feature of early recruitment was a category called irregular troops. They were less expensive and were enlisted at the time of the war and they were disbanded immediately after the war was over³⁴.

General observations need to be recorded in the end. The recruitment policies in the Madras presidency varied in a considerable way. It would be fair to say that all worked mainly within the indigenous recruiting system and showed a preference for high caste recruits. But recruitment was only the first step in the making of a sepoy. The recruits had also to be moulded into European style and soldiers trained in different war tactics.

The core of balanced recruitment could be traced back to the pre-1857 period in India. This doctrine denied any linkage between the recruits' martial and their socio-cultural and occupational backgrounds, heredity, diet and climate. This ideology operated both in the Bombay and the Madras Armies. There was a lobby in the Madras Army, which pursued what can be termed as an 'Open Door' policy in respect of enlistment. In 1798, Lieutenant-General George Harris, Commander-in-Chief (C-in-C) of the Madras Army argued that though the South Indians were inferior in size and appearance compared to the so called martial Purbiyas, the former were hardy, thrifty and lacked religious prejudices. This doctrine also disregarded the criterion of height, even in the prestigious cavalry regiments and short men were taken. In 1839, the general orders of the C-in-C of the Madras Army laid down that Indians of all castes were eligible for recruitment. In the pre-1857 period, Madras and Bombay Armies followed the egalitarian recruitment policy which scored a victory because of certain factors. Awadh and Bihar being under the jurisdiction of the Bengal Presidency, the Bengal Army had the first choice in these areas. As a result, it monopolized the better variety of Purbiyas recruits leaving second grade material for other regional forces. Some Purbiyas who joined the Madras Army also deserted because of the high cost of living in the Madras Presidency.

The recruitment lobby who wanted to maintain a balance through a broad-based egalitarian policy accommodated many communities as far as possible. This was an attempt to make military force socially and territorially diverse, and thus to give a wide base to the colonial state. Yet, the balanced recruitment policy despite the policy of 'Divide and Rule', was somewhat uncolonial as the attempt in the long run was to create an army which would be representative of the indigenous society and this policy had both an indigenous as well as European base.

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Review Section

In Freedom's Shade: Ayesha Kidwai (Translated from Anis Kidwai's 'Aazaadi ki Chaaon Mein')

B.A. Samvartha 'Sahil'

One of the greatest story-tellers of the subcontinent Sadat Hasan Manto wanted his epitaph to read: Here lies Sadat Hasan Manto. With him lie buried all the arts and mysteries of short-story writing! Under tons of earth he lies, wondering who of the two is the greater short-story writer: God or he. Though there can be no dispute on the genius of Manto and his skills in story-telling we are forced to tell ourselves, at some points, the oft-quoted line that truth is always stranger than fiction and wonder who is the greatest short story writer, Manto or reality/ truth itself!

One such moment, earlier, were when Urvashi Butalia penned 'The Other Side of Silence: Voices from Partition of India' (2000), and latter when Ritu Menon and Kamla Bhasin edited 'Borders and Boundaries: Women in India's Partition' (1998), where the silences of the victims of the 1947 partition found voice. With the recent translation and publishing of Anis Kidwai's 'Aazaadi Ki Chaaon Mein' by her granddaughter Ayesha Kidwai as 'In Freedom's Shade' (Penguin Books, 2011) we are prompted to retrieve the silent voices of the victims of the communal conflagration during India's partition.

Asish Nandy in one of his lectures, on October, 8, 2007, in Heggodu, Karnataka, said that majority of the partition victims did not discuss the trauma of partition with their children or grand children. What can be made out of this is that there has been a great silence about the trauma of partition for a long time. Although there have been works of fiction by Manto, Khushwant Singh, Amrita Pritam and likes, the missing dot in the history has been the firsthand accounts and direct voices and not the metaphoric and fictitious ones, however close to reality they are.

Anis Kidwai's account from the time of partition fills a great gap for us to conceive partition and write the history of partition and thus also the history of India. The book was initially written in the year 1949 based on the notes jotted down about what she saw and observed around her in Delhi between 1947 and 1949 while she worked as a relief worker for partition victims. The book was first published in 1974 and then in 1978 in Urdu and later translated to Hindi and published in 1981.

The narrative of 'In Freedom's Shade' begins with the personal story of Anis Kidwai's husband being murdered and she moving to Delhi to spend the rest of her life in the path of Mahatma Gandhi. As her tryst with Gandhi unfolds, along with it starts unfolding the unheard and unvoiced stories of partition. We listen, from Anis Kidwai, Gandhi reminding her that, 'those whose life is devoted o service cannot afford this luxury,' of falling ill, which reflects not just the service-

mindfulness that Gandhi himself had and what he expected from his co-workers but also of the vastness of work that the dark times demanded from the volunteers devoted to service. From Kidwai we hear that voice and silence of Gandhi in direct relation to the partition and the violence that followed it.

Anis Kidwai gives us an account of the several victims with whom she crossed paths as and when she tried to rebuild the broken India and save the nation from further breaking. Her works at the Purana Qila camp and the camp at Humayun Tomb unfold as we read the book telling us the other history of the places- Humayun Tomb and Purana Qila, which has always stood in our minds for the Mughal times without reminding us how tomb and broken monuments sheltered lives when the streets became graveyards, and lives and nation was broken into pieces.

As we turn pages we come across several heart-wrenching stories like that of a Qawwali singer, who was devoted to singing and be heard, but could not sing because the time he lived in witnessed that the strings of heart were torn. Remembering the unknown musician Anis Kidwai says, 'How difficult it was for singers of happy songs to survive in such times.'

How were the times of Partition? A mother lost both her hands and was hospitalized with her daughter sitting next to her swathed in bandages and splints, groaning. Recollecting the scenario Anis Kidwai writes, 'but the that poor woman was bereft of her hands- hands with which she'd have caressed her daughter's head, stroked her back, moistened her parched mouth, soothed her pain.' There was wound everywhere and not enough hands and hearts to soothe the pains.

Supply of blankets for the victims of violence was not sufficient. Complaints to and request by Bapu would have also not assured the required supply of blankets. At the camp, the bodily needs had to be met with two bricks and at other times the very same two bricks would be put together to serve as a kitchen stove. With the health of the new-born nation collapsing the health of the nation's people collapsed in these camps. Pneumonia and influenza swept through the camps, in winter, with less medical facilities.

In Purana Qila even a dead body lied with no relative left to bury. The Maulvi refused to do the rituals. In the end women, mainly relief workers, bury the body after asking every single man to help them bury the male body as they- the women could not bathe and burry the body . In Humayun's Tomb the shrouds being distributed were short in size because the increase in the number of dead had left little cloth for shrouds and many men and women were buried in their soiled clothes, dupattas or dirty sheets.

Women abducted, raped and murdered, children orphaned and murdered all become a part of Anis Kidwai's narrative along with the houses burnt, looted and broken down or occupied for shelter by the refugees. We see the masjids and mazaars being damaged and broken and thus memories being erased. We see men turning beasts and plotting against and scripting murders of those with whom they have lived for decades together. We see the idea of Nation reshaping communities. We see

communities bathing in blood; thanks to the sword and bullets provided by the idea of nation. We see women turning violent and we see women's body becoming the space of revenge and violence, unlike the communal violence in the earlier riots. We hear silent screams and screaming silence.

Amidst all these we see the Jamia students trying to weave the torn dupattas to cover the shame of mother land. We see the service of Shanti Dal and many unknown volunteers who all tried rebuilding lives through schools, street games, mushairas, handloom industries and the possible paths that were available to them.

We also learn of those humanizing stories where strangers formed a family or strangers stood by each other like family members, bonded like family even when from opposite faiths to survive the dark times and set an example for history to learn. We learn of the unknown Babas who made children happy by distributing sweets to them and also about the Management of the Delhi Cloth Mill who arranged for an exchange of workers between their Delhi factory and the Lyallpur factory in Pakistan, which saved the lives of all those workers.

Though the narrative leaves us with several questions of right and wrong especially in the episodes of reuniting the women with the family, especially in the complicated cases where the women would fall in love with the man or become pregnant because of the man, etc. and the episodes where the Dalits were forced to carry the dead bodies when others refused to, the strength of the book lies in narrating the stories and documenting the incidents honestly which gives a lot of space to debate and discuss the right and wrong, making space for understanding and writing and rewriting history for ourselves. In this honesty the book essentially documents the complexities of the Partition Time.

Even when certain incidents and episodes need to be critiqued by the readers what the book does essentially is to fill the gap in the history of India and the history of partition by unveiling the beastly nature of men, the human nature of men, the apathy of Congress, the conspiracies of RSS and the triumph of humanity over beastliness of men at places and the damages done to humanity by the traumas of the time. The book is important since it is a major dot in history which needs to be connected with other dots to get a complete picture of history.

Anis Kidwai ends her book, which documents not just dates and places but also the 'inner states of mind and hearts of the people,' saying the book must reach the youth before they 'lower their crafts into the river,' because by reading they 'are able to divine the direction of the wind and understand where the rocks and whirlpools lie.'

Interestingly the opening sentence of this new translation by Ayesha Kidwai says she read her grandmother's book for the first time in April 2002 in the wake of Gujarat violence! History will repeat itself in case we do not learn from history. To learn we need to visit, revisit, write, rewrite history and importantly shame ourselves with episodes of history which is our shame. Shame and guilt humanizes the heart.

In her preface to the 1974 edition Anis Kidwai quotes Maulana Mohammad Ayyub Surti Qasmi as:

Taaza khwaabhi dashtan gar daagh haaye seena ra

Gaahe gaahe baaz khwaan en qissa-e-pareena ra

(If you wish the scars in your heart to remain fresh

Then, from time to time, revisit this old tale afresh.)

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Women Issues in Modern India

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Feminism in Search of an Identity - The Indian Context by Meena Kelkar & Deepti Gangavane (ed.). Jaipur: Rawat Publications, 2003, 254 pp., Rs. 500 (HB). ISBN: 81-7033-759-3

Feminism has always been a highly prolific topic of discussion in academia, an area of contestations of power. Multiple themes and thematic forms criss-crosses the very figurative of the structure called feminism. It is a matter of debate whether feminism needs to be pro-women or pro-human (off course not the 'huMan' rendition of the term). These issues are important in several ways. It reshuffles the theoretical focal points as its priorities. This re-shuffling is important as it re-formulates the ontological positions. Therefore, pinning down a tendency of thought into a closed frame of reference is always elusive. The re-shuffling helps to construct the 'subject' in its continuous dialogue with time and space. These constructions in turn give clues to the 'subject' about its 'identity' and the present book is an effort in this regard. It is a collection of articles which aim at deciphering the theoretical possibilities within a space and time frame of Indian tradition. The aim is to create a new sensibility to understand feminism within the Indian context.

The volume comprises thirteen thought-provoking papers starting with the one by editors themselves. It lays the backdrop of the entire book. Several Scholars from various fields of the humanities have contributed to this volume. These contributions serve as fruitful instances of ongoing dialogue with the tradition which is critical and appreciative at the same time. The editors are colleagues in the University of Pune at the Department of Philosophy. Both have the credit of a number of publications on feminism. Meena Kelkar authored two books on feminism like

'Bhartiya Stree: Samkalpana aani Pratima (Marathi) and 'Subordination of Woman: A New Perspective'. Deepti Gangavane authored a book titled 'Dialogues of Reasonableness'.

As have been mentioned, the present volume is an outcome of a research project undertaken initially by Dr. Meena Kelkar and carried further by Dr. Deepti Gangavane of the Department of Philosophy, University of Pune. Under its first phase, the department, although undertook several projects, but at a later state began taking newer interests in emerging feminist studies. At this stage, Dr. Meena Kelkar undertook a research project on the theme: 'Feminism in Search of an Identity: The Indian context'. The present volume is an outcome of this research. The project is devoted to a dialogue between manifold nuances of Indian culture & tradition with the objective of searching for theoretical possibilities available within the tradition itself that may serve as a new vantage point in the struggle for the empowerment of women. With these objectives in mind, Dr. Kelkar and Dr. Gangavane have structured the project around various themes, perspective & concerns in terms of which the issue of the identity of women and Indian tradition appears and reappears itself. The various contributions in the present volume are arranged, outwardly chronologically, but thematically from within, by way of tracing and critiquing the development and dynamism which the tradition allegedly seeks to offer. The historical and the critical understanding of tradition must be dialogical in character, a way of continuously evolving character rather than an end in itself.

Regarding the conceptual justification, the volume resonates the theoretical underpinnings very clearly. The issue of empowerment of women, which is central to feminism, is conceptually negotiated with 'identity' and 'freedom', because unless possibility of having a stable identity and freedom is assumed, all deliberations regarding empowerment become redundant. The concept of identity is crucially important as it provides a locus for freedom and fulfills a precondition of empowerment. Thus, feminist discourse, in general has to take up the question of identity. Moreover, localized feminist discourse entails culture-specific identities & problems attached with

it. The present reference to India presents such a scenario, although potentialities of transcending the local space are always very much there. Despite the locale factors, the discourses need to see the way in which the question of identity is discussed at both theoretical and practical levels. This implies that it needs to be seen whether accepting identity necessitates acceptance of essences which are pre-given. On the other hand, totally giving-up the notion of identity within the purview of a discourse that is intricately connected with certain social practices, raises fundamental questions about the viability of such position. The bond between identities and essences can be addressed in such a way that identities do not get essentialized.

In the case of identity of women, the ontological resemblances are of course biological in nature. However, what is more significant for the feminist discourse is the 'gender identity' which is fundamentally a social construct. It must be noted that what differentiates 'gender identity' from other types of identities is that 'gender identity' has a biological base. Although technological advances have challenged many understandings of female contribution in reproduction and associated practices, the basic biological division among male and female remains intact. It seems, these two cannot be separated entirely. In fact, rejecting biological is not needed, what is needed is the rejection of 'social' hierarchy or hierarchies.

In fact, the very logic of the concept of identity leads us not just to commonalities shared by all members, but also to differences that exist between them and the members of other groups. That is why oppression may change not only from one society to the other but also within a single society.

The present volume seeks to unravel these identities in question within the broader framework of Indian tradition. Each of these chapters highlight on the continuous dialogue that exists between different time-genres and cut across them to put forward a search for a location of feminism's identity on a holistic ground.

The first article is co-authored by Meena Kelkar and Deepti Gangavane. It addresses itself to the concepts of identity and empowerment, addressing the connectedness between the two. It underlines the importance of freedom and discusses various senses of the term. To them, freedom is a matter of 'being' rather than 'having'. It is not a reaction to a stimulus because any reaction which will bring about 'another conformity', another form of 'domination'. They think that revolting against a society is not freedom as that is also entrapped in a pattern. Freedom is a state of mind wherein one can doubt and question everything and therefore so intense and vigorous that it throws away every form of dependence, slavery and acceptance. It is freedom of dismantling our very thought structures, going beyond one's gendered identity. It is a process of 'mental reconditioning' leading to transcendence from the 'given' categories of thought. Freedom is an expression of the ability to transcend the given and thus has an emancipatory value. Finally it suggests that in ancient Indian thought, the question of identity was never treated in individualistic terms. The basic objective of this article is to provide some theoretical reflections regarding feminist discourse with special reference to India. In this connection the authors have tried to reconcile the dichotomy between 'I' and 'It' with 'I' and 'We'. To them, search for an identity of feminism lies with the negation of 'I' with the inclusion of 'We' because sublimation of identity will be replaced by consideration for others.

In her article Sucheta Paranjape states how the exalted position of women was characteristic to Rig-Vedic period. Right from her birth, the female child was treated at par with male one. Although male child was coveted because of continuous 'war', still female child was not exactly unwanted.

While describing a happy family, a Vedic seer describes the couple as 'putrinastah kumarinah' "" those with sons and daughters. Even the mantras from the marriage hymns are very eloquent and throw light on women's role as wife. Paranjape argues that in this period, the description of female body was within the limits of decency, but those limits were transgressed in later literacy works. She points out that the high status and position of woman slowly became less important and the Vedic insights were totally ignored.

Nirmala Kulkarni shows, how the complimentary role of woman in Vedic ritual was rejected in the period of 'Satpatha Brahmana'. She explains this with special reference to the 'pravargya' ritual. Both these articles highlight the fact that the primitive, simple form of life that was nearer to nature did not contain any derogatory reference to womanhood but along with the ritualistic pattern of life, the degrading forces came into existence and that resulted in the lowering of the status of woman afterwards.

The examination of some images of women, have been attempted by Mangala Athalye within the context of epic like Mahabharata. These epics exert a powerful impact on our modes of thoughts and feelings and fellowship. Athalye starts with significance of image in human sciences to understand the categories that emerge through the subjective thinking on the part of the human being. Authors have particularly selected five images from Mahabharata not arbitrarily but strategically. The strategies were to exclude socially stereo-typed categories, to portray different roles in different situations and to exhibit their efforts who have tried to reach perfection in their own ways. The five images selected were five different Mahabharata characters in the likes of Draupadi, Pancacuda, Sulabha, Amba and Suvarcala. Author was cautious in her portrayals, the erroneous understanding that some characterization might have exaggerated certain attributes over others. She states that the ideal and exemplary image of Draupadi has another side to it. She also

describes the images of Amba, Suvarcala, Pancacuda, and Sulabha which are deviant, neglected images and yet are significant from the modern print of view.

Meena Kelkar argues that the model of Beeja-Ksetra is at the root of male domination. This model was treated as if it was a scientific truth and later on it percolated into literature, customs and practices. In her article on man-woman relationship she suggests that even within the male-dominated discourse there is a possibility of progressive transcendence in terms of a better attitude towards woman. The same discourse contains the 'Brahma-Maya' model that denies any status to woman, the 'Purusa-Prakriti' model that grants independent existence to woman and the 'Siva-Shakti' model opens up a new form of life wherein woman is respected. Both the glorified and denigrated versions highlight new areas of research.

Lata Chhatra addresses the issue of women's empowerment from the Buddhist perspective. She argues that gap between the theoretical and the practical aspect of empowerment is due to what the Buddhists call the 'Klesavarana' and 'Jneyavarane'. She further suggests that for solving the problem of women's empowerment, it is necessary to transcend the dualistic model and to accept that each individual is an aggregation of 'Panchaskandha', he or she is a unique individual. Each individual either man or woman has good or bad qualities. The important contribution of Buddhism of feminist philosophy that it does not give much importance to making certain changes in the society, but it gives importance to making mental and spiritual changes in woman and society.

Nirmala Kulkarni concentrates on two key concepts, one that of ancient times, i.e. Salvation and the other of the 21st century, i.e. Women. The paper tries to associate these two concepts and see how far women were associated with it. Kulkarni describes the concept of women in the Jain

philosophy with special reference to 'Prabhacandra Suri'. Author points out that denial of woman's individuality and of her rights in the material and spiritual realms that we find here was continual for centuries. Prabhacandra implies a structure of prejudice, fixation, closure and oppression for women. It is a patriarchal tool that humiliates woman's position in the context of spiritual 'salvation' as it denounces the position of women in religion as it asserts " 'Women do not deserve spiritual freedom, because they are inferior to men' (purusebhyo hinatvat').

Vaijayanti Arun Belsare views the doctrine of 'purusartha' from a gender perspective. She divides the paper into four basic parts:

- i) Discussion of the nature and significance of gender perspective.
- ii) Application of the gender perspective to the doctrine of 'purusartha'.
- iii) Exploration of the pre-suppositions, principles and viewpoints underlying the doctrine of 'purusartha' and ,
- iv) Pointing out the relevance of this attempt to the present day phenomena. Author tries to review the doctrine of the four 'purusarthas' from the standpoint of women and brings to the fore the inadequacies of the doctrine as a moral theory, which was considered to be a well-knit doctrine, an all embracing one that takes care of the well-being of both individual and society.

Radhika Seshan addresses the question of identity and relates this question to the life and work of three medieval women sants " Auvaiyyar, Akkamahadevi and Mirabai. She makes a distinction between 'being deviant' and 'being different' and suggests that the rebellious spirit of these saints was socially appropriated in such a manner that their dissent was subsumed within the 'Bhakti' tradition.

Vidyut Bhagwat attempts to understand the essence of womanhood in the writings of Mahadaisa, Muktabai, Janabai, Bahenabai and Venabai, who were women saints. In their writings, the author tries to elicit out the picture of man-woman relationship, the emancipatory potential inherent in these writings for feminism as well as the 'voices' of these women saints against evil traditions, social taboos and misconceptions.

Shantishree Pandit in her 'Self-Respect Movement pictures a 19th century reformist movement in South India. The author puts forward Periyar's contribution in providing a non-western framework to gender-identity. Periyar has brought out the connections between the hegemonic 'Brahmanical' discourse on one hand and patriarchy and caste system on the other. Author thinks that Periyar's reconstruction of feminine in the private and public sphere is a useful framework for situating women's movement in India.

The final article takes up a very pressing and significant area pertaining to the role of media in constructing the image of a woman. Audio-visual media, particularly cinema plays an important role in identity construction of today's woman. Author provides an illustrating presentation of the visual images and the ideological messages presented by popular cinema. She insists on the need for having critical tool to resist the tremendous force of what she calls the 'Grand Reduction Sale'. Author puts emphasis on social forces that act as instigator to such image constructions.

In a nutshell, if we browse over the contents, we will see that a flow of dialogue has taken place. Starting with the image of woman in the Vedic period, tracing the development and dynamism within the tradition during Middle Ages, the dialogue momentarily culminates into an analysis of the portrayal of woman in popular culture, viz. contemporary Hindi Cinema. All these attempts

could be seen as exercises in the methodology of dialogue. The dialogic communication with tradition takes two forms. Sometimes it unearths neglected and marginalized areas. Sometimes it results in new hermeneutics of the discourse. It encourages one to construct new images of womanhood. Identity therefore, allows one to look for new relationships with our own tradition.

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Inclusive