

# Reply to Utsa Patnaik: If the Cap Fits . . .

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In her comments on my article, Utsa Patnaik makes a number of interrelated claims.<sup>1</sup> First, that I unjustifiably characterize the “semi-feudal” thesis as revisionist. Second, that my view about the existence of a link between capitalism and unfree labour is commonplace. And third, that I fail to differentiate unfreedom in terms of its implications for and effects on metropolitan capitalist countries on the one hand and developing ex-colonial countries on the other. According to her, this difference arises from a situation in which surpluses generated by Indian agriculture during the colonial era were exported to finance industrialization in metropolitan contexts, resulting in forced commercialization by landlord, trader and usurer; in short, a process which failed to eliminate semi-feudal unfree agrarian relations and consequently to develop capitalism in colonial countries, and thus promoted in these contexts not proletarianization but pauperization.<sup>2</sup>

Against this view, which amounts at times to an ill-informed chauvinism that is not merely un-Marxist but anti-Marxist, it will be argued here that, at a general level, Patnaik’s eclecticism and inconsistency make it difficult to know exactly where she stands on a given issue at any particular moment. More specifically, and the contradictory nature of her statements notwithstanding, it will also be argued that epistemologically and politically her comments are premised on three interconnected fallacies: that in India a “pure” form of capitalism is the next necessary step in agrarian transition, that capitalists would be “progressive” under such a bourgeois democratic stage, and that as a consequence unfree labour would then be eliminated.

Patnaik’s argument seems to be that only advanced economic development along the lines of metropolitan capitalism will lead to proletarianization, and that basically this is the reason both for the continued

<sup>1</sup> Tom Brass, “Some Observations on Unfree Labour, Capitalist Restructuring, and Deproletarianization”, *International Review of Social History*, 39 (1994), pp. 255–275.

<sup>2</sup> For her claim that agrarian change in India corresponded to pauperization and not proletarianization, see Patnaik, “Agrestic Unfreedom”, pp. 80, 90. Despite frequent changes of mind on details and theory, this position has been expounded by Patnaik in a number of previous texts. See, for example, her various contributions to the mode of production debate, contained in A. Rudra *et al.*, *Studies in the Development of Capitalism in India* (Lahore, 1978) and U. Patnaik (ed.), *Agrarian Relations and Accumulation: The “Mode of Production” Debate in India* (Bombay, 1990), and also “The Agrarian Question and Development of Capitalism in India”, *Economic and Political Weekly*, 21 (1986), pp. 781–793.

existence of unfreedom in underdeveloped ex-colonies like India and for the necessity in the latter context of passing through a bourgeois democratic stage. In refuting this, it will be shown that because the idealist teleology structuring her conceptualization of peasants/pauperization downplays the importance or even the possibility of smallholders being a *de facto* industrial reserve army of labour, the process of capitalist restructuring by means of unfree labour formally subsumed under capital in the context of a technologically backward agriculture does not arise.

### SEMI-FEUDALISM, FEUDALISM, CAPITALISM AND UNFREE LABOUR

The first objection can be dealt with quickly, since in claiming that I characterize the “semi-feudal” thesis as revisionist Patnaik is quite simply wrong.<sup>3</sup> She is only able to make this claim in the first place by misquoting my original text: in the incomplete form reproduced by her, the quote does indeed appear to suggest that I regard the “semi-feudal” thesis as one of the “two interrelated revisionist interpretations of unfree production relations”. However, a glance at the original text, and in particular the portion omitted by Patnaik, quickly verifies that neither of the two forms of revisionism referred to by me is in fact the “semi-feudal” thesis.<sup>4</sup> As I make quite clear, I do not regard the latter as revisionist: quite the contrary is the case, since the “semi-feudal” thesis does not conform to the defining characteristic of revisionism – the denial or dilution of unfreedom. Accordingly, not only is the semi-feudal thesis for me the mirror image (= opposite) of revisionism but I also share its view regarding the coercive nature of employer/worker relations.<sup>5</sup>

<sup>3</sup> Patnaik, “Agrestic Unfreedom”, pp. 79–80.

<sup>4</sup> The complete text is as follows: “it will be necessary to confront two interrelated revisionist interpretations of unfree production relations: *on the one hand neo-classical economic theory, and on the other the ‘culturalist’ arguments derived from moral economy, survival strategies and resistance theory, (re-) interpretations which involve either a denial or a dilution of unfree labour.* Faced with the coexistence of unfreedom and capitalist production, yet unable to theorize the connection between them, one variant of Marxism (the semi-feudal thesis) is in some senses a mirror image of revisionism. The latter accepts the presence of capitalism, and accordingly redefines unfree relations of production as a form of free wage labour; the former, by contrast, accepts the presence of unfreedom, but redefines the mode of production itself as feudal or semi-feudal.” Brass, “Some Observations”, p. 255. The portion in italics is missing from the version quoted by Patnaik.

<sup>5</sup> For my views on the “semi-feudal” thesis, see Brass, “Some Observations”, pp. 268–271. There is a rather obvious clue in the organization of the text itself as to why I do not regard the “semi-feudal” thesis as revisionist. Hence the “semi-feudal” thesis is included in a section all of its own, thereby separating it both physically and theoretically from the arguments considered revisionist (pp. 260–268). Perhaps the difficulty is simply one of mis-reading: the term “variant”, which Patnaik seems to think applies to a link with revisionism (semi-feudalism = variant of revisionism), in the relevant section of my

As is evident from her exchanges with Chattopadhyay and Ram in the course of the debate on the mode of production in India, Patnaik's views about what constitutes feudalism/semi-feudalism, capitalism, free and unfree labour-power together with the conditions structuring their reproduction are contradictory and subject to constant revision.<sup>6</sup> On a previous occasion I have described Patnaik's views about the connection between unfree labour and capitalism as confused, and nothing she states here leads me to revise that opinion in her favour – much rather the contrary.<sup>7</sup> To maintain, therefore, that the existence of a connection between unfreedom and capitalism is widely conceded and hence “unexceptionable”, is not only breathtakingly inappropriate coming from her but quite simply wrong.

Most of the theoretical difficulties that Patnaik has with the concept “unfree labour” (and much else besides) stem from her faulty understanding of capitalism as a *system* of production. For Patnaik, the existence of capitalist production relations is signalled by a combination of market demand, reinvestment by the producer and the presence of wage labour; the latter is by itself not deemed by her as being a

text actually applies to a link with Marxism (semi-feudalism = variant of Marxism). Brass, “Some Observations”, p. 269.

<sup>6</sup> Here I follow the exchange as set out in Rudra *et al.*, *Studies*, the earlier of the two collections about the “mode of production” debate in India. The latter volume presents a fuller and more accurate version of the debate between Utsa Patnaik and her critics, Paresh Chattopadhyay and N. Ram. Utsa Patnaik, “Capitalist Development in Agriculture – A Note”, pp. 53–77, “Development of Capitalism in Agriculture”, pp. 152–172, and “On the Mode of Production in Indian Agriculture – A Reply”, pp. 200–225; N. Ram, “Development of Capitalism in Agriculture”, pp. 140–150; Paresh Chattopadhyay, “On the Question of the Mode of Production in Indian Agriculture – A Preliminary Note”, pp. 174–198, and “Mode of Production in Indian Agriculture – An ‘Anti-Kritik’”, pp. 227–257. However, in the later version, edited by Patnaik herself, not only have these exchanges been reduced from 109 pages (chapters 8–12) to a mere 32 pages (chapters 6–8), in the process diluting the full force of the critique made of her by Chattopadhyay, but the contribution by Ram has been replaced with yet another piece by Patnaik herself (chapter 5), aimed at Rudra. Utsa Patnaik, “Capitalist Development in Agriculture – Further Comment”, in Patnaik, *Agrarian Relations*, pp. 62–71. In a similar vein, not only are the later sections of a text in the Rudra collection by Banaji containing criticisms of Patnaik absent from the text reproduced in the version edited by her, but his repudiation of an earlier critique (and hence an endorsement) of Chattopadhyay's argument about proletarianization is also missing; the Patnaik version, however, does contain the earlier text in which Banaji is critical of Chattopadhyay. Cf. Jairus Banaji, “Capitalist Domination and the Small Peasantry: Deccan Districts in the Late Nineteenth Century”, in Rudra *et al.*, *Studies*, pp. 407–412, 418–419, note 24; and Jairus Banaji, “For a Theory of Colonial Modes of Production”, and “Capitalist Domination and the Small Peasantry: Deccan Districts in the Late Nineteenth Century”, in U. Patnaik, *Agrarian Relations*, pp. 119–131, 234–250.

<sup>7</sup> See my review of Utsa Patnaik and Manjari Dingwaney (eds), *Chains of Servitude: Bondage and Slavery in India* (Madras, 1985), in the *Journal of Peasant Studies*, 14 (1986), pp. 120–126. Even Patnaik herself has admitted to being confused, so on this point at least we can agree. Patnaik, “Development of Capitalism”, p. 158.

sufficient condition for capitalism to exist. However, it emerges that by “reinvestment” she means surpluses ploughed back (literally) into the individual farm which generated them, rather than into means of production generally, or even to means of production in agriculture.<sup>8</sup> Such a view is not just wrong in terms of Marxist theory but also ignores the extent to which surplus appropriated from the agrarian labour process by capitalist farmers can be and – as Banaji and others show – is reinvested by them not in agriculture but in commerce, petty trading, and urban means of production.<sup>9</sup> Applying Patnaik’s flawed criterion for the presence/absence of capitalism to the wider industrial context, it would be possible to argue that because the General Motors corporation runs down investment in its North American labour process in order to switch accumulation from the USA to Poland, it can no longer be considered a capitalist enterprise!<sup>10</sup>

Similar problems exist with regard to her characterization of free labour-power, and its relationship to the presence/absence of both feudalism and capitalism.<sup>11</sup> According to Patnaik the emergence of capitalism

<sup>8</sup> On this point, see Andre Gunder Frank, “On ‘Feudal’ Modes, Models and Methods of Escaping Capitalist Reality”, *Economic and Political Weekly*, 8 (1973), pp. 36–37. As Frank rightly discerned, an important political consequence of reinvestment having to occur at the level of the surplus-generating farm for capitalism to exist is that socialism itself is postponed until the Greek Kalends. Much the same point is made by Chattopadhyay, “‘Anti-Kritik’”, pp. 237–238.

<sup>9</sup> Jairus Banaji, “The Farmers’ Movements: A Critique of Conservative Rural Coalitions”, in Tom Brass (ed.), *New Farmers’ Movements in India* (London, 1995), pp. 228–245. Another proponent of the “semi-feudal” thesis who ignores the implication of off-farm investment for his argument is Pradhan H. Prasad, *Lopsided Growth: Political Economy of Indian Development* (Bombay, 1989).

<sup>10</sup> Late in 1991, General Motors announced the closure of twenty-one of its car manufacturing plants across the US, with an expected loss in the latter context of 74,000 jobs. Within a matter of days, General Motors announced that it was taking a 70 per cent share in Poland’s state-owned car industry, in a deal worth US\$400 million. Late in 1992, Opel (the German subsidiary of General Motors) opened its new assembly plant on a greenfield site at Eisenach in what used to be East Germany. The reason for relocating from the US to Eastern Europe in this way is simply put: higher unemployment, lower wage rates and a longer working day. In short, what had occurred in this case was a massive process of capitalist restructuring (about which see more below), guided by considerations of profitability.

<sup>11</sup> Although Patnaik is not guilty of revisionism in the sense that it seeks to dilute/deny unfreedom, she nevertheless comes close to this when observing that: “there were many who regretted the passing of the old lack of freedom, when they saw what the new freedom could mean in suffering, within the first capitalistically developing countries themselves. In a feudal system as in all pre-capitalist systems generally, those at the top of the traditional hierarchy who lived by exploiting those at the bottom, also had a traditional obligation to protect and maintain the viability of their way of life: and all without exception within such a system subscribed to the world-view that every creature however mean had his or her allotted place, and a customary right to continue to occupy that place”. Patnaik, “Agrestic Unfreedom”, p. 81. It is anyway necessary to note that

in Europe was accompanied by a corresponding dissolution of feudal bondage, whereas in India unfree labour was retained by colonialism to serve its own interests.<sup>12</sup> In this way unfreedom and pauperization were imposed on India, thereby depriving it of the opportunity of developing along European lines; that is, to follow a pattern involving an autonomous transition to “pure” capitalism based on proletarianization. Not the least of the problems with this argument is that it ignores extensive debate on the issue of agrarian transition(s) in order to present us with a simplistic antithesis: between on the one hand India, where both feudalism and unfreedom were prolonged by colonialism; and on the other Europe where, according to Patnaik, the disintegration of feudalism which took place in the fourteenth century was marked both by “the creation of a free labour force” and by a corresponding rise of large-scale manufacturing and urbanization.<sup>13</sup> This dichotomy overlooks two things: first, that the durability of European feudalism extended well beyond the fourteenth century; and second, that the periodic reintroduction of unfreedom in Europe, together with the fact that in many areas European capitalism also expanded on the basis of feudal relations, challenges the exceptionalism she claims for ex-colonies in this regard.

Her views about the relationship between free wage labour and capitalism are no less confused. Notwithstanding the claim here that what was occurring in colonial India was not proletarianization but pauperization, elsewhere Patnaik has argued the opposite: that proletarianization was indeed taking place in rural India during the colonial period.<sup>14</sup> Moreover,

this highly idealized – not to say sentimental – account of the demise of feudalism sounds rather odd coming from someone who claims to be a Marxist.

<sup>12</sup> Patnaik, “Agrestic Unfreedom”, p. 78.

<sup>13</sup> Significantly, Patnaik makes no reference to the continuing debate about the nature of the similarities and the differences between European and non-European variants of feudalism. Jairus Banaji, “The Peasantry in the Feudal Mode of Production: Towards an Economic Model”, *Journal of Peasant Studies*, 3 (1976), pp. 299–320; T.J. Byres, (ed.), *Feudalism and Non-European Societies* (London, 1985); and Halil Berktaş and Suraiya Faroqi (eds), *New Approaches to State and Peasant in Ottoman History* (London, 1991). For the claim that European feudalism declined in the fourteenth century, and the development of European capitalism was accompanied by the emergence of free labour, urbanization and large-scale manufacturing, see Patnaik, “Agrestic Unfreedom”, p. 80, and “Development of Capitalism”, p. 98. In contrast to the view advanced here by Patnaik, one recent text puts the disintegration of feudalism much later. Robert Albritton, “Did Agrarian Capitalism Exist?”, *Journal of Peasant Studies*, 20 (1993), pp. 419–441.

<sup>14</sup> Patnaik, “A Note”, pp. 57, 58. In the latter text she refers to the existence of a “predominantly free class of wage-labourers [. . .] a large force of free wage-labourers”; in her subsequent contribution to the mode of production debate, she observes that “one of the earliest sources of proletarianization was undoubtedly displacement of craftsmen by imported manufactures [. . .] [r]igid enforcement of high revenue assessments in ryotwari areas and the sharp fluctuations in prices to which the peasant became increasingly vulnerable, led to the growing indebtedness of the poorer mass of the peasantry and the alienation of land from them by their creditors [. . .]”. Patnaik, “Development of Capital-

proletarianization, which Marxism theorizes as a relation of production – regardless of whether or not dispossession occurs in a context of economic growth – has also been attributed by Patnaik variously to the presence of urban industry and manufacturing, and simply to whether or not capitalism is expanding.<sup>15</sup>

About the characterization, the existence and the conditions of reproduction of unfree agrarian relations Patnaik has, like on so much else, changed her mind. Her initial contributions to the mode of production debate indicate that she understood unfree labour to refer to rural wage labourers who were either “tied to a piece of land” or lacked non-agricultural employment opportunities.<sup>16</sup> It was subsequently pointed out by her critics that since free labour-power in Marxist theory is characterized by a double separation, both from the means of labour and from the control of ‘an employer, unfreedom as a relation of production is unconnected with sectoral mobility *per se*.<sup>17</sup> Overlooking the lack of clarity which structures her own previous attempts to theorize the connection between capitalism and unfree labour, however, here she maintains confidently that the latter is commonplace and further

ism”, pp. 92–93. The arbitrary and tenuous nature of her theoretical approach to the issue of the presence/absence of pauperization/proletarianization, together with a belief that even in the mid-1970s a rural proletariat was still largely absent, is evident from Patnaik’s observation that: “full-time labourers would normally constitute an agricultural proletariat. However, given the Indian experience of the break-up of petty production in the colonial period without a simultaneous or sufficient growth of capitalist production in agriculture (other than the plantations, which remained a tiny enclave), *it seemed more realistic to regard the labourers as being the outcome of a process of pauperization, rather than proletarianization*. In recent years, in specific areas sections of the landless labourers are perhaps being converted into genuine proletarian sections employed in capitalist production, but the extent and importance of this remains to be explained” (emphasis added). Utsa Patnaik, “Class Differentiation within the Peasantry”, in Rudra *et al.*, *Studies*, p. 307.

<sup>15</sup> For her view that the existence of a proletariat depends on urbanization and the expansion of manufacturing, see Patnaik, “Agrestic Unfreedom”, pp. 82–83. For an earlier claim along the same lines, see Patnaik, “Development of Capitalism”, p. 99. Elsewhere she denies that this is the case, observing that “[i]t is quite true [. . .] that the development of capitalist manufacturing is associated with urban development, but *it would be incorrect to identify capitalist production with urban production*” (emphasis added). Utsa Patnaik, “Classical Theory of Rent and its Application to India: Some Preliminary Propositions, with Some Thoughts on Sharecropping”, *Journal of Peasant Studies*, 10 (1983), p. 81.

<sup>16</sup> See, for example, Patnaik, “A Note”, p. 58, and “Development of Capitalism”, pp. 127–128. Her confusion about this issue is evident from the observation that: “[t]he big landowner does not employ free wage labour for profit; he maximises the returns from destitute labour tied to agriculture and forced to accept bare subsistence wages”. *Ibid.*, p. 59 (for a similar claim, see Patnaik, “Capitalist Development”, pp. 97, 110; and “Development of Capitalist Production”, p. 157). Workers whom she herself refers to as “tied”/“forced” are nevertheless characterized by her as “free”.

<sup>17</sup> Ram, “Development of Capitalism”, p. 143; Chattopadhyay, “On the Question”, p. 192. This is the definition used not only by me in my analyses of unfree labour but also by other proponents of the “semi-feudal” thesis. Cf. Prasad, *Lopsided Growth*, p. 96.

that her own view is no different from that of Eric Williams. The implication is that there is only one theoretically acceptable view about this capitalism/unfreedom link, and that such a view – which she herself shares – is the one held by Williams.<sup>18</sup>

About this claim a couple of points can be made. First, contrary to her assertion that the capitalism/unfreedom link is “unexceptionable”, on an earlier occasion Patnaik has argued that moneylending and debt bondage relations are archaic remnants, to be eliminated by capital at the first opportunity, which suggests that she herself regards capitalism and unfreedom as antithetical.<sup>19</sup> And second, what is usually – and inaccurately – referred to as the Williams thesis consists of the proposition that, because it had become an obstacle to further development, slavery was destroyed by industrial capitalism.<sup>20</sup> By contrast, my argument is that in certain circumstances industrial capitalism actually depends on the continuation of unfree labour, which is the mirror image of the Williams’ view. *Pace* the claim made by Patnaik, therefore, and as her own varied and contradictory pronouncements on the subject suggest, the capitalism/unfreedom link is far from “unexceptionable”.

Most seriously, Patnaik’s characterization of unfreedom fails to question the main assumption of the “semi-feudal” thesis; namely, that modern forms of unfree labour are necessarily always and everywhere “survivals”, and thus evidence for the continuation of archaic relational forms (as implied in the concept “semi-feudalism”). Rather than linking the contemporary presence and/or increases in the incidence of agrestic servitude to the cost/control advantages this affords indigenous rural capitalists in specific regions of India, therefore, the continued existence of these relations is linked unproblematically to the colonial era. Such a theorization overlooks a different cause: the *active* resort by the rural bourgeoisie in contemporary India to loans and debt as a preferred method of controlling, cheapening or disciplining labour-power in order

<sup>18</sup> Patnaik, “Agrestic Unfreedom”, p. 77.

<sup>19</sup> Hence the observation that moneylending, which has “not been completely ousted by productive investment”, corresponds to unproductive investment. Patnaik, “A Note”, p. 74. On this point see also Patnaik, “Development of Capitalism”, pp. 99–100, 118. Unlike Patnaik, for whom moneylending and debt bondage are characteristics of pre-capitalist agriculture, Lenin by contrast regarded them as economic activity undertaken by rural and urban capitalists, the object of which was to enable members of the peasant bourgeoisie and informal sector employers to compete more efficiently by reducing wage costs. Lenin, “Development of Capitalism”, pp. 78–79, 444–445.

<sup>20</sup> In attributing this argument to Eric Williams, Patnaik makes a common mistake. As Williams himself acknowledged, this view was in fact elaborated some six years earlier by C.L.R. James. On this point, see Eric Williams, *Capitalism and Slavery* (London, 1964), p. 268, and C.L.R. James, *The Black Jacobins* (London, 1938), pp. 38–41. For the continuing debate about the influence of Eric Williams’ work, see Barbara L. Solow and S.L. Engerman (eds), *British Capitalism & Caribbean Slavery: The Legacy of Eric Williams* (Cambridge, 1987).

to set the capitalist labour process in motion.<sup>21</sup> In these circumstances, where unfreedom is initiated and reproduced by capital itself for the purpose of accumulating surplus-value, it is no longer possible to classify it as a relic of the past.

### INDUSTRIAL RESERVE ARMY, RESTRUCTURING, AND FORMAL SUBSUMPTION

My view about unfreedom emphasizes its origin in workforce recomposition that entails replacing free labour with unfree variants (= deproletarianization), in the process turning subjects of a different gender/religious/ethnic/regional/national identity who compose a national or international industrial reserve army of labour against one another. The difficulties evident in Patnaik's conceptualization of unfreedom arise from a denial of just such a process of deproletarianization, which in turn stems from her perception of the labouring subject as essentially a peasant rather than a worker, and consequently the emphasis she places on "repeasantization" as distinct from proletarianization as the desired political form of agrarian change. Central to this difference, therefore, is the existence, the role and the interconnectedness of the industrial reserve army of labour, the formal/real subsumption of labour under capital, and capitalist restructuring.

Her problems with the industrial reserve army of labour are twofold. First, the fact that her conceptual framework is structured by pauperization and the non-existence of landless labour is itself an epistemological obstacle to the theorization of "peasants" as constitutive of an industrial reserve army. Symptomatic of this difficulty is that, although here she denies that pre-capitalist India contained landless labour available for recruitment by capitalism, elsewhere Patnaik expounds a different view.<sup>22</sup>

<sup>21</sup> This dynamic entails not just the monetization of bondage – a change Patnaik admits, yet fails adequately to explain – but (perhaps of greater importance) a precise relocation of unfreedom in terms of the agrarian labour process. In the case of Green Revolution states such as Punjab and Haryana, such a transformation entails, amongst other things, the bonding of casual labour as well as attached workers. This involves a shift in the immobilizing function of debt from a continuous and inter-generational basis to a more period- and context-specific basis; not only is this arrangement more profitable from the view of capital (since it requires no payment for time not spent on productive activity), but its operationalization is as a result confined to the months of peak demand in the agricultural cycle, when sellers of labour-power would otherwise command high prices for their commodity. Tom Brass, "Class Struggle and the Deproletarianization of Agricultural Labour in Haryana (India)", *Journal of Peasant Studies*, 18 (1990), pp. 36–67.

<sup>22</sup> For the claim about the non-existence of pre-capitalist landless labour, see Patnaik, "Agestic Unfreedom", p. 81. For a contrary view, that historically "the classic process of the dispossession of small peasants and their conversion to labourers did not constitute the only source – *although it was the main one* – of the modern agricultural labour force" (emphasis added), and that land and labour markets operated under colonialism, see Patnaik, "Development of Capitalism", pp. 90, 99. Her confusion over this issue is evident from her reply to the critique by Chattopadhyay, where she complains: "One

And second, even where she acknowledges its existence, Patnaik still sees the industrial reserve army in terms of a simplistic duality, in which metropolitan capitalism imposes unfreedom on (a reserve army of) labour in the Third World while permitting its own workers to enjoy the economic (and political) benefits of freedom.<sup>23</sup> Even a superficial acquaintance with the history of capitalism in metropolitan contexts would demonstrate the falseness of such a view; much rather the opposite is the case, in that historically, and increasingly in a neo-liberal global economy, not only is the presence of bourgeois democracy no guarantee of free labour, but capital has shown no inclination to privilege workers in metropolitan contexts in terms of an unwillingness to impose unfreedom on them when the situation so demanded.<sup>24</sup>

really fails to see what [he] is driving at [. . .] or how the 'industrial reserve army' is at all relevant to my argument [. . .] How is Marx's concept of the 'industrial reserve army' within a capitalist mode of production at all relevant to my argument about a pauperised Indian peasantry forced to subsist on the land as wage-workers?". Patnaik, "On the Mode", p. 215.

<sup>23</sup> Patnaik, "Agrestic Unfreedom", pp. 83–86. Equally curious is the claim by Patnaik that political "stability" has been and is an important effect of this privileging by capital of workers' conditions in the metropolitan contexts, the implication being that in this regard a contrast can be drawn between politically stable metropolitan contexts and a politically unstable Third World. Not only does such a view ignore the history of bloody repression and class struggles in European and North American history, the occurrence and impact in these contexts of the periodic crises of capital (during the 1930s and the 1980s), the rise of the political right and the strong state (during the 1920s, the 1930s, and the 1980s), but it seems to be blind to the fact that current examples of political instability in the Third World which take the form of regional/national/religious conflict find an almost exact European parallel in Northern Ireland and the Basque region of Spain.

<sup>24</sup> The many examples of the resort by capital to unfree production relations in metropolitan contexts include the United States (peonage in the American South, migrant farm workers from Mexico and Central America, H-2 contract labour from Jamaica employed in the Florida sugarcane industry, workfare schemes), Japan (female textile workers in the Meiji era), the UK (sweatshop industries, camps for the unemployed during the 1930s), Germany (slave labour in the concentration camps, domestic and foreign workers under the Nazi regime) and South Africa (the apartheid system). For these and other examples, see Tom Brass, "Some Observations", pp. 269–274, notes 33, 34, 35, 38; and also "Slavery Now: Unfree Labour and Modern Capitalism", *Slavery & Abolition*, 9 (1988), pp. 183–197. Her claim about the "unexceptionable" nature of the capitalism/unfreedom link notwithstanding, such cases of unfree labour in what Patnaik refers to as "pure" capitalism cast doubt on the substance of her argument: either Nazi Germany was an example of "pure" capitalism, in which case her claim about the incompatibility between the latter and unfree labour does not hold, or it is necessary to recategorize fascism as a form of "semi-feudalism". On this, Mandel – a source that Patnaik, "Agrestic Unfreedom", p. 77, cites with approval – has commented: "[E]ven under conditions where the working class is completely atomized [. . .] the laws of the market which determine short-term fluctuations in the price of the commodity labour-power do not disappear. As soon as the industrial reserve army contracted in the Third Reich, workers were able to try, by means of rapid job mobility – for instance into the spheres of heavy industry and armaments which paid higher wage-rates and over-time – to achieve at least a modest

Where poor peasants are involved in this process of workforce decomposition/recomposition, Patnaik is guilty of conflating what is an ideological self-perception as a “peasant” with the economic reality of these subjects as rural workers.<sup>25</sup> Despite accepting both that these “peasants” own little or no means of production, and that in their case the proportion of subsistence derived from the sale of labour-power outweighs what is obtained by them from the sale of the product of labour, she nevertheless downplays/underestimates their role as surplus-value yielding workers and persists in reifying them as rent-paying peasants.<sup>26</sup> Not only does

improvement in their wages, even without trade union action. Only a violent intervention by the Nazi state to sustain the rate of surplus-value and the rate of profit, in the form of the legal *prohibition* of job changes, and the *compulsory tying* of workers to their job, was able to prevent the working class from utilizing more propitious conditions on the labour market. This abolition of freedom of movement of the German proletariat was one of the most striking demonstrations of the capitalist class nature of the Nationalist Socialist State” (original emphasis). Ernest Mandel, “Labour and the State in Nazi Germany”, in T. Nichols (ed.), *Capital and Labour: Studies in the Capitalist Labour Process* (London, 1980), p. 105.

<sup>25</sup> Lenin himself warned against essentializing the peasantry, which he condemned as the province of neo-populism. For him, therefore, the rural proletariat is composed of “the class of *allotment-holding wage-workers*”, which refers to “the poor peasants, including those that are completely landless; but the most typical representative of the Russian rural proletariat is the allotment-holding farm labourer [. . .] Insignificant farming on a patch of land, with the farm in a state of utter ruin (particularly evidenced by the leasing out of land), inability to exist without the sale of labour-power (= ‘industries’ of the indigent peasants), and extremely low standard of living (probably lower than that of a worker without an allotment) – such are the distinguishing features of this type [. . .] It should be added that our literature frequently contains too stereotyped an understanding of the theoretical proposition that capitalism requires the free, landless worker. This proposition is quite correct as indicating the main trend, but capitalism penetrates into agriculture particularly slowly and in extremely varied forms. The allotment of land to the rural worker is very often to the interests of the rural employers themselves, and that is why the allotment-holding rural worker is a type to be found in all capitalist countries [. . .] Each of these bears traces of a specific agrarian system, of a specific history of agrarian relations – but this does not prevent the economist from classing them all as one type of agricultural proletariat. The juridical right to his plot of land is absolutely immaterial to such a classification. Whether the land is his full property (as a small-holding peasant) or whether he is only allowed the use of it by the landlord [. . .] or, finally, whether he possesses it as a member of a Great-Russian peasant community – makes no difference at all. In assigning the indigent peasants to the rural proletariat we are saying nothing new. This term has already been used repeatedly by many writers, and only the Narodnik economists persist in speaking of the peasantry in general, as of something anti-capitalist, and close their eyes to the fact that the mass of the ‘peasantry’ have already taken a quite definite place in the general system of capitalist production, namely as agricultural and industrial wage-workers.” V.I. Lenin, “The Development of Capitalism in Russia”, *Collected Works*, 3 (1964), pp. 177–179.

<sup>26</sup> Ironically, Patnaik herself appears to accept that poor peasants are in reality no more than “peasants” when she observes: “The terms of tenancy in many cases made it difficult to distinguish between tenant and labourers; for a tenant might provide livestock and labour while landlord provided seed and water; while sometimes the tenant’s provision of livestock and labour was itself dependent upon obtaining a loan from the landlord or

the latter view disregard the fact that such instances do not correspond to "peasant economy", where a cultivator owns/controls his own means of labour and thus important aspects of his own economic reproduction, but it also ignores those cases where, from the viewpoint of the owner of the means of production, profitability from cultivation exceeds rental yield.<sup>27</sup> Apart from labour-power, such "peasants" own no property whatsoever; to continue to regard them as rent-paying cultivators, therefore, is wilfully to misrecognize the reality of which they are a part.<sup>28</sup>

At times it seems as if Patnaik's unwillingness to perceive rural workers behind the surface appearance of (poor) "peasant economy" derives from a tendency on her part to categorize unproblematically all landed relations together with their institutional forms simply as evidence for the existence of "semi-feudalism".<sup>29</sup> Indeed, in the face of the evidence she herself and others present, Patnaik appears to do no more than assert that the agrarian structure is pre-capitalist, or that certain forms of economic activity (land purchase, trade, moneylending) are of a "traditional" character.<sup>30</sup> Most importantly, essentializing the peasantry

other sources. In these circumstances the small share of output remaining to the tenant could be regarded as similar to wages, rather than his income from cultivation after payment of rent [. . .] the small peasant [. . .] is often forced to hire himself out as a labourer." Patnaik, "Capitalist Development", pp. 95–96.

<sup>27</sup> On the latter point, see Jayati Ghosh, "Differential and Absolute Land Rent", *Journal of Peasant Studies*, 13 (1985), p. 79. Furthermore, such a position runs the danger of conveying the impression that, were rents to be reduced or abolished, these subjects would as a result become the efficient peasant family farmers that neo-populists such as Michael Lipton and Paul Richards claim they could be.

<sup>28</sup> Now that the basic theoretical difficulty in continuing to categorize as "peasants" those who are nearly or actually landless must finally be dawning even on Patnaik, the "semi-feudal feature" in her argument has undergone an interesting and subtle shift of emphasis, away from the economic content and towards the ideological form of agrarian relations. Accordingly, the concept "semi-feudalism" no longer applies simply to production relations but rather to "caste-based relations of domination". Patnaik, "The Agrarian Question", pp. 786, 791.

<sup>29</sup> Hence the odd assertion by Patnaik (see the text cited in note 16 above) that, because a "dominant landlord" takes advantage of worker destitution, he consequently neither seeks to make a profit nor is he a capitalist! Patnaik, "A Note", p. 74, and "Development of Capitalism", pp. 99–100. This curious piece of "theory" demonstrates nothing other than her ignorance of the role of the industrial reserve army of labour in depressing wages and/or conditions by diminishing or eliminating the bargaining power of workers *vis-à-vis* capitalists. While Patnaik accepts that "a tractable labour supply" is the object of moneylending and debt bondage, therefore, she nevertheless persists in regarding the latter as pre-capitalist, despite the fact that agrarian capitalists are themselves also interested both in "a tractable labour supply" and in the relational forms which give rise to this.

<sup>30</sup> See, for example, Patnaik, "Capitalist Development", pp. 98, 99–100. By contrast, recent evidence from, for example, Haryana does indeed suggest that labour tying and not interest is the main object of moneylending by capitalist landowners. Based on interviews during 1988 with 110 farmers and 75 labourers in three villages in Kamal district, Jodhaka's D.Phil. thesis on the causes and effects of worker indebtedness demonstrates that

in this manner avoids confronting the distinction between the formal and real subsumption of labour under capital, and the fact that both permit the extraction of surplus-labour in the form of surplus-value.<sup>31</sup> In contrast to Patnaik, for whom the debt bondage mechanism is an archaic survival by means of which unproductive landlords extract pre-capitalist forms of rent from indebted smallholders (tenants, sharecroppers), therefore, my view is that in the case of a technically backward agrarian labour process formally subsumed under capital the creditor-employer extracts absolute surplus-value from unfree workers who own no property apart from their labour-power.

### BOURGEOIS DEMOCRACY, PERMANENT REVOLUTION AND REPEASANTIZATION

That economic development in post-Independence India has not followed and will not follow the *exact* path of European capitalism is an uncontro-

86 per cent of farmers who engaged in moneylending openly admitted that its object was to tie labour-power on a seasonal or permanent basis. S.S. Jodhaka, *Development and Debt – A Sociological Study of Changing Credit Relations in Haryana Agriculture* (Chandigarh, 1990), pp. 258–259, Table 5.11. The use by capitalist land-holders of moneylending explicitly to obtain, secure and cheapen the labour-power of agricultural workers also confirms that investment in the form of debt bondage is in an economic sense – and from the viewpoint of capital accumulation – productive and not unproductive. Patnaik herself implicitly concedes the latter when she observes elsewhere that: “On all except two holdings [male farm servants] were in some form of debt bondage [. . .] On large-scale farms with increasing mechanisation the wage bill is a lower proportion of total costs while productivity is higher than on small-scale holdings. Far from higher productivity labour receiving higher wages, if anything large-scale farms are often able to hire labour on more advantageous terms to themselves than are small-scale holdings.” Patnaik, “A Note”, p. 75. Precisely! This is exactly the reason why agrarian capitalists not only use bonded labour but also will not voluntarily change to employing free labour-power. Having informed us that Haryana is an area of capitalist production in general and peasant capitalism in particular, Patnaik unsurprisingly then changes her mind, and maintains that agriculture in this state is indeed “semi-feudal”. Cf. Utsa Patnaik, “Some Methodological Problems of Analysing Changing Agrarian Structure under Conditions of Capitalist Development and Technical Change”, in A.K. Gupta (ed.), *Agrarian Structure and Peasant Revolt in India* (New Delhi, 1986), pp. 41–42; and “Ascertaining the Economic Characteristics of Peasant-Classes-in-Themselves in Rural India: A Methodological and Empirical Exercise”, in J. Breman and S. Mundle (eds), *Rural Transformation in Asia* (Delhi, 1991), p. 419.

<sup>31</sup> The theory about distinction between the formal and real subsumption of labour under capital is set out in the final section of *Capital* (“Results of the Immediate Process of Production”). Karl Marx, *Capital*, vol. 1 (London, 1976), pp. 1019–1038. Patnaik is aware that the formal/real subsumption position, whereby the “analytical distinction between profit and rent was considered unimportant”, is the antithesis of her own. Patnaik, *Agrarian Relations and Accumulation*, pp. 2–3. Among those who have applied the concept real/formal subsumption of labour under capital to the analysis of agrarian relations in India are Jairus Banaji, Sudipto Mundle and Dipankar Gupta. Banaji, “Capitalist Domination”, pp. 351–428; Sudipto Mundle, *Backwardness and Bondage: Agrarian Relations in a South Bihar District* (New Delhi, 1979), p. 82ff.; Dipankar Gupta, “Formal and Real Subsump-

versial proposition that hardly anyone disputes: certainly not Marxists in general, and not this one in particular. However, then to argue – as does Patnaik – that it is necessary to wait for the arrival of an as-yet-to-be-realized “pure” form of capitalism before attempting a transition to socialism is to reinstate as an objective precisely that ideal type of capitalism the relevance of which to India she is at such pains to deny in the case of the European model.<sup>32</sup> The crux of the problem is, as always, a political issue: whether or not socialism should be postponed until after a “pure” capitalist stage has been ushered in, by an equally “pure” democratic bourgeoisie using correspondingly “pure” relations of production.

Not the least of the difficulties faced by Patnaik’s espousal of the necessity of a bourgeois democratic stage as the only “pure” form of capitalism that licenses revolution are the contrary examples of Russia in 1917 and China in 1949.<sup>33</sup> Like post-1947 India and many other ex-colonial nations in the Third World, agriculture in Russia and China on the eve of revolution was characterized not only by a low level of productive forces when compared with metropolitan capitalism (Europe, North America), but more importantly the accumulation occurring in these contexts was based on the existence of “feudal/semi-feudal remnants”, or precisely those unfree agrarian relations which Patnaik insists must be eliminated prior to a revolutionary upsurge.<sup>34</sup>

The question, therefore, is how does landlord capitalism change, and into what is it transformed? The answer given by Patnaik appears to suggest that in the case of India it will be replaced by a bourgeois democratic stage, in which peasant proprietorship reigns supreme. In other words, for Patnaik the abolition of landlord capitalism (= the Prussian path) will lead to peasant capitalism (= the American path), in the process realizing the classic two-stages theory of agrarian transformation whereby one form of capitalism (unbenign, landlord, undemocratic) is replaced not by socialism but by another “pure” form of capitalism (benign, peasant, democratic).<sup>35</sup> In such a two-stages pattern

tion of Labour under Capital – The Instance of Sharecropping”, in Gupta, *Agrarian Structure*, pp. 1–19.

<sup>32</sup> The search by Patnaik for the holy grail of “pure” capitalism in Indian agriculture parallels a similar kind of mythological quest by neo-classical economics for evidence of perfection in markets, prices, competition, and knowledge.

<sup>33</sup> Chattopadhyay, “Anti-Kritik”, pp. 238ff., makes exactly this point, which Patnaik failed to answer.

<sup>34</sup> For the “impure” structure of agrarian capitalism in these pre-revolutionary contexts, see among many others G.T. Robinson, *Rural Russia under the Old Regime* (London, 1932); R.H. Tawney, *Land and Labour in China* (London, 1932), pp. 51–77, and *Agrarian China* (Shanghai, 1938); J.L. Buck, *Chinese Farm Economy* (Chicago, 1930).

<sup>35</sup> The characterization here by Patnaik of the Prussian path of agrarian transition as one in which unproductive landlords employ bonded labour – but not for profit – is in marked contrast to an earlier view, when she maintained that such landlords were “investing in

of transformation the duty of socialists is to press not for socialism but rather to support elements of the “progressive” national bourgeoisie and to argue for the redistribution of land on an individual basis to small-holders (= “repeasantization”).<sup>36</sup> About this view the following three observations are in order.

First, and rather obviously, the two-stages theory of agrarian transformation ignores the existence and effect of capitalist restructuring. Hence the former identifies while the latter denies the existence of an economic and political distinction between landlord and peasant capitalists. In contrast to the two-stages theory, therefore, my argument is that, for reasons of cost and discipline, rich peasants no less than landlords engage in restructuring the agrarian labour process and thus also seek to replace free labour with its unfree equivalent. Consequently unfreedom is as acceptable to those elements of the “progressive” national bourgeoisie who according to Patnaik would emerge in the democratic stage as representatives of “pure” capitalism.<sup>37</sup>

land improvement, and producing for profit with hired labour”, and further that during the colonial era India was following neither the Prussian nor the American path of agrarian transformation. Cf. Patnaik, “Agrestic Unfreedom”, p. 90, and “Development of Capitalism”, pp. 101–102, 110, 113. Her initial characterization of the Prussian road suggests that landlords not only used free labour but also invested in the labour process – one of Patnaik’s own criteria for capitalism – in order to generate profit.

<sup>36</sup> The reformist politics to which this kind of argument gives rise were accurately described some thirty years ago by one Marxist in the following manner: “All three [left] parties at present assume that the state structure which has been elaborated by the Indian bourgeoisie is in fact and can work as a neutral institution which can be utilized for both good and evil. All of them assume that the basic task confronting socialists is to rectify the errors committed by the ruling class. According to them, to pursue this task they should [. . .] include in their programmes attempts at changing the personnel of the central and state governments, and demand association of non-government groups in framing national policies, and even the formation of a coalition National Government composed of members of different parties or composed of the best men in the country, irrespective of their party affiliations [. . .] These parties are thus engaged only in the task of counteracting ills arising out of the implementation of bourgeois policy, of healing wounds caused by the Indian bourgeois programmes. They are not interested in organizing movements to destroy the perennial source of these evils, the very structure which is being generated by the Indian bourgeoisie”. A.R. Desai, *India’s Path of Development: A Marxist Approach* (Bombay, 1984), pp. 151–152.

<sup>37</sup> The sample of 66 “relatively big landowners” interviewed by Patnaik in 1969 contained a category of eight “urban entrants” (or “gentlemen farmers”), referred to by her as “pure” capitalists, or those “urban and monied people” from the bureaucracy, industry, or the professions, who had turned to cultivation because of its profitability. Patnaik, “Development of Capitalism”, pp. 109, 125–127, and “Development of Capitalist Production”, p. 167. What is of particular interest here is that, in her initial contribution to the mode of production debate, she also observed with regard to the 508 adult male farm servants in her 1969 sample that on “all except two holdings they were in some form of debt bondage”, which suggests that unfree labour was indeed employed by at least some of those in her category of “urban entrants”. Patnaik, “A Note”, p. 75. In terms of production relations, therefore, “pure” capitalists appeared to be no different from the “impure” capitalists in Indian agriculture who used “semi-feudal” agrarian relations.

Second, Patnaik's position appears to be no different from the kind of political conservatism traditionally associated with the CPI, for whom India continues to be a "semi-feudal" nation in the agrarian sector of which there are similarly no "pure" capitalist relations, and the absence of which accordingly precludes a transition to socialism. Relevant here is the fact that the political object of Frank's attack on the "myth of feudalism" was the extreme political conservatism of leftist parties in the Third World generally, and those in Latin America in particular.<sup>38</sup> Like their counterparts in India, these organizations preferred to enter alliances with the "progressive" national bourgeoisie against international monopoly capital, in the naïve hope that, once in power, a national bourgeoisie would carry out the tasks of bourgeois democracy, and thus pave the way for a socialist transition that would result in its own dissolution.<sup>39</sup> It is to Frank's great credit that he saw this for the political nonsense that it was, a way by those on the left of avoiding class struggle aimed at the revolutionary capture of power and instead dabbling in a "safer" but politically disastrous electoral opportunism based on compromise and class collaboration.<sup>40</sup>

Having put in a brief appearance in her early contributions to the debate, however, this category of "urban entrants"/"pure capitalists" together with the implications for her argument of its production relations, vanished rather suddenly and mysteriously.

<sup>38</sup> Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York, 1969).

<sup>39</sup> That it is not – nor has it ever been – the intention of any component of the Indian bourgeoisie to usher in a bourgeois democratic stage that would empower workers as workers has long been clear to many of those concerned with problems connected with an agrarian transformation in India, from Michal Kalecki in the 1950s to A.R. Desai in the 1960s. Cf. Michal Kalecki, *Essays on Developing Economies* (Hassocks, 1976); Desai, *India's Path*. On this issue Patnaik's views are predictably confused. Having conceded that "no third world bourgeoisie ever has or ever is going to carry out [ . . . ] the practical tasks of the classic radical bourgeois revolutions", and by implication accepted the theory of permanent revolution, she then asserts that the two-paths approach is nevertheless still relevant, as a consequence of which the "semi-feudal characterization is appropriate". Patnaik, "Agressive Unfreedom", pp. 91–92. Astonishingly, and the antithetical nature of their politics notwithstanding, Patnaik manages to subscribe to both views simultaneously within the confines of a single text!

<sup>40</sup> Not the least significant aspect of all this, and a salutary lesson for those who care to take note, is the subsequent trajectory of Frank's main critic, Ernesto Laclau, who is now to be found in the vanguard of the politico-ideological counter-revolution within the academy. Initially, and by implication, Laclau sided with those who argued against immediate revolution, on the grounds that capitalist relations of production had yet to develop in these Third World contexts, and it was therefore necessary to wait until they had. For him, like for so many others, the revolution is now not merely postponed but cancelled, along with class and class struggle. Instead, Laclau advocates a populist/postmodern form of mobilization based on what are termed "new social movements", a plural-identity/non-class (or anti-class) form of empowerment within (and thus compatible with) capitalism – or precisely the kind of conservative politics to which Frank was opposed and against which he polemicized. Ernesto Laclau, "New Social Movements and the Plurality of the Social", in D. Slater (ed.), *New Social Movements and the State in Latin America*

And third, it is important to recall what Marxism itself has had to say on the subject of "repeasantization". Warning against the latter, Kautsky argued that as ultimately the crisis-ridden small peasant farm was an historically doomed institution, no attempt should be made to revitalize it.<sup>41</sup> Similarly opposed to "repeasantization" *per se* as reactionary, Lenin emphasized that it was acceptable politically *only* where it entailed both the elimination of feudal serfdom and generated anti-capitalist struggles in the countryside.<sup>42</sup> Neither of these two conditions applies throughout much of the Third World, where debt bondage is not a feudal remnant but a capitalist method of cheapening/disciplining workers in order to extract absolute surplus-value, and where the beneficiaries of land reform wage struggles against workers and not capitalists.<sup>43</sup>

Nor does "repeasantization" find much support from Rosa Luxemburg, who objected to land seizures by peasants on the grounds that this created a new and powerful strata of proprietors who would – with

(Amsterdam, 1985); and *New Reflections on the Revolution of Our Time* (London, 1990). In politico-ideological terms, the project of revisionism in the academy is now to eliminate the very concept (and hence the possibility) of revolution itself. Examples of attempts by conservative historiography at disinventing revolution include J.C.D. Clark, *Revolution and Rebellion: State and Society in England in the Seventeenth and Eighteenth Centuries* (Cambridge, 1986); Alan Knight, *The Mexican Revolution*, vols 1 and 2 (Cambridge, 1986); and Richard Pipes, *The Russian Revolution 1899–1917* (London, 1990). The result of this approach is counter-revolution by an act of (re-)definition, which invites historical closure by asserting that the existing social order is "natural" – the central emplacement of conservative ideology. In the present conjuncture, this amounts to the proposition that bourgeois democracy is the best system one can hope for, and hence the objective of any and all political activity – such as it is – becomes nothing more than a "redemocratization" that is compatible with the survival of capitalism. The similarity between this project, the object of which is the end-of-(socialist)-revolutionary-politics, and Patnaik's own position, whereby postponement-of-socialist-revolutionary-politics in effect merges with (and thus becomes) the cancellation-of-socialist-revolutionary-politics, ought to worry her a great deal more than it seems to.

<sup>41</sup> On this point, see Massimo Salvadori, *Karl Kautsky and the Socialist Revolution 1880–1938* (London, 1979), pp. 48ff.

<sup>42</sup> Cf. V.I. Lenin, "A Draft Programme of Our Party", *Collected Works*, 4 (Moscow, 1964), pp. 250–251; and "The Agrarian Programme of Russian Social Democracy", *Collected Works*, 6 (Moscow, 1964), pp. 113–114.

<sup>43</sup> As the cases of Peru from the mid-1970s onwards and of Cuba from 1980 onwards show, if private peasant property is permitted to survive, sooner or later it challenges and then displaces collective and/or cooperative property. A. Gonzales and G. Torre (eds), *Las Parcelaciones de las Cooperativas Agrarias del Peru* (Chiclayo, 1985); Carmen Diana Deere and Mike Meurs, "Markets, Markets Everywhere? Understanding the Cuban Anomaly", *World Development*, 20 (1992), pp. 825–839; and Carmen Diana Deere, Niurka Pérez and Ernel Gonzales, "The View from Below: Cuban Agriculture in the 'Special Period in Peacetime'", *Journal of Peasant Studies*, 21 (1994), pp. 194–234. For one of many examples of land reform beneficiaries turning on their erstwhile working-class allies, see N. Krishnaji, "Agrarian Relations and the Left Movement in Kerala: A Note on Recent Trends", in A.R. Desai (ed.), *Agrarian Struggles in India after Independence* (Delhi, 1986), pp. 384–402.

greater success than a small group of landlords – oppose further attempts to socialize the agrarian means of production.<sup>44</sup> The same point was made by Trotsky who, rather than risk peasant counter-revolution in the intervening bourgeois democratic stage, advocated an immediate transition to socialism following the expropriation of a feudal landowning class. He rightly surmised that the counter-revolutionary role of the peasantry derived from the fact that the proletariat “is inevitably and very quickly confronted with tasks, the fulfilment of which is bound up with deep inroads into the rights of bourgeois property. The democratic revolution grows over directly into the socialist revolution and thereby becomes a *permanent* revolution” (original emphasis).<sup>45</sup>

Accordingly, the situation faced now by many Third World countries is not one in which a national bourgeoisie that has somehow failed to carry out a transition to “pure” capitalism must therefore be encouraged to do so by those on the political left, but one in which this class actually strives to prevent exactly this kind of transition from happening. Thus permanent revolution is necessary precisely because the agrarian bourgeoisie pre-empts proletarianization through the deproletarianization of the rural workforce (= decomposition of the working class by means of restructuring), with the object of depoliticizing/cheapening/disciplining it. In such circumstances it is pointless to wait for a democratic stage which capital can anyway do without, and which it not only never intends to establish but to which it is actually opposed. Accordingly, this makes nonsense of Patnaik’s claim about the necessity of striving for the achievement of a “pure” capitalist stage which will permit the

<sup>44</sup> Rosa Luxemburg, *The Russian Revolution and Leninism or Marxism?* (Michigan, 1961).

<sup>45</sup> L.D. Trotsky, *The Permanent Revolution [1928] and Results and Prospects [1906]* (London, 1962), p. 154. See also L.D. Trotsky, “The Three Conceptions of the Russian Revolution”, *Writings, 1938–39* (New York, 1969), pp. 115–116. For a discussion of the importance and political significance of the concept “permanent revolution” in the theory of Trotsky, see Isaac Deutscher, *The Prophet Armed: Trotsky 1879–1921* (London, 1954), pp. 145ff.; and John Molyneux, *Leon Trotsky’s Theory of Revolution* (Brighton, 1981), pp. 17ff. On the question of the necessity for the proletariat to effect “deep inroads into the rights of bourgeois property”, Trotsky notes: “The programme of the equal distribution of the land thus presupposes the expropriation of all land, not only privately-owned land in general, or privately-owned peasant land, but even communal land. If we bear in mind that this expropriation would have to be one of the first acts of the new regime, while commodity-capitalist relations were still completely dominant, then we shall see that the first ‘victims’ of this expropriation would be (or rather, would feel themselves to be) the peasantry. If we bear in mind that the peasant, during several decades, has paid the redemption money which should have converted the allotted land into his own private property; if we bear in mind that some of the more well-to-do of the peasants have acquired – undoubtedly by making considerable sacrifices, borne by a still-existing generation – large tracts of land as private property, then it will be easily imagined what a tremendous resistance would be aroused by the attempt to convert communal and small-scale privately-owned lands into state property. If it acted in such a fashion the new régime would begin by arousing a tremendous opposition against itself among the peasantry”. Trotsky, *Permanent Revolution*, p. 235.

realization of the tasks of social democracy. It is precisely because capital accumulation based on the restructuring of the working class does not depend on the introduction of this bourgeois democratic stage that the “tasks of social democracy” will consequently be achieved not by the bourgeoisie but by the working class, a situation which (as Trotsky pointed out) puts socialism and not an intervening “pure” capitalist stage on the political agenda.<sup>46</sup>

### SOCIALISM OR (YET MORE) NATIONALISM?

It is a truism that Marxism is nothing if not internationalist in its political outlook and organization: it was precisely the weakness of the working class in underdeveloped countries which according to Trotsky necessitated international solidarity with the proletariat in metropolitan capitalist contexts.<sup>47</sup> Because of the Marxist politics to which she purportedly adheres, therefore, more worrying even than the failure of Patnaik to comprehend the nature of contemporary unfree labour and its role in capital accumulation (and less forgivable politically) is the unambiguously nationalist sub-text which structures much of her argument.<sup>48</sup> Such a sub-text is evidenced in the way she categorizes the

<sup>46</sup> This is in essence the theory of permanent revolution: “that the democratic tasks of the backward bourgeois nations lead directly [. . .] to the dictatorship of the proletariat and that the dictatorship of the proletariat puts socialist tasks on the order of the day [. . .] an uninterrupted [. . .] revolution passing over directly from the bourgeois stage into the socialist [one]”. Trotsky, *ibid.*, pp. 8, 12. Towards the end of her commentary, Patnaik appears to suggest that the real reason for not pursuing socialism is quite simply that it is too dangerous. Patnaik, “Agrestic Unfreedom”, p. 92. Such an “argument” could be advanced for abandoning all attempts to introduce socialism, and licenses the kind of reformist political strategy criticized by Gramsci in 1917: “To wait until one has grown to half the voters plus one is the programme of cowardly souls who wait for socialism by a royal decree countersigned by two ministers” (quoted in Alberto Pozzolini, *Antonio Gramsci* (London, 1970), p. 58.).

<sup>47</sup> Trotsky, *ibid.*, pp. 9, 22. Writing in 1930, Trotsky observed: “If we take Britain and India as polarised varieties of the capitalist type, then we are obliged to say that the internationalism of the British and Indian proletariats does not at all rest on an *identity* of conditions, tasks and methods, but on their indivisible *interdependence*. Successes for the liberation movement in India presuppose a revolutionary movement in Britain and vice versa. Neither in India, nor in England is it possible to build an *independent* socialist society. Both of them will have to enter as parts into a higher whole. Upon this and only upon this rests the unshakeable foundation of Marxist internationalism” (original emphasis). *Ibid.*, p. 26.

<sup>48</sup> On the question of this nationalist sub-text one merely notes either that Patnaik is aware of its presence but attaches no importance to this politically, or – less charitably – that she is unaware both of its existence and political implications. Given her theoretical confusion about so many of the issues she discusses, it is impossible unfortunately to be sure which of these two observations applies. The reasons for Patnaik’s gradual shift towards a more nationalist position can only be guessed at. In part, this may be an effect of the methodological reorientation she describes elsewhere, which entails a shift from the mainly micro-level analysis which characterized her original contributions to the mode

historiography of colonialism, in her view that European workers exploit Indian counterparts, and in her updated version of the “drain” theory. Rather than a Marxist approach to such issues, which identifies important political and ideological differences between a nationally/regionally/ethnically specific bourgeoisie and intellectual/manual labour from the same context, Patnaik appears to make no distinction between European Marxists/workers on the one hand and European capitalists on the other; all the latter are viewed as engaged in the exploitation of their Indian counterparts. For her, therefore, it would seem that it is national/regional/ethnic identity and not class which is to determine politics, a position supported by her rejection of universals in favour of national uniqueness, a characteristic of both populism and postmodernism (each of which is ideologically and politically deeply complicit with nationalism).<sup>49</sup>

On the question of historiography about India, European Marxists are lumped together with conservatives and accused by Patnaik both of disregarding surplus appropriation under colonialism and of unjustifiably regarding capitalist expansion as “progressive”: in her words, “progressive for whom?”<sup>50</sup> There are a number of difficulties with such a view. To begin with, her understanding of the concept “progressive” is itself flawed: complaining that in the case of sixteenth-century Europe there was nothing progressive about dispossession without the possibility of alternative employment, Patnaik fails to understand that for Marxism the progressive element of such a process consists of the fact that

of production debate to a more macro-level analytical approach. Patnaik, *Agrarian Relations*, p. 4. Such a change in focus, from intra-national to inter-national relationships, would account for her current emphasis on exchanges between countries rather than the differential relationship to means of production by classes within countries. Another reason for this change in focus, and one understandably not referred to by Patnaik herself, may be the comprehensive nature of the critique to which her micro-level analysis was subjected in the exchanges with Paresh Chattopadhyay and N. Ram.

<sup>49</sup> On this point, see Tom Brass, “Moral Economists, Subalterns, New Social Movements, and the (Re-) Emergence of a (Post-) Modernised (Middle) Peasant”, *Journal of Peasant Studies*, 18 (1991), pp. 173–205; “A-Way with Their Wor(l)d: Rural Labourers through the Postmodern Prism”, *Economic and Political Weekly*, 28 (1993), pp. 1162–1168; and “Post-Script: Populism, Peasants and Intellectuals, or What’s Left of the Future?”, in Brass, *New Farmers’ Movements*, pp. 246–286. For the claim about the uniqueness of the European experience, and by implication the uniqueness of other (non-European) trajectories, see Patnaik, “Agrestic Unfreedom”, p. 83. Two things should be remembered about the argument claiming uniqueness for national paths of development. First, that it was the ideological mainstay of a Slavophile populism which rejected capitalism on the grounds that it was an “alien”/(European) imposition, inappropriate to Russian conditions. And second, that against the universals of European capitalist economy the Slavophile populists counterposed the folkloric particularisms of a specifically peasant/(national/natural) culture. For more on this issue, see Brass, “The Politics of Gender, Nature and Nation in the Discourse of the New Farmers’ Movements”, in Brass, *ibid.*, pp. 27–71.

<sup>50</sup> Patnaik, “Agrestic Unfreedom”, pp. 83, 87.

separation from and consolidation of means of production not only permits economic growth to take place but also generates alienation, and thus prefigures (and makes necessary) the expropriation of the expropriators themselves.<sup>51</sup> The assertion that European Marxists are no different from conservative historians on the question of colonial appropriation can only be made by someone unfamiliar with the writings of both; it also eliminates a concept of political "difference" and replaces this with one based on national/regional/ethnic identity.<sup>52</sup> Patnaik forgets that even colonialism invoked both Eurocentric and ethnocentric "otherness" in its own defence, maintaining that those who wished to apply universal standards of labour legislation simply did not understand the extent to which these were inapplicable in a culturally "different" context such as India.<sup>53</sup>

<sup>51</sup> Patnaik, "Agrestic Unfreedom", p. 82. Having denied that capitalism can be progressive does not prevent Patnaik from holding the opposite view: namely, that for India a future bourgeois democratic (= "progressive" capitalist) stage is desirable, necessary and possible.

<sup>52</sup> On this point Patnaik would do well to acquaint herself not only with the work of European Marxists such as Fox, Kidron and Hobsbawm but also with that by non-Indian and Indian non-Marxists such as William Digby, Holden Furber, Tapan Mukerjee and A.K. Banerji. Cf. Ralph Fox, *The Colonial Policy of British Imperialism* (London, 1933); Michael Kidron, *Capitalism and Theory* (London, 1974), pp. 143ff.; E.J. Hobsbawm, *Industry and Empire* (London, 1968), pp. 116, 123–125, and *The Age of Empire 1875–1914* (London, 1987), p. 69; William Digby, *India for the Indian – and for England* (London, 1885), and *Prosperous British India* (London, 1901); Holden Furber, *John Company at Work – A Study of European Expansion in the Late Eighteenth Century* (London, 1951); Tapan Mukerjee, "Theory of Economic Drain: Impact of British Rule on the Indian Economy, 1840–1900", in K.E. Boulding and T. Mukerjee (eds), *Economic Imperialism* (Ann Arbor, 1972); A.K. Banerji, *Aspects of Indo-British Economic Relations 1859–1898* (Bombay, 1982).

<sup>53</sup> This kind of argument was deployed against two kinds of target, one internal and the other external, each of which constituted a challenge to colonialism. The first of these was Indian nationalism, against which the notion of ethnically-specific "others" within India itself was used to undermine the possibility of a united India: hence the adoption by colonialism of the divide-and-rule tactic, based on the recognition of an ethnically distinct Muslim and/or tribal "other" within India itself. The second target was those from outside India who attempted to express international solidarity with Indian nationalism in order to challenge British Imperialism; into this latter category, for example, fell non-Indians seeking to obtain better conditions for Indian workers. An example from the realm of Anglo-Indian popular fiction of the way in which this innateness-of-Indian-"otherness" argument was deployed against such expressions of international solidarity is the depiction by Sarah Jeanette Duncan, *The Simple Adventures of the Mem sahib* (London, 1893), of the character Jonas Batcham, MP. The latter is represented as an ignorant and interfering "do-gooder", a gullible, "globetrotting" English parliamentarian, an outsider who thinks he "knows" and "understands" India, but does not – and indeed cannot. First held up to ridicule for disbelieving what is true (as told him by Indigo planters) and believing what is untrue (as told him by an Indian member of Congress), Batcham is then shown to be someone who approves of the anti-colonial struggle and disapproves of the oppression and exploitation of factory workers in India, thereby differentiating what for the author is authentic and positive (planters = honest) from what is inauthentic and negative (Congress, anti-colonial struggle = dishonest; worker exploitation = "exploitation"). In

Having noted that an effect of global labour migration (slavery, indenture) has been and continues to be the persistence of racism and ethnic "otherness", Patnaik ironically then adopts a position which creates a space for precisely these kinds of ideology.<sup>54</sup> Accordingly, she claims both that free wage labour in metropolitan capitalist contexts was achieved at the expense of the imposition of unfreedom on subjugated populations in the Third World, and that consequently in the former contexts the domestic working class was empowered at the expense of those in the latter contexts.<sup>55</sup> The implication here is that workers in advanced capitalist countries not only benefit from but cynically approve

what is a symptomatic presentation of the issues, Duncan writes: "The pay of a full-grown [factory] operative – not a woman or a child, but a man – was represented by the shockingly incredible sum of eight annas – eightpence! – a day! [. . .] [Batcham] was so completely occupied in shuddering over this instance of the rapacity of the Indian manufacturer, that the statement of what it cost the same operative to live according to the immemorial custom of his people – about five shillings a month – entirely escaped his observation. In the stress of his emotion Mr Batcham failed to notice one or two other facts that would have tended to alleviate it – the fact that a factory operative is paid twice as much as a domestic servant and three times as much as a coolie, though the cost of life weighs no more heavily upon him than upon them; the fact that he often works only two or three months of the year at gunny-bags, and spends the rest of his time in the more leisurely and congenial scratching of his fields; and, above all, the fact that in India the enterprises of the foreigner accommodate themselves – not of philanthropy, but of necessity – to the customs of the country. It is not the service of the sahib, with his few thousand personal establishments, his few hundred plantations and shops, his few dozen factory chimneys rising along the Hooghly, tainting the sea breeze of Bombay, that can revolutionise their way of life for two hundred and fifty million people with whom custom is religion and religion is more than rice. But Mr Batcham had no heart to be comforted by such trivialities. He made emotional notes, dwelt upon the 'eight anna douter pittance', and felt still more poignant private grief that there was no cause for louder sorrow." *Ibid.*, pp. 182–183. The sub-text and political objective of this attack against "interfering outsiders" is not difficult to discern. Hence the two reasons for the inappropriateness/undesirability of improvement in the conditions of the workforce; custom would not permit this, and anyway itself provided sufficient to meet their needs. Not only did the invocation of universals offend against unchanging/unchangeable indigenous custom/tradition, therefore, but there was no need for this in the first place since the latter actually ensured decent provision. In short, in the name of *laissez-faire*, universals are rejected in favour of what de Maistre called "unarguable intuitive fundamentals". It is ironic indeed that some sections of the political left (or perhaps "left") are now using the very same kind of arguments about Indian "otherness" that were once deployed by the British Raj against attempts, by Indians and non-Indians alike, to challenge colonial rule. Certainly, Patnaik herself appears to subscribe to just such a notion of "otherness" when contrasting the barbaric treatment of vagrants in European contexts with the benign attitude towards them in India and China. Patnaik, "Agrestic Unfreedom", p. 82. Such a view, which (one notes yet again) is odd coming from someone who claims to be a Marxist, not only overlooks the presence of a similarly "positive value" attributed historically to poverty/charity in European culture ("blessed are the poor", etc.) but also idealizes alms-giving/receiving, the object of which as understood by Marxism is to "normalize"/justify poverty/inequality wherever/whenever this occurs.

<sup>54</sup> Patnaik, "Agrestic Unfreedom", p. 85.

<sup>55</sup> Patnaik, "Agrestic Unfreedom", pp. 83–84, 85–86.

of the imposition of unfreedom on their counterparts in the Third World, a claim which in epistemological terms licenses the reactionary politics of nationalism. In metropolitan capitalist countries this takes the form of the argument that, as immigration and/or competition from the Third World threatens the living standards of workers, they should unite with employers of the same nationality to demand tariff protection and immigration controls. Much the same is true of Third World countries, except that here workers are encouraged to unite with their own capitalist class in pursuit of these very same jobs by demanding free competition. In short, a reaction that not only undermines what should be international working-class solidarity by splitting labour along ethnic/national lines (thereby encouraging racism), but also one that is the stock response of those on the political right to capitalist crisis.<sup>56</sup>

Equally symptomatic of the nationalist sub-text structuring Patnaik's argument is her view that, when compared with the "genuinely pauperized in colonized countries", the category of "paupers" compelled to labour in the workhouses of England as a result of the Poor Laws promulgated during the early nineteenth century were somehow not "genuinely pauperized".<sup>57</sup> Not only does this view imply the operation in metropolitan capitalist contexts of a benign form of "subsistence guarantee" but it also both inverts and at the same time reproduces the distinction made, again, by those on the political right, between the "deserving" and "undeserving" poor.<sup>58</sup>

Much of the latter section of her commentary is in fact irrelevant to the specific issue of unfree labour, and amounts to nothing more than a restatement of the nationalist "drain" theory, whereby all the economic and political ills in contemporary India are once again attributed largely (and by Patnaik, here, solely) to colonialism nearly half a century after Independence.<sup>59</sup> About this view four things can be said. First, and in

<sup>56</sup> Elsewhere it has been argued that because of a failure to distinguish between a progressive/modern anti-capitalism which seeks to transcend bourgeois society, and a romantic anti- (or post-) modern form the roots of which are located in agrarian nostalgia and reactionary visions of an innate "nature", the response by many academics/intellectuals/activists to this process of economic globalization has been (and continues to be) supportive of conservative/nationalist/(fascist) ideology. Brass, "Post-Script".

<sup>57</sup> Patnaik, "Agrestic Unfreedom", p. 86. One would like to know in passing how, in a context of culturally sanctioned "subsistence guarantee" (see note 53), it was nevertheless possible for the "genuinely pauperized" to starve to death.

<sup>58</sup> Whereas those on the political right in metropolitan capitalist contexts would claim that "our-poor-are-more-deserving-than-yours" simply by virtue of "being-ours", Patnaik's view merely reverses this and maintains that "our-poor-are-more-deserving-than-yours", again by virtue of "being-ours". In contrast, the Marxist view does not privilege poverty on a national basis but seeks rather to eliminate all forms of this condition any/everywhere they occur.

<sup>59</sup> For Patnaik's updated version of the "drain" theory, see "Agrestic Unfreedom", pp. 86-90, and also "Food Availability and Famine: A Longer View", *Journal of Peasant Studies*, 19 (1991), pp. 1-25. It should be noted that, when linked to the spread of global

a general sense, this kind of “counterfactual” argument can be deployed in relation to any and every historical conjuncture, and licenses nothing more than a process of infinite regression in search of a mythical “golden age”; such an argument is invariably a substitute for political theory and action, and rapidly degenerates into a pointless exercise in “what-might-have-been”, rather than the more important political task of what-should-be and how.<sup>60</sup> Second, she is pushing at an open door, since no Marxist that I know of disputes the role of colonialism in effecting resource transfers that fuelled accumulation in the metropolitan contexts: to make this rather obvious claim in such a bombastic manner is tantamount to the political equivalent of reinventing the wheel. Third, and this is where an important and symptomatic difference exists, Patnaik has nothing to say here about the role of the capitalist class within India itself in domestic surplus generation/appropriation. And fourth, both the argument as presented here together with its very structure is redolent of nationalist ideology and not socialism: in the discourse of Indian nationalism, therefore, the “drain” theory attributed the prevalence of famine in India under British rule to the impoverishment of indigenous cultivators, itself due to a declining per capita agricultural output coupled with rising population density. Both the latter were a consequence of a threefold colonial appropriation: high rents occasioned by the colonial land revenue, taxation for administering colonial rule, and the destruction by colonialism of indigenous small-scale industry and thus alternative sources of non-agricultural employment.<sup>61</sup>

capitalism, the “drain” theory can discharge a politically progressive role, in that it focuses on the appropriation of surplus-value from *workers of whatever nationality*, and not – as in Patnaik’s version – the transfer of a non-specific form of surplus from one country to another.

<sup>60</sup> It is a commonplace that conquest in all contexts and at every historical period has to some degree resulted in the distortion of the development pattern of the location/population that is subjugated, and that invariably this takes the form of some kind of surplus extraction (raw materials, land, labour-power) which is then used for the benefit of the conqueror. In the case of India, such a “what-might-have-been” argument about “lost opportunities” could be made about most historical periods and localities, all of which had an adverse impact on the future economic growth of populations in the regions affected. Indeed, Patnaik herself mentions just such an instance. Patnaik, “Development of Capitalism”, pp. 91–92. Rather than indulge in such speculation, akin to the populist hankering after a “golden age”, the political task for Marxists should be to identify the main contradiction at each conjuncture and the kind of struggle this involves.

<sup>61</sup> Both the nationalist and populist character of the “drain” theory as propounded by Patnaik emerge clearly from a recent text on the struggle against British colonialism: “The drain theory incorporated all the threads of the nationalist critique of colonialism [. . .] Indeed, the drain theory was the high water-mark of the nationalist leaders’ comprehensive, interrelated and integrated economic analysis of the colonial situation [. . .] Moreover, the drain theory possessed the great political merit of being easily grasped by a nation of peasants. Money being transferred from one country to another was the most easily understood of the theories of economic exploitation [. . .] No other idea could arouse people more than the thought that they were being taxed so that others

As in Patnaik's version, the sub-text to the nationalist version of the "drain" theory was the following refrain by the bourgeoisie: "give us the opportunity to manage our own affairs", it went, "and we will become the model/'pure' capitalists of your bourgeois democratic stage, investing in more productive technique and hiring only free labour-power". The main difficulty confronting Patnaik's argument about the continuing effects of "drain" of surpluses from colonial India is that the adverse conditions traditionally associated with the latter are now due to the implementation of neo-liberal economic policies advocated by the Indian capitalist class. It is therefore impossible to maintain, as does Patnaik, that a future bourgeois democratic stage will remedy the very process of economic "drain" that is now being carried out under the aegis of bourgeois democracy itself.

Broadly speaking, the role of national capital in what is now increasingly a global economy demonstrates the theoretical inadequacy of the "drain" theory, based as it is on unwarranted assumptions about the non-economic behaviour of an indigenous capitalist class. It shows, in short, that faith in the existence of a "progressive" national bourgeoisie nearly half a century after the ending of colonial rule is doubly misplaced, since in *economic* terms the bourgeoisie in India is neither particularly nationalist nor progressive: like a capitalist class of any and every nationality, it not only invests in the country of origin only so long as profits elsewhere are not higher but (where possible) employs unfree labour so long as this is cheaper and more profitable than free variants. In view of the fact that nowadays national capital is just as mobile internationally as its "foreign" counterpart, therefore, the existence of a "progressive" national bourgeoisie implied in the two-stages/"re-peasantization" framework is a myth, and for those on the left a politically harmful one.

## CONCLUSION

Patnaik has a lot more in common with her *bête noir* Andre Gunder Frank than perhaps she herself realizes. To begin with, Patnaik – like Wallenstein and Frank – deprivileges free wage labour as the defining characteristic of capitalist production, a view strongly disputed by Frank's

in far off lands might live in comfort [. . .] It was, therefore, inevitable that the drain theory became the main staple of nationalist political agitation during the Gandhian era." Bipan Chandra *et al.*, *India's Struggle for Independence, 1857-1947* (New Delhi, 1989), pp. 97-98. For more detailed consideration, from different points of view, of the role of "drain" theory in nationalist economic thought and philosophy generally, and in particular that of Congress stalwarts such as Dadabhai Naoroji, Mahadev Govind Ranade, Gopalakrishna Gokhale and Romesh Chandra Dutt, see P.K. Gopalakrishnan, *Development of Economic Ideas in India (1880-1914)* (The Hague, 1954); Banerji, *Aspects*, pp. 176ff.; and A. Dasgupta, *A History of Indian Economic Thought* (London, 1993), pp. 74ff.

main critic, Laclau, for whom the absence of coerced labour is the defining characteristic of capitalism, and the one feature that differentiates it from non-capitalist modes of production.<sup>62</sup> More importantly, her view about the existence, structure and effect of the resource “drain” from colony to colonizer is in fact no different from the basic premiss of world systems theory; that is, the pattern of economic backwardness at the periphery is determined by metropolis-satellite relationships that license surplus appropriation by core countries, a situation which results in what Frank himself popularized as the “development of underdevelopment”.<sup>63</sup> Where Patnaik *does* differ from Frank, and this is a big difference, is in the political lessons drawn from this analysis: whereas Frank wishes to pursue socialism by attacking the “impure” capitalism that already exists, Patnaik by contrast wants to wait for a non-existent “pure” capitalism to materialize before contemplating such a challenge. Significantly, when combined this theoretical compatibility/incompatibility between Frank and Patnaik licenses the same kind of political response: just as the dependency theory of Frank has been mobilized by the bourgeoisie in the Third World to support nationalism, so Patnaik’s two-stages theory can also be invoked to justify class collaboration and postpone/(cancel) socialism.

In the face of an increasingly global capitalism – against which class struggle has of necessity to be international in its scope – one of the main political tasks of Marxists everywhere has to be the forging of a trans-national working-class consciousness and solidarity. Ironically, the Dutch auction strategy currently adopted and much favoured by employers in general and TNCs in particular, of emphasizing the “otherness” of national character so as to play national workforces off against one another in order to undermine the bargaining power of labour, to lower costs and to increase competitiveness, finds an echo in much of the political sub-text to Patnaik’s theoretical framework. The suspicion remains that, politically, she is still engaged in fighting the last war; on the side of nationalism, in a struggle which nationalism long ago won. Confronted by her kinds of “argument”, nationalism will also go on to win the next (class) conflict. Although not a revisionist in terms of the debate about unfree labour, therefore, Patnaik unfortunately fails to escape this designation as it applies to her politics. If the cap fits . . .

<sup>62</sup> Ernesto Laclau, “Feudalism and Capitalism in Latin America”, in *Politics and Ideology in Marxist Theory* (London, 1977), pp. 15–50.

<sup>63</sup> Although acknowledging the existence and importance of the satellite/metropolis connection as argued by Frank, not least because it corresponds spatially to her own colonizer/colonized link, she nevertheless rejects the possibility that such a relationship can result in capitalist development within the satellite/colony. Patnaik, “Development of Capitalism”, pp. 133–134, note 34.