

Name of the author: Dr. Sumedha Dutta

Designation: Assistant Professor

Address: Centre for Sociology, School of Social Sciences,
Central University of Punjab, Mansa Road, Bathinda, Punjab,
India- 151001

Phone Number: +91-9868573873

Email: sumedha.jnu@gmail.com

Title: *Beginning with Polanyi: Global Capitalism Vs. Civil
Society Movements in Neo-liberal India*

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Abstract:

The world today is facing an unprecedented drive towards commodification of every aspect of life. There appears to be robust attempts at disembedding economic, political and social realities, and subjecting them to the forces of the market. At the same time, counter movements against global capitalism and its related process of homogenization, aimed at the defense of the 'life world' from 'colonization' by the market forces is on the rise. This manifest 'double movement' draws our attention to the lingering significance of Polanyi's theory of embeddedness of market structures in the historical, social and cultural realities of a particular society.

In this context, it may be noted that the Structural Adjustment Programmes (SAP) that introduced a paradigm shift in the Indian economy, from a mixed model to the LPG (liberalization, privatization, globalization) framework of development in the 1990s, ushered in a new era of commodification in India. This has recently been taken forward with the controversial decision to allow FDI in retail sector. Even in the agricultural front, the onslaught of the market is manifest in the form of introduction of genetically modified (GM) seeds and the associated high-priced technologies for sustaining such crops. Ecological, cultural and social reproduction of indigenous communities, known for their sustainable lifestyles, is being severely endangered by the introduction of Special Economic Zones (SEZ) within their homelands. There is a whopping increase in Internally Displaced Populations (IDPs), who are mostly affected by development induced displacements, and who primarily belong to the marginalized Scheduled Tribes (STs) of India, apart from a rise in the poignant phenomena of farmers' suicides. All this is further supplemented with the crisis of governance, mounting corruption and democracy deficit. In this scenario, civil society has emerged as the only hope for the impoverished, marginalized masses of India, and collective mobilizations based on a diversity of indices have flooded the Indian public sphere. There have been a few successes with some significant legislations towards protection of interests marginalized by neoliberalism, but not without the stigmatization of such groups as 'anti-development' by the proponents of the Eurocentric model of development. At the same time, many civil society organizations appear to be agencies to carry out the agenda of international donor bodies, thereby

appearing to have themselves been commodified. The resultant grievances of the deprived sections is at times manifest in the parallel power structures like Naxalism and other 'underground' groups. In this context, the proposed paper seeks to analyze these movements and counter movements, apart from the 'underground', to test the significance of Polanyi's model for the multicultural and complex social realities of India.

Key Words: Global capitalism, embeddedness, commodification, civil society movements

Introduction:

As capitalism advanced through the ages, there was a belief shared by liberal economists that the market, when left to itself, will be self-regulated and prices shall be stabilized, and hence, there should be no state interference. However, Polanyi's seminal work, *The Great Transformation*, first published in 1944, attempts to debunk the belief in the self-regulating market bringing about increasing prosperity in the world. Markets are as socially and culturally embedded as any other phenomenon, and any attempt at disembedding them finds resistance in the form of institutionalized interference – policies devised by the state to counter the adverse effects of the self-regulating market, or by resistance movements by the civil society. Further, as opposed to liberal economists, Polanyi argues against the 'myth' that laissez faire economy is unplanned. Rather, it requires excessive planning on the part of the state. On the contrary, the counter movements against the free market happen automatically, as the society seeks to protect itself against the ravages of the market. Laissez Faire tends to commodify each and every aspect of society, including land, money and labor. But the latter are fictitious commodities, as they had never been produced for sale in the market. These fictitious commodities are actually those that explain the impossibility of disembedding the market.¹ However, if the state or the society fail to check the deleterious effects of the free market economy, then there might arise a third, potentially dangerous impasse, the rise of fascism, as it happened in Europe,

¹ Karl Polanyi. 2001. *The Great Transformation: The Political and Economic Origins of our Time* (foreward by Joseph E. Stiglitz, Introduction by Fred Block). Boston: Beacon Press: xxvi

which breaks with both laissez faire as well as democracy.² Again, although the working class voice has been more prominent in the counter-movements, Polanyi argues that all groups have participated in such movements, including the capitalist class, who have at various points urged for the centralization of the banking system to guard against the uncertainties of the market mechanism.

In the context of India, it has been observed that while in rhetoric, the Indian state has often been redistributive or based around the ideology of socialism, abolition of traditional privileges, reform of the caste system, and populism, political practice has been far more conservative. Hence the Indian state has been criticized both for its excessive socialist commitments and for its failure at substantial redistribution.³ Thus it may be noted that only until Nehruvian socialism, the market was under control, and although Mrs. Indira Gandhi had committed to the policy of ‘Garibi Hatao’ or alleviation of poverty, she gradually accommodated Indian business as a ruling ally, thereby commencing the process of state and capital alliance for growth. This phase continued during the time of Rajiv Gandhi as the Prime Minister, whose attempts at liberalization faced opposition from Indian business groups, who felt intimidated by ‘any sharp opening of the economy to global forces’. Nonetheless, the policy to open up the market was finally materialized and given the stamp of a paradigm shift in state policies through the ‘Liberalization, Privatization and Globalization’ (LPG) drive, in the 1990s, under the stewardship of Prime Minister Narasimha Rao. However, this was facilitated, partly because of “an economic crisis, a growing confidence and assertiveness of a section of Indian business groups over the 1980s, and in part by a careful political calibration of the liberalization process to suit the needs of indigenous Indian capital.”^{4 5}

² Ibid. xxviii,xxix

³ Atul Kohli. 2010. *Democracy and Development in India: From Socialism to Pro-Business*, New Delhi: Oxford University Press: 5

⁴ Ibid. 13

⁵ Like Polanyi, Kohli (2010) points out that, the Indian state has “thrown its weight behind the winners of the new economy, without compensating those who have been left behind. It is this activist role of the state that has further contributed to growing inequalities. The Indian state has thus continued to support Indian capital in various ways so as to enable it to compete against global competition. A variety of ‘public-private partnerships’ are also beginning to absorb public initiative and resources. By contrast, investments into agriculture have not kept pace, and the poorer states of India have been left to their own resources. Since new private capital has not rushed into these areas, inequalities in India continue to grow, and the country’s poor do not benefit as much from growth as they might under a modified policy regime.”

In this backdrop, the paper seeks to attempt at analyzing three specific phenomena related to liberalization policies introduced by the Indian state, namely the introduction of policies towards Foreign Direct Investment (FDI), the introduction of Genetically Modified (GM) seeds, and the creation of Special Economic Zones (SEZs), followed by the several counter movements associated with these policies.

Recent moves towards Laissez Faire: FDI, BT and SEZ:

India has significantly opened up its market to foreign investments, especially through the recent ‘Make in India’ project, although the roadmap for FDI was laid with the introduction of the Structural Adjustment Policy (SAP) or New Economic Policy (NEP) of the 1990s. The recent reforms announced in India related to FDI have been aimed at providing, “ease of doing business and accelerate the pace of foreign investment in the country.”⁶ The reforms include those in defense, transport and communication, retail etc. Of the several reforms, the one which is being seen as a direct threat to the farmers and small business owners is the decision to introduce 100 percent FDI in single brand retail, and 51 percent FDI in multi-brand retail.⁷

Ever since the announcement of these reforms, there have been huge debates around the same. On the one hand, proponents of FDI in retail see it as a consumer-oriented policy. It is argued that the decision to allow 100 percent FDI in retail, would lead to the widening of choices of products and services, and would facilitate a healthy competition by reducing unfair trade practices. There would be a broadening of the varieties of goods, and the prices of commodities would go down. On the other hand, it is increasingly being argued by critics of FDI that it is going to adversely impact small scale domestic vendors due to predatory pricing, as they have to submit to the hegemony of capitalist giants such as Walmart, and other multinational corporations (MNCs). Again, it is observed that while the new policy would help in cutting down intermediaries between the farmers and the retailers, thereby helping to accelerate the remuneration of the farmers, they would also be directly exposed to possibilities of exploitation by the global retailers.

⁶ Foreign Direct Investment. www.makeinindia.com/policy/foreign-direct-investment (accessed, 13th December, 2016)

⁷ Nonetheless, these decisions come with some riders. It has been ruled that no vendor can do more than 25 percent sales on any platform. Further, the guarantee and warranty of products would solely be the seller’s responsibility. The execution of this policy however lies with the states.

Again, it has been observed that the Green Revolution of the 1970s in India, that resulted in the introduction of high yielding variety of seeds, which required increased usage of pesticides, insecticides and fertilizers, had benefitted only the rich farmers, while diminishing the productivity and fertility of the soil and increasing the gap between the rich and the poor farmers. The introduction of GM crops such as Bt cotton, only adds to that heritage. In this context it may be noted that in the year 2005, the farmers of Punjab, as in other parts of India, were introduced to the GM crops, particularly, the Bt cotton. It was claimed that since these seeds were developed in such a way that while the yields would increase significantly, these could also keep the common pests at bay, they were apt for all categories of farmers.⁸ For a significant number of years, there were bumper yields, and Bt cotton became a household name to reckon with, despite the fact that the seeds of this variety cost almost five times more than local hybrid varieties. Interestingly, 95 percent of the cotton grown in Punjab and Haryana are of the BT variety. These yields were however negatively affected, when entire crops, almost two-thirds, fell to the leaf curl virus disease, spread by the white fly.⁹ It was however observed that the traditional variants of cotton were immune to this disease and it affected and destroyed only Bt cotton fields. The losses were even more owing to the spraying of spurious pesticides by the farmers, which had allegedly been supplied by the Punjab government. This has already resulted in 15 farmer suicides in the relatively infertile Malwa region, where farmers are already debt ridden.¹⁰ It has been argued that the poor farmers, who are already in a debt trap in India, have no other option, but to commit suicide, when entire crops fail. In this context it may be noted here that in a door –to-door survey carried out by three state universities, namely, the Punjab Agricultural University, Punjabi University and Guru Nanak Dev University, on behalf of the Punjab government, from year 2000 to 2010, 6,926 cases of suicide were recorded in the state, of which 3,955 cases were of farmers and agricultural workers. Further,

⁸ Advocates of this variety claimed that ever since its introduction, GM crop technologies have increased yields by more than US\$ 98 billion, while saving 473 million kilograms of pesticides from being sprayed, until year 2013.

⁹ Subodh Varma and Amit Bhattacharya. 2015. "Whitefly destroys 2/3rd of Punjab's cotton crop, 15 farmers commit suicide." <http://timesofindia.indiatimes.com/india/Whitefly-destroys-2/3rd-of-Punjab-cotton-crop-15-farmers-commit-suicide/articleshow/49265083.cms> (accessed 12th November, 2016)

¹⁰ Ruchika M Khanna. 2015. "60% cotton crop lost: Punjab offers Rs 600 crore relief package". <http://www.tribuneindia.com/news/punjab/community/60-cotton-crop-lost-punjab-offers-rs-600-cr-relief-package/139217.html> (accessed 12th November, 2016)

according to Shiva (2013) about 270,000 Indian farmers have committed suicide since Monsanto, which has a monopoly over Bt seeds, entered the Indian seed market, which she observed is a phenomena akin to genocide.¹¹ Similarly, Kumar (2011) attributes the farmer suicides to problems of indebtedness owing to crop failure and global pricing.

Further, Special Economic Zones (SEZs) in India were formed vide the Special Economic Zones Act, 2005, “to provide for the establishment, development and management of the special economic zones, for promotion of exports ...for manufacture of goods, or for rendering services, or for both, as a Free Trade and Warehousing Zone.”¹² The establishment of such zones have very often resulted in severe displacements of people, primarily belonging to the marginalized sections of the population, such as the Scheduled Tribes (STs), who have always lived in harmony with nature. Interestingly, the SEZ act allows for the state to act as a broker for the acquisition of land from the people on behalf of the corporations, thereby acquiring land at a low price, instead of the corporation buying land directly at market prices. For instance, during 1992-94, the government of Odisha acquired 12000 acres of land in Kalinga Nagar, at the rate of 37,000 rupees per acre, and allotted 1960 acres to Tata Steel Corporation, in 2004-2005, at ten times the rate at which the landowners were paid!¹³ It may herein be mentioned that the state of Odisha, with 32.59 percent¹⁴ of its population living below the poverty line in the year 2011, is one of the most prominent states, where the already impoverished ST population have greatly suffered on account of tremendous land loss, cultural loss as well as knowledge loss. Their displacements owing to ‘development projects’ have resulted in ‘culturocide’¹⁵, or the systematic dismantling of the lifestyle of the project affected people, as well as huge

¹¹ As cited in Natasha Gilbert. “Case studies: A hard look at GM crops Superweeds? Suicides? Stealthy genes? The true, the false and the still unknown about transgenic crops”, <http://www.nature.com/news/case-studies-a-hard-look-at-gm-crops-1.12907#auth-1> (accessed 1st November, 2016)

¹² Special Economic Zones Act, 2005. sezindia.nic.in/writereaddata/pdf/SEZ%20Act,%202005.pdf (accessed 5th September, 2016)

¹³ T.K. Oommen. 2011. ‘Protests against displacement by development projects’, in T.K. Oommen (ed) *Social Movements II: Concerns of Equity and Security*. New Delhi: OUP:328

¹⁴ Press Note on Poverty, 2011-12. http://planningcommission.nic.in/news/pre_pov2307.pdf (accessed 14th December, 2016)

¹⁵ T.K. Oommen. 2006. ‘Coping with Development Pathologies’, *Sociological Bulletin*, Vol. 55(2), May-August: 274

damage to the environment leading to ‘ecocide’¹⁶. Again, seen from the perspective of the ‘Impoverishment Risk and Rehabilitation’ (IRR) model, developed by Michael Cernea (1997), one finds that the outsees of such development projects suffer from :(a) landlessness (b) joblessness (c) homelessness (d) marginalization (e) food insecurity (f) increased morbidity (g) loss of access to common property resources and (h) community disarticulation.¹⁷ Apart from these factors, the phenomenon of displacement also stimulates a plethora of issues related to identity as also the problem of insurgency.

Statist responses to counter adverse effects of Global Capitalism:

It is noteworthy that there have been several institutional interventions in India to protect the masses from the onslaught of the market. For instance, at one point, the contemporary peasant unrest in India was diffused by the state by way of a package of 60,000 million rupees loan waiver scheme. A pertinent act to be mentioned here is the Right to Fair Compensation and Transparency in Land Acquisition, Resettlement and Rehabilitation Act, 2013. A very important component of this act has been the fact that no land can be acquired in Scheduled Areas, without the consent of gram sabhas, or village councils, while Social Impact Assessment (SIA) is a must for every acquisition. Further, the 2013 act provides for the requirement of consent of 70 percent of land owners in cases of acquisition for the purpose of public-private-partnership projects, and of 80 percent of land owners in case of projects for private companies. It also prohibited the acquisition of multi-crop irrigated land, except in exceptional cases. This was however revised in 2014 to a position whereby consent as well as SIA are not required, and even multi-crop lands may be acquired, if the acquisition is for security, defense, rural infrastructure, industrial corridors and social infrastructure, thereby greatly diluting the provisions of the original act.

Further, against the free hand of the market, the state came up with the National Rural Employment Guarantee Act of 2005 (NREGA), later renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), which seeks to give at least

¹⁶ Rajni Kothari. 1988. *The State against Democracy: In Search of Humane Government*. Delhi: Ajanta Publications; T.K. Oommen. 2006. “Coping with Development Pathologies”, *Sociological Bulletin*, Vol. 55(2), May-August: 274

¹⁷ Michael Cernea. 1997. ‘The Risks and Reconstruction Model for Resettling Displaced Populations’, *World Development*, Vol. 25, No. 10: 1569

100 days of work opportunities through infrastructure investments to atleast one adult member of each household in villages on minimum wages.¹⁸ This initiative was further strengthened through the National Food Security Act, 2013. It seeks to provide for food and nutritional security by ensuring access to adequate quantity of quality food at affordable prices to people, to enable them to live a life with dignity. It aims at covering up to two thirds of the total population of the country - 75 percent of the rural population and 50 percent of the urban population, for receiving subsidized food-grains under Targeted Public Distribution System (TPDS).¹⁹ Other initiatives include the National Rural Health Mission (NRHM), the Right to Information Act (RTI), the Right to Education Act (RTE), supplemented by the Mid Day Meal Scheme for school children, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) etc.

Civil Society Movements against Global Capitalism:

India has seen several movements against the entry of foreign goods and money. It may be noted that in the recent decades, a common platform for several grass-roots groups, many of which challenge the dominant perspective on development and seek to propagate an alternative model of development based on indigenous science and technology, while some others seek to reduce the disparity in scientific knowledge, has been created under the rubric of *People's Science Movements* (PSM). These groups may have only a band of few individuals in one area, while thousands in another area; some are of recent origin, while others date back to decades. Some of these include, the *All India Anti-Imperialist Forum*, *All India People's Science Network*, *Azadi Bachao Andolan*, *Bhopal Gas Affected Working Women's Union*, *Chilka Bachao Andolan*, *Chipko Movement*, *Eklavya*, *Friends of Rural Society*, *Ganga Mukti Andolan*, *Himalaya Bachao Andolan*, *Kerala Sastra Sahitya Parishad (KSSP)*, *Kishore Bharati*, *Manav Bahini*, *Medico Friends Circle*, *Mines Minerals and People, Movement in India for Nuclear Disarmament (MIND)*, *National Alliance of People's Movement (NAPM)*, *Narmada Bachao Andolan (NBA)*, *National Fish*

¹⁸ Anand Kumar. 2011. *Understanding Globalization and Emerging India*. New Delhi: Palm Leaf Publications, 203

¹⁹ Public Distribution, NFSA and Computerisation. <http://dfpd.nic.in/nfsa-act.htm> (assessed 4th December, 2016)

Workers Forum, Patriotic People for Science and Technology (PPST), Sahayog, Samajwadi Jan Parishad, and Vigyan Siksha Kendra etc. All these groups are committed to divergent views on Science and Technology (S and T), and they work on a range of issues such as developing S and T for the people, protection of the natural environment and forests, opposing mega projects of global corporations and the World Bank, improving the conditions of life and health, building cultural identity, promoting scientific knowledge among the common people, research related to people's health, innovation in scientific communication, and rediscovering Indian heritage. They are involved in grass roots activism by the formation of loose associations. They exhibit an organizational structure, which is decentralized, lacking regulation, differentiation, control and power. Many of them use the medium of songs, poems, dances, puppet shows and plays to popularize their struggles. These groups speak on behalf of the small peasants, agricultural laborers, rural artisans, craftsmen, tribal people and urban workers, in general - for those steeped in poverty.²⁰ Of these, the Azadi Bachao Andolan (ABA) has been providing a persistent platform for voices opposing global capitalism.²¹ It claims to be committed towards "incessantly fighting for liberating India from corporate colonialism and to build a society based on Swadeshi, simplicity and self reliance."²² Similarly, the National

²⁰ Roli Varma. 2001. 'People's Science Movements and Science Wars ?' in *Economic and Political Weekly*, Vol. 36, No. 52, December 29 – January 4: 4796 - 4797

²¹ Anand Kumar. 2011. *Understanding Globalization and Emerging India*. New Delhi: Palm Leaf Publications, 149-150.

²² Ideologically, this movement is embedded in economic nationalism, social justice and political freedom, for attaining *Swaraj* or the Gandhian vision of self dependence. This movement has been promoting indigenous goods as against the multinational brands, while also encouraging the rural youth to start small scale units for the production of goods such as shampoo, bathing soaps, toothpaste, detergent powder etc. It may be noted that this movement had commenced with starting a boycott campaign against the Union Carbide of America in the year 1986, which subsequently left the country in the year 1991. The gas leak in its Union Carbide India Limited pesticide plant in Bhopal, Madhya Pradesh, on the night of 2nd December, 1984, had resulted in more than 5 lakh people getting exposed to lethal gases and chemicals, amounting to what has been described as one of the world's worst Industrial disasters. The ABA had also filed a public interest litigation in Uttar Pradesh High court, for stopping India from signing the GATT agreement, in the year 1986, which was nevertheless defeated. It has been successful in creating awareness amongst the general public against the harmful side effects of soft drinks such as Pepsi and Coca –Cola, since 1997, while winning a few cases against these two giants corporations as well. It was also successful in its case against an American liquor company which had signed an MOU with the state government of Rajasthan, but which subsequently had to leave the country. Besides, it has been promoting organic farming in various states of India. It brings together artisans, producers and entrepreneurs who have been adversely affected by global capitalism, through techniques, such as formation of human chains, personal abstention and collective resolutions. It also seeks support from intellectuals and resource persons, while disseminating information about the movement through monthly magazines in Hindi and English. Nonetheless, it has seen numerous hurdles in its path, and it always been has been an uphill climb for this movement. Way back in 2003 itself, its annual report projected a 150 thousand rupee debt in the year 2002-03, while, it was still in

Alliance of People's Movements (NAPM), which was formed in 1993, provides a common platform for all those groups who share a common identity as victims of the process of development and modernization in India.²³ Nonetheless, most of these civil society organizations, as well as the activists associated with such organizations, have been more often than not labeled as 'anti-development' and 'regressive', by the proponents of the Eurocentric or market model of development.

Again, in the context of the introduction of Bt cotton, the white fly attack, and the subsequent crop failure in Punjab, there were massive protests held and are still being organized, all over Punjab, led by several farmers unions, primarily offshoots of the Bharatiya Kisan Union.²⁴ These farmers are demanding adequate compensation for crop failure and also for the families of the farmers who have committed suicide.²⁵ Ironically, the Punjab government led by the Shiromani Akali Dal allegedly gave cheques of as low as 15 rupees denomination,²⁶ to some of the farmers.²⁷ It may also be stated here that the Director of Punjab's agriculture department was arrested, along with several pesticide dealers, for the sale of spurious pesticides. Interestingly, in the wake of the massive losses and farmers' suicides, the joint action committee, which had been appointed by the states of Punjab and Haryana, has recommended the cultivation of traditional or 'desi' variety of cotton (*arboreum*) since it is immune to

the look out for a thousand persons to form a network of volunteers across the length and breadth of the country who would respond to the calls for activism in their particular areas.

²³ The NAPM seeks to redefine 'development' in non-exploitative, equitable and ecologically sound terms. A number of groups under the PSM are closely involved in the NAPM process, and the rallying slogan of their activism is 'Vinash Nahin, Vikas Chahiye' or 'Development not Destruction', which translates to an alternative development model. The groups under NAPM want people to be involved in the decision making process and have control over the natural resources in their vicinity. They propagate the self-reliance of urban and rural communities with respect to their basic needs, and thereby to have only a limited dependence on expanded markets. This group of associations is also significant by their emulation of the Gandhian non-violent way of protesting, and they have also identified with the Gandhian critique of a Westernized model of heavy industrialization, and propagates a sustainable model of development and small, labor intensive industries, which should be based on renewable energy.

²⁴ For instance, the protest in front of the district headquarters in the city of Bathinda itself went on for more than 49 days.

²⁵ There is a demand for 40,000 rupees per acre, including 20,000 rupees for those families of agricultural laborers who got unemployed as a result of the crop failure.

²⁶ It has been observed that the reason behind this appallingly poor compensation rate is owing to the fact that the operational land holdings are not properly recorded in the revenue records, while there are multiple shareholders for even one acre of land and around 60 percent farmers in Punjab are cultivators and not owners, and the compensation is equally distributed amongst all of the stakeholders.

²⁷ "Farmers to hold indefinite strike in all districts from September 28". <http://www.tribuneindia.com/news/bathinda/farmers-to-hold-indefinite-strike-in-all-districts-from-september-28/138288.html> (accessed 12th November, 2016)

the cotton leaf curl viral disease and is also comparatively tolerant to the whitefly and other insect pests.²⁸ The Punjab government also seeks to take charge of the distribution of seeds through government agencies.²⁹

With regard to the setting up of SEZs through acquisition of land belonging to farmers and counter movements against it, the case of Nandigram, in the state of West Bengal in India, seems apt to be cited here. In Nandigram, 25,000 acres were to be handed over for the setting up of an SEZ.³⁰ The efforts for the setting up of a chemical hub was met with wide spread protest movements, with sever clashes between the *Bhumi Uchchhed Pratirodhak Committee* (BUPC) and the CPI(M). These clashes were often brutal with large scale human rights violations, violence against women and children and even loss of several lives. The maximum number of fatalities were reported from police firing on the fateful day of March 14th, 2007, wherein 14 villagers lost their lives. In the aftermath of this incident, in another “operation sunrise” in the month of October, 2007, for recapturing the land at Nandigram, the CPI (M) is alleged to have been guilty of burning 150 houses, and thereby rendering nearly 1000 people as Internally Displaced Persons (IDPs).³¹ It was only when the central paramilitary forces restored peace and facilitated the conduct of peaceful *panchayat* elections in 2008, with the media giving wide coverage to the preceding violence, that the political party having a firm backing from the BUPC came to power. This subsequently resulted in the abandonment of the of the SEZ project in Nandigram.

Other responses: The phenomena of Naxalism and other ‘underground’ groups:

Apart from civil society movements mentioned above, and various statist responses, India has also seen some other movements, which have been threatening to disrupt the social as well as the political fabric of the country. The most severe threat is perceived

²⁸ Komal Amit Gera. 2016. “Haryana, Punjab plan to cut Bt cotton usage, <http://caionline.in/articles/4655>, (accessed 12th November, 2016)

²⁹ Another panacea has been seen in the growing of two rows of sorghum or pearl-millet or maize as a barrier crop around cotton fields to contain the spread of white fly in Punjab.

³⁰ Ironically, the ruling party in the state of West Bengal at the time of the alleged displacement of the families resident in the identified area was the Communist Party of India (Marxist) or CPI (M), which has been the single most important political party, with its ideology of Marxism, to stand against the capitalistic endeavors of the Indian state.

³¹ “Report – II, Land Acquisition and Internal Displacements in West Bengal”, *Refugee Watch*, 39 & 40, June and December, 2012, 197-199.

from the phenomenon called Naxalism³² or Maoism. It is observed that around 40 parties and groups call themselves Maoists over several regions of South Asia, which allegedly control one fifth of India's territory. While working in close coordination with each other, the various Maoist groups want to establish a *Compact Revolutionary Zone (CRZ)* that would stretch from the Himalayan foothills of Nepal to the coastal areas of Andhra Pradesh and Tamil Nadu.³³ Considering the widespread nature of the Naxal based violence and insurgency, Prime Minister Manmohan Singh had referred to it as the single most important internal security issue facing the nation.³⁴

It is highly significant to note that the Naxals have their presence in a broad zone within the heartland of India, which is also considered the least developed region of the country, and is afflicted with large scale poverty, illiteracy and over population. This area, also referred to as the 'Red Corridor'³⁵, includes Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, Eastern Maharashtra, Telangana and Western Odisha. This area is characterized by poverty, poor governance, and by what Kothari (1988) refers to as groups and segments of human society, which have been rendered 'dispensable' via the projects of the State.³⁶ This area is also relatively rich in both mineral and forest resources, and a large share of the population is tribal.

Apart from the Naxals, there are also several 'insurgent' groups which have been flooding certain parts of the country, primarily the north-eastern states of India. Most of these associations and the communities that they represent, might not have been heard of in mainland India, and that is primarily the reason for their grievance, argues Baruah (2002). Thus he cites Charles Taylor's phrase, "the politics of recognition" in

³² The Naxalite movement was led by Charu Mazumdar and Kanu Sanyal, in the year 1967, at a village called Naxalbari, in the state of West Bengal. These communist leaders had broken away from the Communist Party Marxist (CPM). Mazumdar was a great admirer of Mao Zedong of China and he was of the view that Indian peasants and the lower classes should follow in his footsteps and overthrow the government as well as the upper classes, whom he perceived as being responsible for the plight of the poor. This was to be achieved through guerrilla warfare by the peasants, to eliminate their landlords.

³³ Ranjit Kumar Gupta. 2004. *The Crimson Agenda: Maoist Protest and Terror*. New Delhi: Wordsmiths, as reviewed in Gautam Adhikari.2005. 'Naxalism and its Successors', *Economic and Political Weekly*, Vol. 40, No. 6, February 5- 11: 534

³⁴ Sumit Ganguly. 2009. 'India in 2008: Domestic Turmoil and External Hopes', *Asian Survey*, Vol. 49, No. 1, January/February: 42

³⁵ Red represents the color of Marxist Leninist groups, and hence the areas affected with Naxalism, which is inspired by this ideology, is referred to as the Red Corridor.

³⁶ Rajni Kothari. 1988. *The State against Democracy: In Search of Humane Government*. Delhi: Ajanta Publications.

this context.³⁷ These can also be seen as voices of resentment against the rampant homogenization drive associated with the current model of capitalistic development, which threatens to decimate the identity of such communities. Most of these groups are ethnically based, although their political claims may not always be exclusionary and may even at times be pluralistic in nature. This realm of the ‘underground’ along with the popular subaltern existence, has been observed to occupy a space of ‘many mediations’, which is neither civil society -defined in the broader sense to include the public sphere, and nor the state.³⁸

Global Capitalism, Development and Non Governmental Organizations (NGOs):

It may be noted that the last decade of the 20th century has been described as the decade of the Non-Governmental Organization or the NGO.³⁹ The Seventh Plan of India sought to increasingly involve voluntary agencies in the implementation of plan programmes, particularly in the rural areas.⁴⁰ This official recognition has in turn resulted in a massive growth in the funding as well as support of the NGOs. In this context it may also be noted that the foreign aid programme of donor agencies, which mostly belong to the advanced capitalist countries of the North, have identified civil society as the key ingredient in promoting ‘democratic development’ in the economically less developed states of the South. However, it has been observed that the fact that the effectiveness of most NGOs in India depend upon their capacity to attract funds from foreign donors, is sure to affect their contribution to the growth of civil society in India.⁴¹ Further it has been argued that NGOs have proven to be corrupt and unaccountable and have lost the trust of the people.⁴² Nevertheless, it may be noted that being non-governmental is only one of their characteristics, and they are found at different levels of relationship with the government or the state. Most tend to act as pressure groups and interest groups, many accept funding from international donor agencies, while many others do not receive any funding from

³⁷ Sanjib Baruah. 2002. ‘Gulliver’s Troubles: State and Militants in North-East India’, *Economic and Political Weekly*, Vol. 37, No. 41, October 12- 18: 4178 -4179

³⁸ Aditya Nigam. 2005. ‘Civil Society and its ‘Underground’: Explorations in the Notion of ‘Political Society’, in Rajeev Bhargava and Helmut Reifeld (eds). 2005. *Civil Society, Public Sphere and Citizenship: Dialogues and Perceptions*. New Delhi: Sage Publications: 252 - 256

³⁹ Andre Beteille.2001. ‘Civil Society and the Good Society’, *Sociological Bulletin*, Vol. 50 (2): 296

⁴⁰ T.K. Oommen. 2004. *Nation, Civil Society and Social Movements: Essays in Political Sociology*. New Delhi: Sage Publications:116

⁴¹ Andre Beteille.2001. ‘Civil Society and the Good Society’, *Sociological Bulletin*, Vol. 50 (2): 297

⁴² Neera Chandhoke. 2003. *The Conceits of Civil Society*. Delhi: Oxford: 76- 77

abroad, and receive only specified amounts as donation from its members. Some may be making huge profits, while others may be running into debts or may have its workers working in endangered situations. Hence, the proposition as to whether the term NGO, which is generally assumed to be a non-governmental and non-profit sector, can be applied to all of these organizations, is a matter of debate.

Conclusion:

In the ultimate analysis it may be observed that Polanyi's thesis of a double movement –the push towards disembedding the market through the establishment of laissez faire economy, and the counter movements to protect the society from the ravages of global capitalism, have been more than prominent in the case of India. As Polanyi observes, the establishment of free market seems to be more planned than the movements of resistance against it, by the state or society. Land grabbing from poor farmers for setting up of various projects by MNCs, who are hand in gloves with the state, farmers' suicides owing to faulty policies of the state in favor of capitalists, and the increasing gap between the classes and the masses, have led to several movements in the civil society. Besides, many of the NGOs which have come into existence to fill the gap left behind owing to the roll back of the welfare state, have themselves become for-profit organizations, working in collusion with international donor agencies, to carry out the agendas of such bodies, rather than catering to the aspirations of the deprived lot of India.

Again, wherever the state as well as civil society, have failed to address the grievances of the people left behind in the rush towards a market driven economy, there have risen several 'underground' movements in the form of Naxalism and other extremist organizations, which have at times threatened to disrupt the very social and political fabric of the country. This threat continues to loom large, as there seems to be no respite from the clutches of global capitalism, especially after the 'decline of the moderate state'⁴³ in India, and the adoption of the SAP in the 1990s. However, there does not seem to be major possibilities for the materialization of Polanyi's faith in the

⁴³Rajni Kothari. 2001. 'The Crisis of the Moderate State and the Decline of Democracy', in Niraja Jayal (ed.) *Democracy in India*, Delhi: Oxford: 101-127. By moderate state Kothari implies a state which, despite the powerful tendency towards centralization and homogenization, acts as an instrument of social justice and human freedom.

doom of capitalism in this era. This is despite the fact that time and again, the Indian state has had to adopt various measures to check the rampant destruction of nature and the brutal exploitation of human beings, by the forces of the market. Nevertheless, Polanyi's thesis can be seen to be of immense relevance in the current era, as it provides a vital tool for the analysis of the modern socio-politico-economic systems, which are intricately intertwined. It may be taken as an important framework for the understanding of the modern world system, notwithstanding the need to enrich such a model with experiences from different countries and divergent contexts.

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