CHAPTER - 1

INTRODUCTION

One major concern of Economics is to secure economic prosperity. To Adam Smith, economic prosperity depends on capital accumulation and productivity (Dasgupta, 1985). Capital-rich-economies have made substantial improvements in labour productivity and capital was instrumental in transforming them into developed economies. This elegant transformation process was projected as models for the development of new aspirants; the underdeveloped (Third) world. Such development strategies for Less Developed Countries (LDCs) came to be called development economics or modernisation theory and the economists of the persuasion as ‘modernisation theorists’. They believed that replication of the same set of conditions of the developed world would usher in development in LDCs as well. Rostow’s ‘stages of growth’ theory required all nations to traverse the same path. The modernisation theory contended that there were certain ‘missing components’ in LDCs such as capital, foreign exchange and skills of management and that the presence of these would generate development in the Third world (Rostow, 1960). However, in due course of time it became clear that the development problems of LDCs were too complex to be solved through a simple linear development approach.

Marxian theory was also concerned about such issues and viewed development as problems of social relations. It held that the development of capitalism as auto centric and transitory. Marxian theory hold that a native land in touch with a capitalist mode would also be transformed so. Marx did not touch
upon the relationships between capitalist economy and a native LDC. Later Marxian thinkers provided some reflection on the subject. Imperialistic stages of development as conceived by Lenin provides the general contours of the relation between capitalist countries and the less developed ones (Lenin, 1964)\(^3\). These stages of capitalism introduce contradictions into LDCs through imperialistic measures. This piece of analysis has not qualitatively changed the Marxian approach towards development issues of LDCs.

A flaw in the above strands of thought is the premise that the internal structure and forces that cause changes in the LDCs are universal and homogeneous. Such theories failed to recognise that the developed countries and LDCs stand on different footings requiring different strategies and approaches to solve their respective issues. The concept of universal and homogeneous structure in the LDCs suffers the defects of static and non historical relationship between capitalist economies and LDCs. It is static because it highlights only one relation-a one sided and unequal relation - between developed and the LDCs. It is non historic as the paradigms are indifferent to history of the economic changes of certain periods while that of another period is over emphasised.

Marxist structuralists, popularly known as Dependency School seemed to hold the view that the LDCs are often deprived of an independent growth path by a coalescence of domestic and foreign capital. Furtado (Furtado, 1963) cites the example of Brazil where foreign and domestic capital colluded to preserve the basic structure of the economy from being changed for the purpose of exploiting the reserve army of unemployed. To him such basic structural contradictions thwart developmental efforts.
The causes of such structural imbalances were well articulated by Frank (Frank, 1975). While analysing the capitalist underdevelopment, he argued that development and underdevelopment were two sides of the same historical process of World Capitalist Development. He argues that “under development as we know it to-day, and economic development as well, are the simultaneous and related products of the development on a world wide scale and over a history of more than four centuries at least of a single integrated system: capitalism (Frank, 1975). Frank rightly contends that capitalism is an alien system in LDCs. In LDCs it was not a domestic development as it was in Europe but the result of external imposition and control. The compensatory development of viable institutions and forms did not take place in the colonial periphery. There capital was extracted particularly from extractive industries and siphoned off to the development of metropole undermining growth prospects of domestic commerce and industry. The institutions and mentality that were created to replace pre-existing feudal ones were not those which stimulated or permitted autonomous growth but resulted in and still maintain and deepen dependent relationship. The formation of this sort of underdevelopment relationship is not specific to capitalist epoch only. The breeds of under development transcended even from an earlier epoch of mercantilism. The development of mercantilism and of capitalism must be seen as a single continuous process culminating in under-development. For LDCs, capitalism to-day is very much the same as it was mercantilism centuries ago. Frank tells, “For the under developed part of the capitalist system, relatively little of importance has changed since mercantilist times” (Frank, 1975). In the metropole the transformation of the mercantilist system to its capitalist phase was accompanied by industrialisation. But it was not so in the underdeveloped
periphery. The metropole, during the capitalist phase employed the mercantilist relations to strengthen industrialisation at home. Further it employed the same relations to thwart industrialisation in the underdeveloped world. In short, metropolitan industrialisation only strengthened mercantile determination of underdevelopment.

Thus we may summarise Frank's position that development and underdevelopment are of dialectical unity as development of metropolis causes the underdevelopment of the other. The relative position of the developed and the underdeveloped ones at present are the outcome of this historical process. In fact, the LDCs are entrenched in the world capitalist system in such a way that it creates and sustains a whole "structure of under development" deepening, widening and reinforcing that structure through the manoeuvring capitalist measures.

Different writers who focused on development issues of LDCs from this perspective have pointed out certain explicit underdevelopment structures (Boeke, 1953, Stewart, 1977). According to Stewart, "The dependent relationship is exhibited in cultural as well as economic features of the third world countries" (Stewart, 1977). She puts that the most critical aspect of the whole set of dependent relationships is technological dependence. She argues,

"It is linked as a cause, a symptom and a consequence of general relationship. Indeed, it is possible to argue that technological dependence is the most critical aspect of the whole relationship - so long as it continues it is impossible to break out of the general relationship and if it could be avoided then genuine general independence would be possible" (Stewart, 1977).
Technological dependence arises from the imbalances in technological capacity, i.e. the capacity to produce technology. History posited the developed countries at a vantage point. Being pioneers in industrial development they could exploit the LDCs of their resources not only through unequal trade but also by exporting embodied technology when development came to be identified as industrialisation of Western type. In fact, commercialisation of technology modulated by the export of machinery to LDCs became a general feature.

Stewart has argued that it is impossible for the LDCs to come out of this shackle primarily because of the world economic facts of life. Further, the psychological and economic pressures of the dependent relationship have conditioned decision makers in the third world countries in such a way that they do not wish to follow an alternative strategy. Hence the development premises of LDCs are normally fashioned after the development paradigms of the developed capitalist economies. In this milieu the technological dependence perpetuate itself as a vicious circle and permeate and transform into a general dependence.

On balance, the above analyses show that the LDCs are cornered in a peculiar adverse situation.

(i) LDCs are deprived of an independent growth path

(ii) Theories under different strands of thought offer only a unilinear approach of development towards LDCs, incapable of giving real solutions to their development issues.

(iii) A set of structural imbalances exist in LDCs due to their current inevitable relations with capitalist world.
Given these situations of LDCs, naturally one may ask the question whether there is any way out from this deadlock? Luckily we are not ensnared altogether. Discrete attempts are found in different sectors among a particular class of people, the marginalised and peripheralised group, who bear the major brunts of capitalist development. Even though such attempts were not of a large scale, to be very conspicuous, it occurs in certain sectors where such attempts are spreading. One may also note that such attempts by people are not strictly confining to economic issues alone but entail at political and social level (Satyamoorthy, 1998).

This study focuses on such an independent attempt made by the coastal marine fishermen of the Kerala economy. Fishing is an important economic activity in Kerala since time immemorial. It was a traditional occupation and under the impulse of modernisation, fishery development schemes and policies were framed in Kerala both by central and state governments. The most important attempt for fisheries expansion was undertaken with foreign participation in 1953 under the Indo - Norwegian Project (INP). A decade of planned policies came to a close by 1963. Since then the fishery sector was dominated by capitalist expansion and as a result the whole marine fishing scenario was turbulent. The original objective group, the real fishermen were thrown out of scene, marginalised and peripheralised deprivings them even of a precarious existence. From this unexpected and undesired scenario of the Kerala fishery we are bound to ask some questions. First, how an expansion of fishery which was originally planned to improve the economic condition of the real fishermen resulted in depriving their economic existence?
Second, how a sector which was dominated by traditional fishermen suddenly replaced by a capitalist group who were totally unrelated to the fishery earlier?

Finally, what would be the new socio-economic scenario developed in the fishery since 1980s? From 1980s onwards, the traditional fishermen as a whole began to make a recovery through some improvements in their artefacts - a separate epoch known as motorisation in Kerala fishery. The major issues related with this particular epoch are that what were the forces which caused this motorisation, what were its effects and how this epoch was dialectically linked with the earlier capitalist epoch?

The general tone of all these issues are related with technology and dependency and the consequent structural imbalances. We intend to unfold all these issues in the Kerala fishery in this context.

Survey of Literature

Large number of studies were emerged in Kerala fishery in line with different epochs of fishery development in the state. On the eve of INP, many studies were conducted particularly on the impact of INP on fishermen (Bog, 1954, Sandven, 1959, Achari and Menon, 1963, Klausen, 1968, Achari, 1969). All these studies have pointed out that generally INP provided an improvement in the economic well being of the fishermen. But a major limitation of these studies was that they reflected the economic condition of the INP area only.
In the 1960s and 1970s fisheries sector was proliferated with works on the experiences of mechanisation. Most of the studies were primarily concerned with technological issues such as evaluating comparative efficiency of different mechanised crafts (Iyer et al., 1968: State Planning Board, 1969) and the externalities of such technology (Galtung, 1974).

A major change that occurred in the fishery of the state during the mechanisation period was the primacy accorded to shrimp exports. An economic appraisal of the prawn fishery of the Kerala coast was attempted by Saxena (Saxena, 1970). Valsala made a study on the structure of the marine product export industry (Valsala, 1976). Prakasan dealt with the impact of mechanisation on the fishermen on Vypeen Island (Prakasan, 1974). Vattamattom tried to identify factors that determine the earnings of the fishermen at the Poonthura Village in Trivandrum district (Vattamattom, 1978). All these studies were analysed certain particular aspect of the mechanisation period.

The studies focusing on the general picture of the evolving pattern of the Kerala fishery were limited. However, attempts were made in this line mainly writers like Kurien [(Kurien, 1978); (Mathur, 1978); (Bhusan, 1979)]. Kurien (1978), focused on fisheries in terms of production, distribution, technology and organisation. A similar study of the Mappila Fisher Folk (Mathur, 1978) relating to organisation, technology, trade and other related aspect in hindsight gave an insight to the whole fishery economy of the Kerala State. A detailed description of the technical changes in Kerala fishery was made by Bhusan (1979). All these studies enriched information relating to fishery but only at a descriptive level.
Explanatory attempts relating to the changes in Kerala fishery were made by [Ibrahim, 1986]; (Ramakrishnan, 1994); and (Kurien, 1996)]. Ibrahim, (1986) focused on the capitalist intrusion in the primary fishing activity and analysed its implications on employment and income. He had showed that the mechanisation process had adversely affected the income, and employment prospects of traditional fishermen. However, his study could not offer any insight on how the capitalists succeeded in intruding the primary sector and dominated it. Though he had used Marxian tools to delineate the capitalist changes he could not make use of it in analysing the changes in the labour process in the fishery sector.

Ramakrishnan (1994), highlighted the need for an appropriate theoretical framework to address and comprehend the process of fisheries development. He made an alternative approach to study technological change in the primary marine fishing industry of Kerala by referring to its process, indicators and characteristics. His failure to recognise the capitalist process of growth under the guise of modernisation of the sector had resulted the study ending up at a descriptive level. His basic premises perhaps could not help him to comprehend the motorisation phase of fishery development.

Kurien (1996), attempted to explore the diffusion of technology among the traditional fishermen. Even though he had analysed both in terms of theoretical premises and primary data the process of technology diffusion, he could not bring in the dialectical relation of the diffusion phase with the prior changes in fishery.

Fisheries literature in the 1980s mainly focused on the uncertainties and anxieties of different sections involved. The traditional fishermen were
marginalised upon the onslaught of mechanisation and they were almost deprived of their source of living. Such a situation created a conflicting relation between traditional fisher folk and the capitalists. Issues of over exploitation and the need for policies regarding resource conservation were brought in the forefront. These issues were focused by (Kurien, 1987). The conflicting nature of certain technologies like purse-seining were discussed by Achari (1986). The impact of motorisation in the fisheries on traditional fishermen secured the attention of some experts, however, marginally (Kurien and Jayakumar, 1980, Achari, 1986). Costs and benefits of motorisation from the angle of techno-economic issues were made by certain NGOs (PCO, 1989).

Even though all these studies touched upon the live issues of Kerala fishery a major shortcoming of these studies was that they could not visualise that these issues were organically brewing and emerging from the development paradigms adopted in the fishery sector. The problems highlighted in the fisheries are not isolated issues in fisheries alone. They are on the other hand, issues emerging in any traditional sector/economy opened for modernisation on western lines. Therefore, to analyse the evolutionary process of fishery and to comprehend the present issues as inseparable and inevitable outcome of capitalist development paradigms we have to look at these issues from a critical development perspective. The survey of fishery studies indicates that such a gap exists in the whole literature (recall Ramakrishnan’s attempt to formulate such a theoretical net work in the terms of process, indicators and characteristics). The present study is attempt to undertake this task, however marginally.
Given that, the crisis in Kerala fishery is the inevitable outcome capitalist development paradigms, we would like to specifically examine following issues.

**Objectives of the study**

The objectives of the study are

1. To unfold the capitalist development process of the fishery sector.

2. To explain the marginalisation of the traditional fishermen in the development process of the fishery sector.

3. To explain and assess the responses of the fishermen community against their marginalisation.

4. To highlight the implications of such responses in the fishery scenario of Kerala.

**Hypotheses**

The study makes following hypotheses.

1. Export orientation of the fishery initiated capitalist development.

2. Motorisation seems to be an appropriate technology for traditional sector and its development.

3. Motorisation itself produces newer trends of competition in traditional fishery and even between the mechanised sector.
Methodology

Since the issues raised in this study are multidimensional, Marxian dialectical method forms the basis of analysis. The concept of labour process changes constitutes the central premise of explanation. Since the study is tailored in the form of a case study, both primary and secondary data are used.

To collect the primary data, the sample size is determined on the basis of a census of artisanal craft made by South Indian Federation of Fishermen Society (SIFFS) in 1991. The samples are drawn from six coastal districts, three from the Southern region and the other three from the Northern region. On the basis of the types of crafts, a five fold classification of crafts are made in both regions. From each region, five per cent of the population is drawn as samples from the important fishing villages. A questionnaire is used to elicit information from the fishermen. Basic statistical tools are used to analyse and explain data.

Limitation of the Study

Primary data were collected during 1996-97 period. However, as pointed out earlier, the size of the sample was determined on the basis of the census made by SIFFS in 1991. Between the two time periods the number of crafts would have changed. But the changes happened during this period has not been taken care of for drawing the sample.

The fishermen were generally, not in the habit of keeping accounts of the income or the catch data. Hence, the information provided by the fishermen are average measures of catches, returns and other variables and this would result in specification and sampling error. But we have taken every effort to cross check
such information with different groups of fishermen and others related with fisheries.

**Scheme of Study**

This study is divided into nine chapters. Chapter one, which has been set out as introduction, deals with a brief discussion of some major alternative development theories and brings out its limitations in the socio-economic milieu of LDCs. The irrelevance and inappropriateness of such models which had culminated in serious deprivation of livelihood, particularly of primary producers have set in indications of newer development visions and actions by people themselves, have indicated. Given this context, fishery sector in Kerala is taken as a case study. A brief survey of literature followed by the objectives of the study, methodology and limitation are discussed in this chapter.

The second one attempts to make a theoretical explanation of the newer development trends which are emanating from the primary producers. The study adopts Marxian dialectics as its methodology particularly the labour process analysis. Having defined what is labour process, the study proceeds to explain how it looks into the pre-capitalist and capitalist modes of production. Then we describe the changes in labour process under different epochs of capitalist development. We contend, later that changes in labour process takes unusual form in LDCs because of its peculiar of socio-economic environment. We also attempt to provide the reasons for newer forms of development activities by the marginalised community in this chapter.
While chapter three gives a simple narration of the evolution of technology in fishery, the fourth and fifth chapters show how in the fishery such technical changes culminated in class polarisation. It further discusses how the fishermen community reacted against such polarisation.

The epoch of motorisation which burgeoned as a reactionary measure turned up as an alternative development attempt. This story is described in chapters six and seven. The socio-economic viability of this epoch and its characteristics are tested with primary data in these chapters.

The role played by the government in such an evolution of Kerala fishery is discussed in chapter eight wherein policy directions to be followed in its future development activities are given on the basis of the present analysis.

The final chapter (chapter nine) makes a summary of the study and its major conclusions.
1. Rostow argued that an economy in its development process must pass through five stages. From a traditional stage in the beginning to preconditions as the second which lay the groundwork for a takeoff in the third phase. It progresses then into a 'drive to maturity' and finally the fifth stage of high mass consumption.

2. Referring to such modernisation approaches, Louis Leferber argues "that it is not applicable because it does not relate to those structural conditions which are present in today's underdeveloped nations, and that it does not leave room for the attainment of social justice without which growth cannot be turned into development" (Leferber, 1974).

3. Lenin has described five essential features of imperialism.

   (i) The concentration of production and capital developed to such a high stage that it has created monopolies which play a decisive role in economic life.

   (ii) The merging of bank capital with industrial capital and the creation, on the basis of this, finance capital or a financial oligarchy.

   (iii) The export of capital, as distinguished from the export of commodities, becomes of particularly great importance.

   (iv) International monopoly combines of capitalists are formed which divide up the world.

   (v) The territorial division of the world by the greatest capitalist powers.
4. Celso Furtado, A.G.Frank, Sunkel, Dos Santos Szentes, Samir Amin, Griffin were the major exponents of this school of thought.

5. The dependent relationship means that events in the third world countries are determined by what happens elsewhere, notably at the capitalist centre.

6. Technological dependence, its characteristics and indicators and consequences are discussed by Frances Stewart (Stewart, 1977).

7. Chapter 2 describes the concept of labour process, labour process changes and specific issues related with labour process changes in LDCs.

References


References


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