Chapter I

SOCIOLOGY OF DEVELOPMENT:
APPROACHES AND CONCEPTS

The concept of development generally denotes some sort of "advancement" in the positive (desired) direction. In the societal context, it is referred to as progressive transformation of certain aspects of a given society. The idea of development as such has found expression in the writings of founding fathers of social sciences. The growing interest in the area of development has, in the recent years, assumed special significance and has engaged the attention of a large number of social scientists from different disciplines. Initially the "economic development" as such was the focal point of discussion, but now with the passage of time, there has been a marked extension in the range and scope of its discussion. The studies on "political development" have got wider coverage, the main objective being to examine the relationship between the developmental and political processes in the transformation of traditional social structure. But the various scholars in this area have now started realizing that the development of society as
a whole is possible only when the society develops socially, economically and politically. Thus the focus has shifted to "social development", which is, in fact, the fundamental problem specifically in the Third World societies where social issues are coming in to decide the fate of these societies.

Social development is a process which can neither be observed nor explained without the help of economic and political development. It is very much inter-related with these two. Today, social scientists have identified various components of development under different categories such as nutrition, shelter, health, education, leisure and recreation, security and opulence level or under categories like output and income, conditions of production, levels of living, attitude towards life and work, institutions and policies.

Like the concept of development, the developmental theories have also been meeting the same fate. In the beginning, developmental theories were the exclusive preserve of economists. It was of course common for economists to allude to the relevance of non-economic factors as well, but more often than not, they ignore
them in the explanation of social reality. But the realization that social development is inseparable from economic development and the domain of development cannot be left merely to economists led to the encroachment of various disciplines like political science and sociology in the area of development.

In the present chapter, the discussion on various developmental theories will make it abundantly clear that these theories lay greater emphasis on non-economic factors than the earlier theories which regarded purely economic considerations as central to their concern.

One can trace the origin of the theory of development and change in the ancient Greek thought. But it could not evolve any definite operational set of principles to account for social change and progress. In fact, till the advent of industrial revolution, the concept of human development remained highly theoretical and philosophical. In this context Horowitz writes: "There evolved a variety of notions of what constitutes development; in one conception development signifies innovative possibilities of discovery. Development is
also viewed as the unfolding the definite stages of the new in the place of the old. There is also the "aesthetic" approach which views development as the working out of a theme or of variations on a theme. Finally, in the humanist tradition, development depended on knowledge and the bringing to light of new information."\(^1\)

Dramatic changes in the material and human conditions have created new forces of production. Consequently, the reorganization of economic life has taken place. Thus a shift in social life from rural to urban may be observed from the point of industrial revolution. It emphasized in fact, a change from agricultural to commercial production which resulted in a general change from relative scarcity to relative abundance. The social scientists of the late eighteenth and early nineteenth centuries were much concerned with the conditions of economic progress in Europe during 'Industrial Revolution'.

Thus, development is a subject which has been widely discussed in the sociological literature. It

has not only been examined in the context of Britain, but also in the context of Europe and even in the whole world. A large number of sociologists and social scientists have approached the problem of development in both substantive as well as theoretical formulations. Major approaches which have been identified in the context of development are as under.

Economist's Approach to Development

The basic principle of this approach is that the private property and liberty are the fundamentals of all rational economic orders. In the context of method, the early economists hold the view that political economy resembles natural science in the universal applicability of its laws.

Adam Smith launched an attack on the British commercial system in his classic work - "The Wealth of Nations". Smith\(^2\) argued that the notion that a nation is rich if it has a great deal of gold, just as a man who has gold is wealthy is unsound since it is erroneous

to identify money with wealth. For him money is a well regulated medium of exchange, its shortage will create more inconvenience than the scarcity of precious metals like gold and silver.

However, Smith favours foreign trade, when it appears spontaneously in the natural course of country's economic development, and has recognised primary gains from trade as it provides a market for surplus products and facilitates further division of labour.

Smith's theory of economic development is implicit in the title of his book - "An Inquiry into the Nature and Causes of the Wealth of Nations". Here Smith's primary concern was to find ways and means to increase scarce resources. However, in this context, Smith recognizes only the original factors of production, and consequently observes that the gross revenue comprehends the whole annual produce of a given country's land and labour.

For Smith surplus is crucial to economic development. He recognises several factors which are

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both economic and non-economic to explain the increase of the surplus which constitutes the elements of the theory of economic development. These are labour, division of labour, capital accumulation and widening of the market (both internal and external) through the promotion of agriculture, trade and commerce. Since Smith's economic system functions as an integral part of the society, therefore, non-economic factors such as the human propensity to act in terms of self-love, sympathy and the desire to be free in the natural sense of propriety, the habit of labour; and in the propensity of trade, barter and exchange and a liberal government help to harmonize the economic order.

Smith takes cognizance of both the harmony of social interests and the elements of social conflict that might take place. However, Smith realised that social conditions were not too ripe to cause an explicit social conflict.

The work of David Ricardo kept the classical economic tradition at its apex. In his work —

4 Ibid., p.4.
"Principles of Political Economy and Taxation" he formulated the first dynamic theory of economic growth. Basically, Malthusian population principle and law of "diminishing returns" are the backbone of his arguments. Initially it was a reflection over the long-run problems - the reorganization of growing economy with a rising population. The Ricardian analysis was presumably aimed at the problem of distribution.

Richardo\(^6\) holds the view that economic growth is contingent upon capital formulation. This depends primarily upon the productive powers of labour. Such productive powers are generally greater when there is an abundance of fertile land. If an increase in the capital occurs, it raises the demand for labour and wages and lowers the profit. But the permanency of the rise in wages depends upon what happens to produce prices and this depends upon the relationship between


\(^6\) Ibid.
the growth in numbers and fertility of the land. Thus an organic relationship between agricultural development and economic growth can be observed in Ricardian system. It is based on the assumptions\textsuperscript{7} that (i) agricultural improvements rarely take place, and (ii) the labourers are paid a subsistence wage. Economic development is ultimately conditioned by the capitalists and the wage-earners as main adversaries in the system.

J.S. Mill's\textsuperscript{8} objective was to examine the economic principles with respect to their application to social philosophy. Mill has divided his work in five parts—production, distribution, exchange, the influence of the progress of the society on production, and distribution and the role of government. Mill\textsuperscript{9} holds that production of wealth may not be an arbitrary thing. It requires certain conditions which are of two types: (i) physical, depending on the properties of the matter and the

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amount of knowledge of these properties possessed at the particular place and time; and (ii) conditions related with human nature. After a careful observation of a great variety of social conditions and diversity in degree of economic development in different countries Mill arrives at the conclusion that a causal relationship existed between economic and social forces.

Progress and welfare, Mill\textsuperscript{10} thought, hinged upon man's ability to overcome natural and man-made obstacles. The former must be removed with the aid of developing a better understanding of the law of nature, and the latter, namely, the beliefs, customs etc. by education and cultural change. In both cases, progress was a dynamic process. Mill\textsuperscript{11} is also of the view that progress of science, skill and security, do have a social effect which is both cause and the result of this progress, and is in itself a further incentive to economic development.

After a careful examination of various features of development, Mill has given his own theory of

\footnotesize{\textsuperscript{10} Ibid., p.63.}
\footnotesize{\textsuperscript{11} Ibid., p.65.}
economic development for under-developed countries. The essential features of it are: better government, improvement of the public intelligence and the introduction of foreign aid. To conclude we can say that Mill has conceived of two stages of development: first, backward stage, where progress hinged on the production of wealth and population pressure, and second, advanced stage, which is equally dependent on production and population. In the first case population growth is checked by starvation, and in the second by prudence and foresight.

The two principles - principle of substitution and optimum combinations of resources under free enterprise, constitute the core of Marshall's theory of development. The process of development is essentially unilinear; but not absolutely continuous and unbroken or inevitable. For Marshall economic history is the history of the development of free enterprise. Free enterprise can only develop when the barriers could be removed and certain arrangements would be made to facilitate exchange, communications
etc., ensuring rational behaviour. Marshall concludes that once they are removed, modern capitalism gets established itself.

**Marxist Approach to Development**

Theory of development has found altogether different treatment in the works of Marx. His theory of societal evolution is very important. The genesis of Marx's evolutionary theory lies in his notion of 'mode of production'. Through it he shows how change in the mode of production leads to changes in the nature of exploitation. A society based on uneven positions or class relations emerges as a result of exploitation of large number of people by a few. This class-based society because of conflicting interests of the two main classes, i.e. the bourgeoisie and proletariat undergoes a process of revolutionary change. Taking examples from history, Marx tries to prove how societies have been transformed from primitive communism to modern capitalism.

Marx believes that the economic structure of capitalist society has grown out of the economic structure of feudal society. For him "The capitalist system pre-
supposes the complete separation of the labourers from all property in the means by which they can realise their labour. As soon as capitalist production is once on its own legs, it not only maintains this separation but reproduces it on a continually extending scale."\textsuperscript{12}

Marx further maintains that this process which takes away the possession of his means of production from the labourer clears the way for capitalist system. This process transforms the social means of subsistence and of production into capital on the one hand; and the immediate producers into wage labourers on the other. Therefore the so-called primitive accumulation is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because it forms the pre-historic stage of capital and of the mode of production corresponding with it.

For Marx the servitude of labourer is the starting point of the development which gave rise to wage labourer as well as to the capitalist. But the

form of this servitude has been in the process of change with the transformation of feudal exploitation into capitalist exploitation.

The mode of production is thus central point around which entire Marxian analysis revolves. Marx writes: "In the social production of their existence men inevitably enter into definite relations which are independent of their will, namely, relations of production appropriate to a given stage in the development of their material force of production. The totality of these relations of production constitute the economic structure of society, the real foundation on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life." Other Marxist writers too have paid due attention to this concept. In this regard Hilton writes that "social and political ideas, institutions and achievements of any society ultimately derive from its

mode of production. He, therefore, saw the heart of the change from feudal to capitalist society in the change from a primarily agrarian society of petty producers, whose most important social classes were the landlords and their unfree tenants, to a society producing commodities for exchange on the market, whose principal classes were capital owning entrepreneurs and propertyless wage-earners.\textsuperscript{14}

However, it is very important to explain the concept of class formation in the framework of analysis originally developed by Marx and his associate Engels. But before going deep into this problem it would also be important to point out that Marxist notion of class formation must be seen in relation to the other constituents of Marxist theory.

Class according to Karl Marx refers to those people or a group of people who occupy the similar position in the organization of production. Thus in

\textsuperscript{14} Hilton, R., "Capitalism - What is in a Name" in Transition from Feudalism to Capitalism by Hilton; Lowe and Brydone Printer Ltd., Thetford, Norfolk, London, 1976, p.148.
capitalism there are two main classes - the bourgeoisie and the proletariat. The first class is the owner of the means of production and the second contribute in the process of production through working and selling their labour. But before mature capitalism the nature of class formation may be different in the earlier phases of social development depending upon the kind and character of mode of production. Perhaps the most important point in course of analysing class formation is the objective criteria accordingly people may be seen to comprise a social class if they have one attribute in common: namely if they share the same relationship to the means of production. Such relationship is crucial in determining the life-chances and the life style of the individuals concerned. The sufficient conditions are met by the subjective factors such as ideology, political consciousness, organizational connection and all other non-material aesthetics which help in transforming class in itself into class for itself.

Through these concepts and ideas Marx has attempted an economic interpretation of history, and has provided an evolutionary scheme which includes four
stages, viz., primitive communism, feudalism, capitalism and socialism. In this scheme he perceives the formation of social structure in terms of class-struggle. He observes that the history of all societies is the history of class struggles. Tracing examples from history Marx shows that since early stages society has been divided into two opposite camps. These two are: "Freeman and slave, partician and plebein, lord and serf, guild master and journeyman, in a word oppressor and oppressed, stood in constant opposition to one another."\textsuperscript{15}

The modern society has the same characteristics, but the classes have been shaped under the influence of "new conditions of oppression, new forms of struggle in place of the old ones."\textsuperscript{16} He points out that modern society has two classes - bourgeoisie and proletariat. By bourgeoisie he means that the class of modern capitalist owners control the means of social production and employ wage-labourers. The proletariat, the class of modern wage-labourers who, having no means of


\textsuperscript{16} Ibid., p.47.
production of their own are reduced to selling their labour power in order to live.\textsuperscript{17} He characterises modern society as "the epoch of the bourgeoisie."\textsuperscript{18} The bourgeoisie cannot exist without continuously changing the means of production and with them the whole relations of society. Citing various examples Marx demonstrates that the modern bourgeoisie is itself the product of a long course of development, of a series of revolutions in the modes of production and of exchange.

In the process of development, the bourgeoisie exploits the proletariat. The proletariat also goes through various stages of development. Proletariat starts its struggle against the bourgeoisie from its birth. In the process of struggle proletariat revolutionises the whole society and ultimately finishes the bourgeoisie social relations and establishes dictatorship of the proletariat. Thus the society enters into a classless society.

\textbf{Max Weber's Approach to Development}

Max Weber has been regarded as Marx's most

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\textsuperscript{17} Ibid.
\textsuperscript{18} Ibid., p.46.
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profound intellectual critic. It has been the view of many that Weber's 'The Protestant Ethic and Spirit of Capitalism' provides a final and definite refutation of Marx's materialism. Though Weber himself accepted that Marx had made fundamental contributions to historical and sociological analysis, but in his opinion Marx's theory could never be regarded as anything more than an important source of insights or at most as a set of ideal-typical concept which could be applied to illuminate particular specific sequences of historical development. Weber has rejected totally Marx's construction of 'deterministic schemes' based upon theory of historical development in general, and materialism as a key to the explanation of historical change in particular. To conclude we can say that Weber's method has effectively eliminated the concept of totality from social theory and instead advocated methodological individualism.

Weber\(^{19}\) has examined several factors which he considered as the "pre-conditions" for the development

of capitalism. The first pre-condition mentioned by him is geographical. Weber while citing the example of India and China concludes that here capitalism could not develop due to the enormous costs of transportation connected with a wide variety of inland commerce of various regions. The second factor is population. He writes: "It is widespread error to regard the increase of population as a really crucial agent in the evolution of western capitalism." He proves it by adducing examples from Asian and European contexts. In the same period (from the beginning of the 18th to the end of 19th century) China and European countries experienced population growth, roughly equal in proportion. It proved favourable in European context, while it put China backward. He thus concludes that in Europe population did "indeed favour the development of capitalism in so far as in small population the system would have been unable to secure the necessary labour force, but in itself it never called forth that development." The third factor is, in fact, advocated by Sombart. He

20 Ibid., p.126.
21 Ibid.
states that the inflow of precious metals is the primary cause of the advent of capitalism. Weber, however, does not support this explanation. He cites the example of India during the period of Roman Empire when she received enormous mass of precious metals in exchange for domestic goods. But capitalism as such could not develop there; even though commercial capitalism did develop to a slight extent. He thus concludes: "The factor which produced capitalism is the permanent enterprise with its rational accounting, rational technology and rational law but again not these alone. Necessary complementary factors were the rational spirit, the rationalization of the conduct of life in general and a rationalistic economic ethic."\(^{22}\) Thus, Weber formulates a rationalistic model of development, in fact, of man and society. Such a view is in tune with Weber's thinking in general, and as a reaction to the Marxian perspective of change and development.

Weber has observed that from the very beginning two opposite attitudes towards the pursuit of gain exist in combination. One is: "internal", i.e. inside

\(^{22}\) Ibid., p.128.
the community, attachment with tradition; members of the tribe, clan etc. forbid unrestricted gain in the society. The other is: "external", which creates an unrestricted quest for gain from the foreigners. But "the cause of development involves on the one hand the bringing of calculation into the relations of traditional brotherhood displacing the old religious relationship... At the same time there is a tempering of the unrestricted quest for gain in relation with foreigners". 23 Weber concludes that "the earliest form of economic ethics and of economic relations which result from it, is the sanctity of tradition." 24

In the "Protestant Ethic and Spirit of Capitalism" Weber has presented his theory of development. For him, religious ideas are motivating factors for economic development. But Weber's theory is "secular" in nature, which explains how plausible are intensely sectarian convictions of a rationalist kind which promote methodical conduct in all spheres of life, including the economic realm where it become secularized in the

23 Ibid., pp.128-129.
24 Ibid., p.128.
time as "the spirit of capitalism". Two kinds of arguments\textsuperscript{25} have been provided in support of this thesis: (1) the argument of harmony, and (2) the argument of co-variation. First shows that capitalism can be developed only by people with certain characteristics, and that a given creed inculcates such traits; while second provides a comparison, how among different sections of population located within the boundaries of one state, capitalism developed farthest and fastest among the Protestants. It may be true even in case of many other countries.

For Weber, "Capitalism is identical with the pursuit of profit, and forever renewed profit, by means of continuous, rational, capitalistic enterprise".\textsuperscript{26} Thus the most significant feature of the spirit of capitalism is that it invested economizing itself with high moral significance. Thus, an entrepreneur engages in capitalistic economizing not purely as a matter of expediency of "constrained adaptation to the mundane

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necessity of making a living", he searches his inner resources as an agent, as he himself is responsible for his own existence and affirms his human worth.

To conclude, we can say that by spirit of capitalism, Weber means a set of attributes towards the acquisition of money and the activities involved in it. These attributes are an individual's ideas and beliefs which depend his membership in a particular group of religious sect. Capitalism has always existed but in different forms. In primitive society accumulation of wealth is done on a speculative basis, but in the modern society its basis is rationality. In the latter, a system of hierarchy, wage-earning, and achievement are the main considerations. Weber is primarily interested in a rational bourgeoisie capitalism.

Weber distinguishes attitudes towards capitalism from the attitudes towards acquisition. The spirit of capitalism looks upon such activity not as a means or a mere instrumentality, but as an ethically enjoined end in itself. To earn money is ethical obligation for its own sake. This ethical sanction is not applicable to an acquisition within any quantitative limits, but
rather the pursuit of gain is enjoined without limit. This attitude towards profit acquisition is correlated with a particular attitude towards labour, whether its immediate end be acquisition or not. Labour is also not looked upon as a necessary evil; rather the spirit of capitalism enjoins systematic, continuous and honest work in the service of economic acquisition. Such a work is necessary to enforce strict discipline to prevent free reign to impulses.

Weber's view that religious ideas bring about economic development is proved by ample facts. He studied the German society where mixed religions were found. His analysis of economic behaviour in relation to religious ideas has unfolded the fact that most of the people studying in educational establishments for better careers were Protestants. He further observed that the people who were "backwards" have now economically advanced, most of them being converted to Protestantism.

Weber has thus sought to establish an intellectual or spiritual affinity between the spirit of Protestant ethic and the spirit of capitalism. While other
religions sanction pursuit of profit only when it becomes necessary for the maintenance of traditional standards, the Protestant ethic sanctions unlimited profit. More efficient forms of acquisition are sanctioned in protestant ethic which differs from eastern societies where tradition comes after faith. Maximization of money is sacred. Besides the idea of profit the concept of 'calling' was also central in Weber's study. This involves the manifestation of a typical attitude associated with the religious movements towards the participation and its adherence to worldly activities. The adherence to the spirit of capitalism was a calling involving a favourable attitude towards economic acquisition. Poggi observes:

"The concept of calling is not applicable to the gainful activities performed on the market; it can be used to characterise such varied pursuits as those of soldiers, the physician or bureaucrats.... However in the case of entrepreneur, a concern with monetary acquisition as such was unmistakably and directly at the centre of his calling".  

Thus, according to the Protestant creed,

every individual, in a broad sense, has a calling occasioned with a particular activity or occupation for daily life.

Weber has been criticised on the ground that he emphasizes only those aspects of religion which are conducive to economic development and ignores other values which people cherished. Also, Weber has not seen the impact of religious ideas on economic development in relation to other structures of the society. He has taken only those facts from the Protestantism which support his view.

**Neo-Marxist Approach to Development**

Marxist thinking has been divided into two categories. One category of Marxists (whose theoretical substance has been discussed above) has supported and used the theories of Marx in the same way in which Marx has formulated them. They are known as "orthodox Marxists". The other category which considers that the theme of Marx's theory is true but it needs revision in the light of better information or they have accepted some aspects of Marx's theory and rejected or revised other aspects. They are known as "neo-Marxists".
Dobb in his book "Studies in the Development of Capitalism", has sketched briefly how feudal economy has been changed into capitalist economy. He has pointed out those factors which are responsible in this process. Dobb defines feudalism as being virtually identical with what we usually mean by serfdom, an obligation laid on the producer by force and independently of his own volition to fulfil certain economic demands of an overlord, whether these demands take the form of services to be paid in money or in kind.28 While discussing the development of capitalism he writes: "The development of capitalism falls into a number of stages, characterised by different levels of maturity and each of them recognisable by fairly distinctive traits."29

Drawing on Dobb's description the Western European feudalism can be viewed as an economic system in which serfdom is the predominant relation of production, and production is organised in and around the manorial estate of the lord. He sees that the reason for the decline of feudalism was solely the work of internal

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29 Ibid., p.17.
forces and the growth of trade had nothing to do with
the process. He has not denied that the growth of
market towns and of trade played an important role in
accelerating the disintegration of the old mode of
production. He asserts that trade exercises its influence
to the extent that it accentuates the internal conflict
within the old mode of production. He mentions some other
factors also in this regard. Dobb believes that such
factors can be found inside the feudal economy itself.
He concedes that the evidence is neither very plentiful
nor conclusive; but he also feels that such evidence as
we possess strongly indicates that it was inefficiency of
feudalism as a system of production coupled with the
growing needs of ruling class for revenue, was responsible
for the decline of feudalism.

The other factors responsible according to Dobb
for the breakdown of feudalism are the over-exploitation
of the labour force and the competition among the lords
for land and vassals. These together are the basis of
power and prestige. This is an example of competition
for profits under capitalism. Such a competition upsets,
impoverishes and exhausts society, but it has no tendency
to bring about transformation. Due to over-exploitation of the labour force, serfs deserted the lords' estates en masse. Those who remained were very few. Thus Dobb has pointed out these factors and situations in which the society was forced to accept the replaced mode of production in the capitalistic development of the society.

Paul Sweezy criticises Dobb's definition of feudalism. Sweezy writes: "This definition is defective in not identifying a system of production. Some serfdom can exist in systems which are clearly not feudal; and even as the dominant relation of production, serfdom has at different times and in different regions been associated with different forms of economic organization."30

Sweezy31 observes that the concept of feudalism, as Dobb defines it, is too general, to be immediately applicable to the study of a particular region during a particular period. Or to put it otherwise, what Dobb is really defining is not one social system but a family of social systems, all of which are based on serfdom. In studying


31 Ibid., pp.33-34.
specific historical problems, it is important to know not only that we are dealing with feudalism but also which member of the family is involved.

Paul Sweezy has also rejected those charges levelled by others on Dobb because of his emphasis on trade with reference to the decline of emphasis on trade with reference to the decline of feudalism. Sweezy holds that important conflict in this connection is not between "money economy" and "natural economy", but between "production for the market" and "production for the use".

Kohachiro Takahashi makes some observation on Sweezy's comments based on Dobb's conception of feudalism. He holds the view that the denial of Sweezy that serfdom is a specific historical category does not however indicate what it is that constitutes the special existence - form of labour-power proper to feudalism as a mode of production. According to Takahashi's views, the question of the transition from feudalism to capitalism is not merely one of transformation in forms.

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of economic and social institutions. The basic problem must be the change in social existence - form of labour-power. He considers that serfdom is the characteristic existence - form of labour in the feudal mode of production. The crucial feature of feudalism is that it is a system of production for use only.

Monopoly Capital and Development

In general Sweezy shows his full agreement with Dobb's analysis of the rise of capitalism. But he finds two theses, clearly regarded by Dobb himself as important, which require critical examination. The first concerns the origin of industrial capitalism in the full sense of the term; the second concerns the process of original accumulation.

Paul Sweezy modifies his theory of capitalist development over Dobb in the light of following questions:

(i) What was the prime mover behind the development of the Western European feudalism?

(ii) Why did the development of feudalism in Western Europe lead to crisis and ultimate collapse?

(iii) Why was feudalism succeeded by capitalism?
In reply of the first question, Sweezy holds that Western European feudal system contains no internal prime mover and when it undergoes genuine development as distinct from mere oscillations and crisis which do not affect its basic structure, the driving force is to be sought outside the system. Sweezy criticises Dobb and Takahashi on the ground that "having determined as an external prime-mover is behind the developmental process, then the conclusion of the answer of this question is to be sought in the impact of this external force on the structure of feudalism... Both of them, for example, tend to treat the substitution of money and rent for labour services. But they have in this connection anxiety to minimise the importance of trade as a factor in the decline of feudalism." 33

To answer the last question Sweezy critically examines the conclusion of Dobb and Takahashi and shows his agreement with Engels. He writes: "At a certain period it occurs exceptionally that public power gains

a certain degree of dependence by posing as the mediator between them. The absolute monarchy of the 17th and 18th century was in such a position balancing the nobles and burghers against one another. 34

Paul Sweezy's idea of capitalistic development has found expression in his book, "The Theory of Capitalist Development". In the conceptualization of capitalism, he clarifies the relationship between 'commodity production' and capitalism.

Sweezy has attempted to define capitalism through the help of "commodity production". This implies that in pre-capital economy each producer owns and works with his own means of production. But under capitalism, ownership of the means of production is vested in one set of individuals while the work is performed by the another. Both means of production and labour power, moreover, are commodities, that is to say, both are objects of exchange and hence bearers of exchange value."35

34 Ibid., p.108.
Sweezy's emphasis in capitalism is on the relation between owners and non-owners, and there is exchange relation between the two. About the decline of world capitalism, Sweezy is of the view that the real enemy of capitalism is its own self-contradictory character, the real barrier of capitalist production is capital itself. In seeking a way-out of its self-imposed difficulties, capital plunges the world into one crisis after another, finally setting loose forces which it is no longer able to control.

Robert Brenner observes: "Sweezy's entire account of the transition from feudalism to capitalism is based on the implicit assumption that capitalism already exists. This occurs because Sweezy mistakenly believes that trade-towns constitute a sort of capitalism in embryo. The expansion of trade towns will transmit to the economy as a whole, even one dominated by serfdom, a tendency to self-transformation by means of process of accumulation and innovation which will inevitably lead to the decline of feudalism (and ultimately the

36 Ibid., p.152.
adoption of wage labour) due to the exigencies of the development of the productive forces. 37

Robert Brenner has critically examined Sweezy's conception of "exchange value and capitalism" and "production for exchange". In the beginning he has tried to show that mere rise of trade cannot in itself, determine the processes of dissolution. They are understandable only in terms of the conflictual processes, processes of class-transformation and class struggle, which tend to emerge from the contradictory character of the pre-capitalist social relations themselves. In the second place, his emphasis is that in the capitalist circulation the exchange of commodities is a direct and necessary expression of the class structure of the economy as a whole.

The origin of the polemical debate on the colonial mode of production within the Marxist tradition can be traced back to the famous debate on the colonized Latin American economy between Andre Gunder Frank and

Earnesteo Laclau. Before we analyse this debate among the Indian Marxists, we would discuss briefly the Frank-Laclau debate.

World Capitalism and Development

Frank put forward his thesis as an alternative to two existing interpretations in an attempt to interpret the nature of Latin American colonial economy which he calls the "Bourgeoisie thesis" and "traditional Marxist thesis". The former maintains that classical feudalism as existed in Western Europe was transplanted in Latin America and that these feudal institutions still persist. Further, the classical feudalism as existed in Western Europe was supplanted by capitalism. It is argued that barter and feudal institutions prevent and hamper economic development.

Andre Gunder Frank has divided the "traditional Marxist" interpretation (on the basis of crisis of economy in Latin America) into three distinct approaches:

(i) Feudalism predates capitalism.

(ii) Feudalism co-exists with capitalism.

(iii) Feudalism is penetrated by capitalism.

The approach that "feudalism is penetrated by capitalism" states that capitalism as a world-system penetrates and transforms the archaic and feudal relations of production in the countryside, because the law of capitalist is not concomitant with pre-capitalist or feudal relations with regard to the agricultural sector. This process is said to begin with the rationalization of the agriculture and the liberation of the economy and the peasant from their feudal shackles, and the same process involves the proletarization of the peasantry. Frank develops an alternative model based on a ubiquitous understanding that posits a world metropolis and its governing classes and its national and international satellites and their leaders.

Andre Gunder Frank has expressed quite different opinion about the mode of production and the process through which feudalism is transformed into capitalism. He states: "Capitalism does not succeed feudalism in the underdeveloped periphery as it did in the European metropole."\(^39\) He maintains that the process of

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replacement of feudalism in the metropole is not and could not have been repeated in the same way in the periphery not only because circumstances elsewhere were different but also precisely because it occurred as it did in the metropole. The major argument of Frank on the thesis of feudalism is that "It is not feudalism which has produced or maintains the features and consequences of much of rural underdeveloped society, however feudal seeming some of the forms may be, but it is the operation of the same forces in the same system which produced the modern developed parts." 40

According to Frank the term feudalism like capitalism does not indicate a definite idea about mode of production. Also its nature may vary in respect to place. In this context he writes: "There are or now can be several capitalist systems, one in U.S.A., one in France, another in Chile and other in Indonesia, the Congo or Katanga or Luxumberg". But he has reserved the term 'capitalist' for a single "world-wide system". 41 Frank explains that development and underdevelopment of both are necessary

40 Ibid., p.51.
41 Ibid., p.45.
result and contemporary manifestations of internal contradictions in the world capitalist system. Economic development and underdevelopment are relational and qualitative. Each of them is actually different from, yet caused by, its relations with the others. His arguments can be summed up in his own words as "economic developments under-development are the opposite faces of the same coin". 42

Frank talks about only one mode of production, i.e. capitalist mode of production. According to him, the roots of the capitalist evolution were to be found in the rise of a world 'commercial networks' developing into a 'mercantile capitalist system'. With the rise of this system a whole series of metropolis satellite relationships were created and interlinked as in the surplus appropriation chain.

Further, Frank considers underdevelopment as not merely the lack of development. He argues that before there was any development there was no under-development. Development and underdevelopment both are related through

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the common historical process. Both have shared during the past several centuries, and the mutual or reciprocal influences that they had, still have, and will continue to have on each other through history. In this process colonization has got an important place. In this context Frank writes: "What is clear is that the colonial exploitation which was the part of the early expansion of the mercantilist system may have made critically important contribution to the development of its capitalist successors, now developed members."43

To conclude, Frank's concept of underdevelopment is based on two important themes - (i) historical development of capitalist system and (ii) internal contradictions of capitalism itself. These contradictions are - economic surplus is expropriated from the many and is appropriated by the few, and that the capitalist system is polarised into metropolitan centre and peripheral satellites. In the process of capitalist development, economic surplus of peripheral satellites is expropriated and that surplus is appropriated in the metropolitan centres. This process

creates underdevelopment in peripheral satellites and development in the metropolitan centres. Thus Frank's notion of development and underdevelopment is based on the concept of exploitation of peripheral satellites by the metropolitan centres. Here "the process of diffusion from the exploiting developed metropole to the exploited underdeveloped periphery may be associated in turn, with the stratification system through which the one establishes clients within the other." 44

The Third World Countries and Development

Laclau 45 in debate with Frank on the nature of colonial economy in Brazil points out that 'free wage labour was absent in Brazilian agriculture'. By that he maintains that it is not 'capitalist'. Laclau argues that Brazilian agriculture and economy is characterised by two modes of production - the feudal and the capitalist. These two modes co-exist within the

Brazilian economic system. He points an indissoluble unity between the maintenance of feudal backwardness at one extreme and the apparent process of bourgeoisie (capitalist) dynamics on the other. Thus he speaks of Brazilian feudalism being somehow 'connected' with the capitalist mode of production.

Samir Amin's evolutionary model of development is based on the nature of mode of production. He mentions five kinds of mode of production, viz., primitive, communal, tribute-paying mode, the slave-owning mode and simple petty mode and capitalist mode of production. Social formations are possible due to the domination of these modes of production in a concrete organised structure. Amin's thesis is that "None of these modes of production has ever existed in a pure state; the societies known to the history are "formations" that on the one hand combine modes of production and on the other organize relations between the local society and other societies, expressed in the existence of long distance trade relations."\(^{46}\)

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It can be derived thus that in a society many kinds of modes of production may exist but one of them can dominate the others. The whole idea regarding the mode of production is that for development the capitalist mode of production is inevitable. The capitalist mode of production has been achieved or can be achieved through the long process of transition from feudalism to capitalism. In the process of transition mercantilism and commercialism of wide range has played a significant role.

Institutional Approach to Development

J.A. Schumpeter and G. Myrdal are main spokesmen of the institutional approach to development. Their contributions to the theory of development are as under.

Schumpeter draws a distinction between development, economic development and social changes in economic life which are not forced upon from without but arise due to its own initiative from within. For him "economic development is so far simply the object of economic history only separated from the rest for purposes of exposition. Because of this fundamental dependence of the economic aspect of things on everything else, it
is not possible to explain economic changes by previous economic conditions alone. For the economic state of a people does not emerge simply from the preceding economic conditions but only from the preceding total situation.\textsuperscript{47}

About social development, Schumpeter's observation is that historical changes constitute neither a circular process nor pendulum movements. Thus, the concept of social development is defined in terms of specific historical situation and preceding total societal facts.

We thus find that according to Schumpeter\textsuperscript{48} economic development is not a phenomenon to be explained economically alone. Hence, the causes and the explanation of the development must be sought outside the group of facts which are described by economic theory.

Schumpeter further writes that development is then defined by carrying out of new combinations. This concept covers the following elements:

(i) The introduction of a new good i.e. one with which consumers are not yet familiar or new quality of goods;


\textsuperscript{48} Ibid., p.63.
(ii) the introduction of new method of production, i.e. one not yet tested by the experience in the branch of manufacture concerned;

(iii) the opening of a new market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before;

(iv) the conquest of a new source of supply of raw materials or half manufactured goods, again irrespective of whether this source already exists or whether it has first to be created; and finally

(v) the carrying out of the new organization of any industry, like the creation of monopoly position (for example, through trustification) or backing up of a monopoly position. 49

Schumpeter has taken into account many other economic and non-economic factors, while dealing with the notion of development. A careful study of his work shows that Schumpeter’s 50 intellectual debt to Marx was

49 Ibid., p.66.

greater than his debt to any other thinker in the history of economic thought, and it is important to understand that a man may levy upon the Marxist system and still may not be friendly with communism. Schumpeter’s dislike for collectivism extended to a profound distaste even for capitalism in harness or the welfare state.

Another view associated with the institutional approach is of G. Myrdal. He has divided the world into two broad divisions on the basis of development, of 'developed' and 'underdeveloped'. From this, following broad generalizations emerges: (1) that there are small groups of countries which are quite well-off and a much larger group of extremely poor countries; (2) that the countries in the former category on the whole are firmly settled in the former pattern of a continuing economic development, while in the latter category average progress is slower, as many of them are in constant danger of not being able to come up out of stagnation or even of losing ground so far as average income levels are concerned; and (3) the economic inequalities between developed countries in recent decades have been increasing.51

In his observance towards the trends of development, Myrdal is of the view that there has been spectacular progress and consciousness in the highly developed countries, whereas in the poorer underdeveloped countries the process of development has been slow with a high population growth compared to the small group of rich nations. He concludes that the people in underdeveloped countries are getting increasingly aware of these huge international inequalities and the likely growing dangers. The underdeveloped countries have an inclination to put the blame for their poverty on rich nations and consider that their poverty is a result of the inequalities in the world economic system. But to Myrdal "the international inequalities are of course not dissimilar from regional inequalities within a country".\(^{52}\)

Myrdal has explained the general theory of development and underdevelopment through the principle of circular and cumulative causation. The starting point of his theory is that "the notion of stable equilibrium is normally a false analogy to choose when constructing a theory to explain the changes in a social system".\(^{53}\)

\(^{52}\) Ibid., p.22.

\(^{53}\) Ibid., p.25.
Myrdal explains his theory of "circular causation" by citing examples of Negro problem in America attributing two important factors; (i) 'White prejudice' causing discrimination against the Negro in various respects; and (ii) the 'low plane of living' of the Negro population. These two factors are mutually interrelated. In a static "accommodation" if either of the two factors changes, it automatically brings change in the other one. Thus, a cumulative process of mutual interaction starts in which a change in one factor gets continuous support by the reaction of the other factor and so on in a circular way. The whole system moves much farther in the direction of primary change. Even if the original push or pull ceases in course of time, both factors change in the process of interaction without any neutralising force in sight.

The central point is that the principle of interlocking and circular inter-dependence within a process of cumulative causation has validity over the entire field of social relations. The causes of inequality are both, economic and non-economic. Tracing examples from Indian society Myrdal makes it profoundly clear that "all these inequalities inherent in traditional
social stratification, are recognized as being obstacles to development. Certainly caste system in India is an obvious obstacle as it fortifies contempt and disgust for manual work. Since an orthodox Hindu regards not only those who perform this work but everyone outside his own caste as beyond the pale, it also warps and stultifies ordinary human feelings of brotherhood and compassion."

These are the reasons on the basis of which Myrdal advocates that equality is a pre-requisite for development. For equality in Indian society radical reform is needed. He holds the view that "greater equality in underdeveloped countries is almost a condition for more rapid growth."  

A contrary view expressed by Myrdal is that democracy is conducive to rapid economic growth in underdeveloped nations believing that it is democracy in which widespread dissemination of the benefits of development is more. He is, however, cognisant of the difficulties involved.


Myrdal writes: "The underdeveloped countries need real democracy even at this stage in order to break down the existing impediments to economic development. But undoubtedly democracy at the same time makes it more difficult for governments to hold down the level of consumption in the degree necessary for rapid development. The tendency towards dynamic dictatorships of Fascist or Communist type visible in most part of the underdeveloped world, should be viewed in the perspective of this basic political dilemma." 56

Thus, according to Myrdal, development of the whole society is possible only through reforms in societal institutions. Further, institutionalization is possible through the process of circular-cumulative causation.

**Diffusionist Approach to Development**

A couple of sociologists and anthropologists view and stress the importance of diffusion in the development of human culture and emphasize the relative rarity of new inventions. But the diffusionist approach to

development rests on the belief that there is a qualitative difference between 'traditional/rural' and 'modern/urban' sectors of economy. Thus rural development is dependent on the transfer of technology and skills from the modern urban sectors. It is in the same way where underdeveloped country needs the diffusion of techniques and expertise from the developed nations for national development. It is also a general assumption that the countries which adopt western technology also adopt a social set up for themselves which resemble those of the West.

Wilbert Moore considers modernization as the "total transformation of a traditional or pre-modern society into the types of technology and associated social organization that characterize the 'advanced' economically prosperous and relatively politically stable nations of the Western World." Thus for Moore development is transformation from one kind of social organization to another. Neil

Smelser\textsuperscript{58} observes differentiations or specialisations as the basic characteristic to make a distinction between developed and underdeveloped society. According to Smelser, economic development takes place through modernization of technology, commercialization of agriculture, and processes of industrialization and urbanization. Such an idea has found expression in the writings of Hobslitz\textsuperscript{59} also, who applies Talcott Parsons' "pattern variables" for making a distinction between developed and underdeveloped societies and cultures. For him developed countries are characterized by universalism, achievement-orientation, functional-specificity; and underdeveloped countries by the opposite variables of particularism, ascription and functional-diffuseness.

This approach has been further refined after consideration of the diversity of societal types.


subsumed under this single concept of a 'traditional' or 'pre-modern' society, and to distinguish between different processes by which modernization might be initiated. Thus, in wider context, the appropriate substitute of "diffusionist" approach by "development" is "the modernization approach to development".

The Worlds of Development

Marx anticipated much in advance that those countries who had developed themselves much more would show the images of future development to the less developed countries. 60 Thus, the developed countries have become a frame of reference for the underdeveloped countries. On the basis of socio-economic and political criteria the countries of the world (developed as well as underdeveloped) have been classified into three orders:

1. First World;
2. Second World; and
3. Third World.

A brief discussion about the ramifications and dimensions of three worlds of development is given below.

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The emergence of the First World can be observed from the start of industrial revolution which created vast opportunities for economic growth, with inherent chance of betterment of socio-economic conditions and in reducing the deepening inequalities in income, wealth and economic power.

"What survives in the contemporary capitalist world is private property in many of the means of production, the major role of the profit motive in economic decision making in private sector, inequality in private incomes, consumption and wealth, capitalist influence on political behaviour and power, and a solid middle class which now includes a significant section of working class with a strong bourgeois culture and a firmly held anti-communist ideology. Capitalism today is more a negative platform of anti-statism and anti-egalitarianism than a positive one of free enterprise, free competition and the visible hand harmonising private profit with public interest." 61

The first world has a keen interest in the third world because it is a good market for its goods, and is also interested in keeping the third world away from the influence of communism.

The origin of the second world can be traced to the emergence of Russia as a socialist state. In fact the Soviet Union developed as the world's first socialist economy. The emphasis in post-revolutionary Russia was on industrialization. In its post-revolutionary industrialized status it resembles with the first world. Further the emergence of China as a strong communist country in Asia has raised the status of the second world.

The ideology of the second world is against that of the first world. In the socialist countries, state controls internal and external market. Centralization of all sectors of economy is based on total planning. Thus economy is geared to typical proletarian values.

To conclude we can say that second world emerged as big power economically, politically, ideologically and militarily as an alternate to the first world.
After Second World War several nations got rid of colonial rule and achieved independence. These newly independent nations formed a self-conscious association, which claimed to be politically independent of both power centres. In the formative stage these independent nations were economically underdeveloped, politically unstable and militarily so weak that they could not defend themselves. The first world and the second worlds were the reference points for the third world in the context of development. Nations of the third world depend upon the first and second world countries for economic help.

Third World countries are from Africa, Asia and Latin America. Generally they have opted for a mixed economy.

I have preferred the term development for the title of the thesis "Sociology of Development" over the other terms. This has been done keeping in mind that development in India is taking place in planned way through governmental agencies. However, one can question its pace. Development in the present case is only confined to rural context. The term sociology of development will thus here refer to progressive
transformation of the socio-political and economic aspects of the rural society. Here the use of the term rural development is similar to the conceptualization of World Bank. According to the World Bank, "rural development is a strategy designed to improve the economic and social life of a specific group of people - the rural poor. It involves extending the benefits of development to the poorest among those who seek a livelihood in the rural area (sic). The group includes small scale farmers, tenants and landless." 62