Critique of the 'Kerala Model' and Setting out on a New Agenda of Research

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INTRODUCTION

Critique of the 'Kerala Model' and Setting out on a New Agenda of Research

"You are not interested in development
But development is interested in you." ¹

Keralam,² the state on the south-western coast of India has baffled scholars in being distinguished by many superlatives of the highest and the lowest orders, concerning both positive and negative features. Thus paradoxes have been noticed of high human development characterised by high literacy, low birth rate, low death rate, low infant mortality rate co-habiting with low economic development in the commodity producing sectors, the highest unemployment in the country, very high rates of suicide, alcoholism, etc. This study is an exercise in understanding the political economy of Keralam. Unlike economic analyses that focus on one or the other sector of the economy, namely, agriculture, industry or services, this study uses the political economy analysis to understand the broad linkages that shape the national formation and class and social group formations within Keralam. And in this sense, it is a study of the social and political bases of the economy. Before we set out on a Kerala-specific analysis, we would like to highlight the contemporary importance of the multi-disciplinary field of 'Area Studies'.

'Place Consciousness'

'Place consciousness is the "radical other" of global capitalism', says the Duke University historian, Arif Dirlik.³ "Global capitalism relentlessly displaces people and abandons places because it views local communities, cities and even nations as inconveniences in the path of progress. .... Place consciousness, on the other hand, encourages us to come together around common, local experiences and organise around our hopes for the future

² The native Malayalam diction, 'Keralam' in the noun form and 'Kerala' in the adjective form are preferred to the colonial/anglicised diction, 'Kerala' for both. In fact, most of the historically conscious scholars use the term 'Keralam' in the noun form in place of 'Kerala'. Expressions such as 'Kerala studies' are retained where 'Kerala' is used in the adjective form. Although the term, 'Keralam' apparently owes its origin to the Sanskrit language, it had long become naturalised in the Malayalam language. Going by the principle of 'place consciousness' that we advocate later in this chapter, we would hold that places should better be known by their native names, i.e., as they are designated in popular consciousness. The usage, 'Keralam' further acknowledges Keralam as a national formation both in terms of language/culture and political economy within the multi-national country that India is.
³ As quoted in Grace Lee Boggs 2000, p. 19.
of our communities and cities. While global capitalism doesn't give a damn about the people or the natural environment of any particular place because it can always move to other people and other places, place-based civic activism is concerned about the health and safety of people and places. .... Place based civic activism is also unique in the way that it links issues.14

The reference here is to little localities. But this idea would be eminently applicable to the case of nationalities in the peripheral countries of the world. Given the 'shrinkage' of space in a world of International Communication Technologies and advanced means of transportation, sense of community identity needs to broaden to the level of countries and nationalities, in the interest of a common humanity, as sites of resistance against the aggressive self-expansion of global monopoly capital, which has scant regard for human welfare. Indeed, this is to argue for infusing a new sense of geography into our academic endeavours towards developing a synthetic approach linking issues, informed by a sense of concern for the 'territorial community' constituting a nationality, as against the approach of studying issues in isolation.

Of the two major components of the production process, namely, capital and labour, globalisation is supposed to entail the unhindered flow of capital, primarily and little of labour.5 Thus the most numerous category of unskilled labour from the peripheral countries are not allowed entry into metropolitan countries. Although the skilled labour is welcomed into metropolitan countries, it may often be to the disadvantage of the peripheral countries. The case of Keralam has been rather exceptional in having massive outflows of human labour, much before the globalisation policies initiated since early 1990s. This could be considered a fall-out of the oil shocks of 1973 that created employment avenues in the oil-rich Persian Gulf countries, although the OECD countries6 were net losers in this process.

**On the 'Kerala Model'**

The theorisation or rather the coinage depicting the achievements in social security and development as the 'Kerala model' is traced back to a 1975 United Nations (UN)-Centre for Development Studies (CDS) study.7 The study had recommended the Kerala

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1 As quoted in Grace Lee Boggs 2000, p. 19.
2 More on this in Chapter IV.
3 OECD countries are the leading industrial economies in Europe, plus the US, Japan, Canada, Australia and New Zealand; 24 countries in total.
4 United Nations (UN)-Centre for Development Studies (CDS) 1975: Poverty, Unemployment and Development Policy, Department of Economic and Social Affairs, United Nations, New York.
trajectory of development as less burdensome than the communist path. Morris and McAlpin had estimated the highest PQLI (Physical Quality of Life Index) – at 70 – for Keralam. Low birth rate (20 per 1000), low death rate (6 per 1000), low infant mortality rate (21 per 1000) and high literacy rate (91%) are the major components of PQLI.

The birth rate in the state has further declined to 16.70 per 1000 population during 2004 as against the all-India average of 24.80 per 1000. The Total fertility rate (per woman) has come down to 1.99 in the state as against 3.30 at the country level in 2004. During 2004, the death rate in Keralam was still at 6.3 as against the all-India average of 8. Life expectancy at birth in the state during 2004 is 71 years (71.67 for male and 75 for female) vis-à-vis 64.80 years at the country level (64.10 for male and 65.80 for female). Infant mortality rate (IMR) during 2003 in Keralam was just 11 per 1000 live births as against the all-India figure of 60 per 1000. This marks a significant further decline of IMR in the state. Going by Census 2001, the proportion of literates in the population in Keralam is 90.9 per cent (94.2 per cent for males and 87.9 per cent for females). This is quite impressive considering the fact that the corresponding figure for the country as a whole was only 65.2 per cent (75.6 per cent for males and 54.0 per cent for females).

A major popularizer of the Kerala model was the nobel laureate, Amartya Sen. There have been other positive features of Keralam that have also been pointed out. These include: a female/male ratio (FMR) favourable to women (1040/1000), cultural attainments like greater learning time and wider reading habit, land reforms, universal

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8 However, K.N. Raj who was part of the team has disowned the coinage (K.N. Raj 1994: “Has there been a “Kerala Model”?”, International Conference on Kerala Studies (ICKS) – Abstracts, AKG Centre, Thiruvananthapuram, vol. 1, pp. 12-13).
14 This follows the Census of India 1991: India, Provisional Population Totals. Paper I of 1991, whereby the corresponding figure for all-India was only 929. Even as early as in 1951, Keralam had a better sex ratio at 1,028 as against 946 at the all-India level. Over the period, 1951-1991, the sex ratio of Keralam improved from 1,028 to 1,040 but at all-India level, it declined further from 946 to 929.

The emerging scenario as it relates to juvenile sex ratio (0-6 age group) in the state is low at 938 in 1991 and 963 in 2001 (Government of Kerala 2006: Economic Review 2005, p. 510-11). Details in Chapter V.
education without gender disparity, prevention of child labour, health care and other social security network like houses for homeless, nutritional security, etc.\textsuperscript{15}

The most conspicuous and vocal school on Kerala studies has, perhaps, been the proponents of "the Kerala model of development".\textsuperscript{16} Dreze and Sen have been foremost among scholars instrumental in popularising the positive achievements of the 'Kerala experience' and probably, setting forth the most credible defence of it. Therefore, a critical evaluation of their positions is very much in order and by engaging in it, we hope to anchor into our work.

**Dreze and Sen on the 'Kerala experience'**

Dreze and Sen argue that on the positive side, "Kerala has (1) comparatively low levels of basic gender inequality (reflected, for instance, in a high female-male ratio), (2) relatively equitable educational opportunities (indeed, near-universal literacy, especially among the young), (3) extensive social security arrangements (e.g. broad-based entitlements to homestead land, old-age pensions and the public distribution system), (4) limited incidence of caste oppression (e.g. few violent crimes against scheduled castes),\textsuperscript{17} and (5) low rural-urban disparities."\textsuperscript{18}

The following points that Dreze and Sen stress as common to the failure of Uttar Pradesh and the success of Keralam almost converge with the first three points in the passage above: (1) The role of basic education (and particularly of female literacy) in promoting basic capabilities; (2) the favourable position and informed agency of women crucial to a wide range of social achievements; (3) the access to public utilities; (4) the role of public action in a wide sense, involving the State and the public at large.\textsuperscript{19} They recommend that "there is no reason why Uttar Pradesh--and other states of India where basic depriva..."
remain endemic—should not be able to emulate many of Kerala’s achievements, based on
determined and reasoned political activism”. 20

In a comparative perspective, the following figures for 1999 as provided by Dreze and Sen for Kerala, China and India could be insightful. Kerala has had a population of 31 million within a total population of 998 million for all-India, and 1,254 million for China. The average GDP growth rate in Kerala during 1980-90 has been 2.3 per cent per year and 5.1 per cent for 1990-99. The corresponding figures for all-India was 3.7 and 4.1 and for China, 8.6 and 9.6. 21

Adult literacy rate in Kerala for those aged above 15 has been 83 per cent for female and 93 per cent for male in 1999. The corresponding figures for India as a whole were only 44 and 72; and for China, 75 and 91, respectively. Life expectancy at birth in Kerala was 76 for females and 70 for males (during 1993-97) and 64 for females and 62 for males for all-India in 1999 and 72 for females and 68 for males for China in 1999. Crude death rate per one thousand was 6 in Kerala during 1997-9, and the corresponding rates for 1999, were 9 for all-India 7 for China. Infant mortality rate per 1000 live births in Kerala was 14 during 1997-9, and in 1999, a whopping 71 for all-India and 30 for China. As for female-male ratio, there were 106 women for 100 men in Kerala in 1999 and the corresponding figure for all-India was only 93 and for China 94. Total fertility rate in Kerala was 1.8 during 1996-98 and in 1999, 3.1 for all-India and 1.9 for China. 22 Birth-rate during 1997-99 per 1000 persons in Kerala was 18.1 as compared to 26.6 all-India during these years. 23

20 Dreze & Sen 2002, p. 94.


For data on Kerala and other Indian states:


ii) Infant mortality, 1997-99: Three-year average based on SRS data presented in Government of India 1999: Compendium of India's Fertility and Mortality Indicators 1971-1997, Office of the Registrar General, New Delhi, Table 1; and Sample Registration Bulletin, April 2001; Figures as provided in Table 1. Dreze & Sen 2002, Table A.2: 'India in Comparative Perspective'.

Apart from the indicators of birth rate, mortality rates of both infants and adults, and literacy rate which constitute the crux of the PQLI approach in which Keralam fares well, there are also certain other indicators where the state is doing well. Some of them are given below: As for the access to certain crucial public services, the proportion of villages with medical facilities in 1981 in Keralam was 96 per cent as compared to the abysmal all-Indian average of 14 per cent. The proportion of population receiving subsidised food grains from the PDS in 1993-94 was 80 per cent in rural Keralam vis-à-vis 27 per cent in rural India as a whole. Per-capita consumption of food grains in rural areas in 1993-94 was 54.1 kg. per year as compared to 10.6 kg. per year in rural India as a whole. The proportion of rural households having access to safe drinking water in 1991 was 71 per cent in Keralam, as compared to 64 per cent at all-India level. The proportion of households with electricity connection in 1998-99 was 72 per cent in Keralam and was 60 per cent at all-India level. 24

Indicators concerning media and politics also show the state in a better light. The proportion of households subscribing to a daily newspaper in rural Keralam was the highest in the country at 26 per cent as compared to only 4 per cent at the all-India level. The proportion of households that have ever made use of a telephone in 1998 in rural Keralam was 81 per cent as compared to 29 per cent in rural India as a whole. The voter turnout in 1999 was 70 per cent (70 per cent female and 71 per cent male) in Keralam as compared to 60 per cent all-India (56 per cent female and 64 per cent male). 25

24 Indicators concerning media and politics also show the state in a better light. The proportion of households subscribing to a daily newspaper in rural Keralam was the highest in the country at 26 per cent as compared to only 4 per cent at the all-India level. The proportion of households that have ever made use of a telephone in 1998 in rural Keralam was 81 per cent as compared to 29 per cent in rural India as a whole. The voter turnout in 1999 was 70 per cent (70 per cent female and 71 per cent male) in Keralam as compared to 60 per cent all-India (56 per cent female and 64 per cent male).

25 Another
projected achievement of Keralam over the last fifty years has been the fastest rate of poverty reduction among all major states. 26

Dreze and Sen say, "The significance of Kerala's experience is often underestimated in international discussions." 27 One reason for this absence from international comparisons is that Keralam is not an independent country. "Yet Kerala, with its 32 million people, has a larger population than most countries in the world (even Canada), including many from which comparative lessons are often drawn for India, such as Sri Lanka (19 million) or Malaysia (23 million), not to speak of tiny Costa Rica or Singapore (less than 4 million each). ... To achieve as much as Kerala has done for a population of its size is no mean record in world history." 28

Dreze and Sen further defend the importance of the Kerala experience in the following words: "Some rejoinders take the form of a wholesale dismissal of the basic approach underlying that experience. This often consists of highlighting some particular aspect of development in terms of which Kerala does not fare particularly well, and presenting this as evidence of the 'failure' of Kerala's approach. One common version of this line of reasoning turns on the fact that Kerala has a high suicide rate." 29 They argue, "Indeed, many countries with high suicide rates (e.g. the Scandinavian countries) are doing extremely well in terms of overall social opportunities, and it would be quite odd to take their high suicide rates as a severe indictment of their development record." 30 They concede that it is quite possible that social problems like educated unemployment contribute to high suicide rate in the state. But these social problems do not detract us from recognising Kerala's achievements in fundamental fields such as health and education, just as, say, Finland's high suicide rate does not detract us from its success in guaranteeing extensive social opportunities to its citizens. Some counties combine high suicide rates with high levels of self-reported happiness (Denmark and Finland are two examples). Lower tolerance for suppressed distress is attributed as one of the reasons. 31

Dreze and Sen do not, however, consider Keralam as quite a model on grounds that it is, quite misleading as it would imply an all-round success, and that it can, somehow be emulated elsewhere irrespective of historical and social situations. According to them, "the rhetoric of 'Kerala model' is more convenient for 'debunking' purposes than for

27 Ibid, p. 97.
29 Ibid, p. 97. We would say that if Dreze & Sen choose to primarily examine the PQLI indicators, it should not be considered inappropriate for other scholars to use alternative indicators in keeping with their research questions.
identifying what there is to learn from Kerala’s experience” and they call for a ‘balanced’ interpretation of Kerala’s experience, taking into account its developmental failures also. Thus Dreze and Sen recognise the relatively low rates of domestic economic growth in the state. They note that “while domestic production has grown rather slowly, per capita incomes have risen quite fast, mainly due to substantial remittances from abroad (principally the Gulf states) as well as from other parts of India.” More than slow growth and the high unemployment in the economy resulting therefrom, whether the Kerala experience is replicable is a more legitimate kind of objection, argue Dreze and Sen.

Now, what are the factors that Dreze and Sen identify as the factors that could have gone behind the making of the ‘positive features of the Kerala experience’? “Kerala has been fortunate with its past”; they argue. Much of what the present Kerala has come to constitute were formerly, the princely states of Travancore (Thiruvithamkoor) and Cochin (Kochi) which were “formally outside British India”, making it possible for them to follow a relatively independent policy orientation. With regard to education for instance, “Kerala has also been fortunate in having strong social movements that concentrated on educational advancement – along with general emancipation – of the lower castes.” The state has also profited from a tradition of openness to the world. The extensive educational efforts of Christian missionaries, particularly in the nineteenth century was a related factor that helped the people of the state. According to them, Keralam has also benefited from the matrilineal tradition of property inheritance of the Nairs.

Much of Kerala’s great achievements are results of post-independence public policies, as V.K. Ramachandran notes, “In fact, in the fifties Kerala’s adult literacy rate was around 50 per cent compared with over 90 per cent now, its life expectancy at birth was 44 years vis-à-vis 74 now, and its birth rate was 32 as opposed to 18 now.” The Malabar region, which was directly under the Raj, was much behind Travancore and Cochin in terms of literacy, life expectancy, etc. “But by the eighties, Malabar had ‘caught up’ with the rest of Kerala to such an extent that it could no longer be seen in divergent terms. … So there

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32 Ibid, p. 98.
34 Ibid, p. 99; see also p. 94 on ‘replicability’.
38 Ibid, p. 100.
is a lesson here that is not imprisoned in the fixity of history”, they argue. We might usefully add here that not very long ago in 1950s and ’60s, Keralam was considered to be a ‘problem state’, a far cry from the projections of a ‘model state’ now. This is to further underline the importance of the social and political movements and the public policies in response to them. “Other parts of India can indeed learn a lot from Kerala’s experience on what can be done here and now by determined public action”, they contend. It is in this sense that Keralam becomes a guiding light for the other states in the country, to be critically appropriated, according to Dreze and Sen, rather than as a template capable of being replicated elsewhere.

A Critique of Dreze and Sen’s Perceptions on the ‘Kerala experience’.

We would argue that in their preoccupation with a non-revolutionary alternative, Dreze and Sen have given undue importance to the ‘Kerala experience’. Dreze and Sen make their selective focus on literature like that of V.K. Ramachandran which portrays Keralam in a better light.

It needs to be recognised that often, the arguments presented by Dreze and Sen are quite ideologically inclined. For instance, they argue, “Indeed, it is a remarkable fact that no substantial famine has ever occurred in a democratic country where the government tolerates opposition, accepts the electoral process, and can be publicly criticized.” Elsewhere, Sen thinks that these have been helpful in averting a famine in India although it has not helped in alleviating chronic poverty. Sen cites estimates that the famine in China during 1958-61 took a toll of almost 3 crore lives. He also sincerely admits that owing to poverty and high mortality rate, more than 3 crore people in India lose their lives every 8 years. In his insightful critical evaluation of Amartya Sen's contributions to Development Economics, M. Kunhaman is quite right in pointing out, "It was not the unprecedented agricultural growth and poverty alleviation within a brief span of time that attracted the attention of Sen but the famine that is said to have occurred between 1958-
(the debates concerning this has not ended even today) that attracted the attention of Sen."45 Convincingly so, he argues thus further, "It is an undeniable fact that for attaining sustainable development and poverty alleviation on a permanent basis, broad social base and participatory structure of production are required and the democratic social order is suited for its emergence and sustainability. However, arguing that democracy is participatory/bourgeois democracy is not beyond criticism."46 He argues that the concept of 'social action' in Amartya Sen is quite in tune with pressure group tactics that do not seek to subvert the existing system. And broadly speaking, it is the classical tradition in general and Smithian tradition in particular that informs the thinking of Sen, according to him. He wonders why Sen is silent about the conscious strategy of the dominant classes of not resolving the fundamental issues concerning the broad masses of people on a stable basis and instead trying to silence them through countless poverty alleviation programmes, or more appropriately, in our view, through countless number of partial solutions. He argues, the experience so far is that poverty alleviation [and solution to the question of unemployment or 'the reserve army of labour'] is impossible under a market-oriented economic structure. We would modify his proposition by saying that even if poverty alleviation and full employment is made possible under capitalist development through conscious policies of the State or other kinds of human agency (through 'public action' in Sen's terminology), widening economic disparities is an inevitable characteristic of capitalist development. The concept of human development in Sen is increasingly getting wider acceptance. While concluding, Kunhaman rightly argues that in thinking about an alternative model of economic growth through poverty alleviation, Sen's ideas on development should definitely be useful and beyond this, there is no point in exaggerating his contributions to Development Economics.47

Dreze and Sen themselves concede the prevalence of wide income differentials in the state. They argue that in terms of the "Gini coefficient of the distribution of per-capita expenditures", Keralam fares badly compared to states like Bihar or Uttar Pradesh.48 Moreover, they are candid enough to admit the stagnation in growth, 'educated unemployment', etc. Nevertheless, their argument had the major flaw that they do not make even a mention of the penurious social situation of the marginalised social groups in Kerala society, namely, Adivasis, Dalits, fisherfolk and to some extent, women. The relative deprivation and social discrimination against these sections or "the 'Outlier'
phenomenon" remains a black spot in the Kerala experience that is too stark to be overlooked.

The levels of disparity between the historically marginalized sections, namely, Dalits, Adivasis, fisher people, etc. and the mainstream society in the state presents a stark contrast in terms of both human development and economic development indices. In some cases, it is even more pronounced than at the all-India level. Thus the disparity in literacy levels in case of the Adivasis and the denial of land rights in case of the Dalits in the state are much more stark than at the all-India level. For instance, while the literacy rate for the total population at all-India level in 1991 was 52.19 per cent, the literacy rate for Dalits at all-India level in 1991 was 37.41 per cent and for Adivasis, only 29.60 per cent. The corresponding figures for Kerala were higher at 79.66 per cent for Dalits and 57.22 per cent for Adivasis. However, the literacy rate for the total population in Kerala was far ahead in 1991 at 89.81 per cent. Thus the relative gap in literacy rate for Dalits with the total population at all-India level was 14.78 percentage points. The corresponding gap in Kerala was a shade better i.e., marginally lower at 10.15 points. However, in the case of Adivasis, the relative gap in literacy rate was 22.59 percentage points at all-India level, but was much higher at 32.59 points in Kerala. Similarly, poverty level among Adivasis in the state in 1993-94 was 37.3 per cent and among Dalits, 36.4 per cent as compared to the state average of 25.8 per cent and the all-India average of 37.3 per cent. Adivasis at all-India level had much higher poverty level of 52 per cent and Dalits, 48 per cent (See Table 5.6 in Chapter V).

The assertion by Gail Omvedt that Dalit access to land in states such as Kerala today is akin to the level in the 1931 Census should be thought-provoking enough. Thus, based on NSSO figures, the 1992 figures for average landholding at all-India level for 'Others', i.e., non-Dalits, non-Adivasis was 1.17 hectares, for Adivasis, 1.06 hectares and for Dalits, 0.49 hectares. The corresponding figures in Kerala were 0.33 hectares for

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Gail Omvedt 2006: "Kerala is Part of India: The Kerala Model of Development, Dalits and Globalisation", pp. 188-214; Tharamangalam, Joseph 2006: Kerala: The Paradoxes of Public Action and Development, Orient Longman, New Delhi, p. 200. (It was in the 1931 Census that caste enumeration was last published.)
Others', 0.34 hectares for Adivasis and merely 0.07 hectares for Dalits. Given the high density of population within the state, per capita land availability is quite low but the stark disparity in landholdings between the mainstream society and the historically deprived section of Dalits cannot be overlooked. Notably, the average landholding by Dalits at all-India level is less than half of the average landholding by the rest of the population, in Keralam, it is only below one-fourth. The land question of the Adivasis in the state is also merits serious attention as a question of dispossession rather than as a question of historical deprivation in this respect. Our analysis of the landholding status of Dalits and Adivasis vis-à-vis the rest of the rural population in Chapter V following Rural Labour Enquiry Reports based on the National Sample Surveys further clearly confirms our contention on the relative disparity of these sections vis-à-vis the general population in the state, in spite of the fact that the former have overwhelming representation among the agrarian classes (See Table 5.9 for 1999-01 and Table 5.10 for 1977-78 in Chapter V).

In this context, it is worth citing the very interesting and indeed, powerful critique of the 'Kerala model' by the Rashtriya Mahasabha (RMS) led by the Adivasi leader C.K. Janu and M. Geethanandan. The Manifesto of RMS says:

"It upset the rhythm of the harmonious relationship between human beings and nature and commodified human relations. Through agrarian reforms, it alienated from land Adivasis, Dalits and other sections of people who had organic relationship with nature". An anti-people economic exchange system was established and as a result, the marginalised sections are alienated from control over resources and globalisation is making life difficult for them.

In their analysis, Dreze and Sen may be held guilty of overlooking the fact that Keralam has the highest proportion (63 per cent) of rural households not owning any agricultural land among 17 major states even after the land reforms much-lauded by them. It may be noted that the corresponding all-India average was 36 per cent. It may be argued that it is in the context of high proportions of rural non-farm employment in the state that the social contradictions landlessness could have given rise to, have been benumbed. Thus the latest figures show that agriculture contributes only 32 per cent in employment in the state as against 60 per cent at all-India level and in rural areas, non-agricultural activities

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57 RMS 2004, p. 12.
58 Data as given in Dreze & Sen 2002: Table A.3, Part II: Other Indicators; as cited from National Family Health Survey 1992-93, Indian Institute of Population Studies (IIPS).
59 Detailed analysis follows in Chapter V.
contributed almost 50 per cent of the workforce by 1991.61 The reverse side of the picture is that agriculture still remains the principal commodity producing sector in the state, still employing over 50 per cent of the workforce in rural areas.

Dreze and Sen have only a minimalist agenda for amelioration of endemic "basic deprivations" or in other words, a reformist agenda for the achievement, in particular, of better PQLI, namely, low birth rate, low death rate, low infant mortality rate and high literacy rate. Their agenda is centred on land reforms, basic education and health care towards "facilitating fast and widely shared growth"62 by means of the market. One might wonder why this cannot be interpreted as a condescending approach that seeks to provide 'basic entitlements' to the peoples in peripheral countries within the very framework of the capitalism of oligopolies rather than aiming at fundamental social transformation and development of productive forces in the peripheral economies. This may also be read as providing, in effect, greater legitimacy and therefore, wider social support base and a sustainable framework for the intensified exploitative drive by global capitalist forces in contemporary times. This is particularly because for all their welfarist concerns, Dreze and Sen are unambiguous supporters of the neo-liberal reforms and therefore their approach can only be classed as part of the dominant orthodoxy.

We do not mean to underestimate the validity and usefulness of the concept of 'human development' as distinct from 'economic development', logically derivable from the studies on the developmental experience of Keralam. It has rightly been pointed out, "Sen has succeeded in detaching the discipline of Economics from its positivist lifelessness ('Economists would also call it scientific') and making it socially relevant by lending it normative dimensions."63 Nevertheless, we would hasten to add that a symptomatic treatment of social maladies is insufficient and that we need to strike at the root causes of social maladies addressing the principal contradictions, targeting the principal structures of oppression at the micro-levels of classes and social groups, at the meso-level of the national formation and the macro-plane at the country and global levels.

We might well say that the 'Kerala model' is now being put on trial in that the 'transient ecstasy' of high – disproportionate – social sector development could turn out to be unsustainable without a corresponding development of the productive sectors. We would argue that the acute underdevelopment characteristic of commodity producing sectors in the state, the fears of a crunch in the labour market outside the state, the volatility in the

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63 M. Kunhaman 1999, p. 17.
prices of cash crops and perhaps, most importantly, the Structural Adjustment Policies being pursued seem to indicate that the Kerala trajectory is essentially unsustainable. Several scholars, particularly, those affiliated to the Centre for Development Studies, Thiruvananthapuram have proposed that there is a turn-around in the performance of the Kerala economy during the period of liberalisation.\footnote{Achin Chakraborty 2005: “Kerala’s Changing Development Narratives”, \textit{Economic and Political Weekly}, February 5, pp. 541-47, vol. 40, no. 6; K.P. Kannan 2005: “Kerala’s Turnaround in Growth: Role of Social Development, Remittances and Reform”, pp. 548-554, \textit{Economic and Political Weekly}, February 5, vol. 40, no. 6; Government of Kerala & Centre for Development Studies 2005: \textit{Human Development Report 2005: Kerala}, prepared by the Centre for Development Studies, Thiruvananthapuram and published by the State Planning Board, pp. 43-48.} However, it needs to be conceded that the commodity producing sectors of the state, namely, Agriculture and Industry have failed to match up to the levels of human development and the widely acknowledged growth of the Service sector in recent years. Thus during 1983 to 1999-2000, the share of the primary sector in income decreased by 26 per cent and its employment share fell by 36 per cent and in the secondary sector, even as employment share increased by 27 per cent, income share fell by 24 per cent. It was only the tertiary sector that boomed by 37.5 per cent in income and 43 per cent in employment during this period.\footnote{Government of Kerala & Centre for Development Studies 2005: \textit{Human Development Report 2005: Kerala}, p. 47.} We would argue that such a disproportionate pattern of development in itself may be viewed as an expression of the dependency syndrome in the state.

Erosion of the achievements in the social sphere that the state has made in the past is indeed a fall from grace for a state that has often been projected as a model in several respects. Thus even Punjab which has given low priority to the social sectors, has been overtaking Kerala in the 1990s, with higher investments in education, thanks to its favourable economic performance.\footnote{Joseph Tharamangalam 1998: “A Rejoinder” in “The Kerala Model of Development: A Debate (Part 2)”, pp. 47-52, \textit{Bulletin of Concerned Asian Scholars}, vol. 30, no. 4, p. 47.} The weak productive, if not revenue base of the state could be attributed as the reason behind the decline in social expenditure by the state in real terms.

We would hold that if indeed we have to learn from the Kerala experience, we need to mark out between what are universal and what are the specificities of this experience. So then, it may be pointed out that the social achievements of Kerala have been obtained through an exceptional route to prosperity apart from the historical factors mentioned by Dreze and Sen. This route was through the colonial legacy of high value addition plantation crops dependent on external markets; and following the oil price hikes of 1973, through remittances from the Persian Gulf as well, as a result of the employment
opportunities (mostly for unskilled construction workers) created there, thanks to the historical links of Kerala with this region. This was possible primarily because of the huge disparity in the currency exchange rates of India vis-à-vis these oil-rich countries in West Asia.

As for the plantation economy, in Malabar (northern part of present-day Kerala), East India Company had started a spice plantation as early as 1797 at Anjarakkandi. In the princely state of Thiruvithamkooor (presently, southern part of Kerala), plantations were established mainly since the late 19th century. Thus the most important and largest plantation companies there were the British Kannan Devan Hill Produce Company and the Anglo-American Direct Tea trading company that were registered in 1878 and in 1897, respectively. By 1930-31, there was 60,400 acres of rubber plantation and 78,000 acres of tea plantation in Thiruvithamkooor alone. Going by the statement of D.H. Buchanan, the prominent British chronicler of the time, the smaller princely state (presently, the central part of Kerala) also had a proportionate representation of plantations, comparable to the other two states and Burma. Going a long way along the footsteps of the colonial pattern of plantation-dominated development of agriculture, today, Kerala has 6.42 lakh hectares cultivated with four plantation crops, namely, rubber, tea, coffee and cardamom, “accounting for 29 per cent of the net cropped area in the state and 42 per cent of the area under these crops in the country.”

As for the remittances, the total annual remittances received by Kerala state increased from less than 10 crore rupees in 1972-73 to more than 14,000 crore rupees by 1999-2000. Moreover, remittances constituted a massive 23 per cent of the Net State Domestic Product in 1999-2000.

We also need to recognise the other specificities of the Kerala experience such as the socio-religious movements during the late 19th and early 20th centuries that fought out

67 This is clear from the fact that 80 per cent of the Kerala emigrants had no formal technical education (Zachariah, K.C., E.T. Mathew, S. Irudaya Rajan 2000: Socio-Economic and Demographic Consequences of Migration in Kerala, Working Paper No. 303, Centre for Development Studies, Thiruvananthapuram, May, p. 48).
caste oppression and promoted education, the subsequent Communist movement that fought for land rights against feudal/semi-feudal landlordism, thus becoming instrumental in securing livelihoods and a host of other movements such as the library movement and literacy movement that made the achievements of the Kerala experience possible. There are also other factors that Dreze and Sen recognise such as an enlightened public policy orientation followed by the princely states, the missionary efforts and not least of all, a State policy that is responsive to popular demands of welfare.

The universal kernel of the Kerala experience is, in our view, the feasibility and the possibility of achieving minimal levels of human development even with low levels of economic growth. And we need to be honest that this is despite persisting disparities, landlessness, high rates of unemployment, suicides, mental illness, alcoholism, etc.

It has been rightly pointed out that Franke & Chasin,74 for instance, failed to make it an essential part of their analysis the structural linkage of the Kerala economy with the all-India and global economic system that causes underdevelopment of the peripheries. As a result, 'Kerala model' was presented as a sustainable one.75 The swelling ranks of Gulf returnees is a cause for concern for the state.76

More than 95 per cent of the total international migration from the state is to the countries of the Persian Gulf. All the emigrants to the Gulf are supposed to eventually return to the state since they are employed as temporary or casual labourers.77 Although return migration was not substantial in the 1970s and the early 1980s, the Survey conducted in 1987 by the Government of Kerala found that there were nearly 86.5 thousand returned emigrants; 1992-93 Survey found only 1.244 lakh returned emigrants. But return flows have increased since then. In 1998, it was estimated that 4 lakh emigrants had returned to the state during the period, 1993-97.78 Of late, the drives towards indigenisation of the labour-force in some of the countries in the Persian Gulf, such as Oman, have reduced the job opportunities for Malayalees. It is the sustainability of a Gulf boom-driven Services-dominated economy that we mean to question here.

75 Joseph Tharamangalam, 1998, p.29 & p.34.
76 Further, 79,000 employees returned from the Gulf in 1998 and 1.27 lakh in 1999, according to estimates (Hindu, June 16, 1999, New Delhi edn.).
Further, the state having the highest unemployment in the country is yet another negative distinction. With about 3.2 per cent of the country’s population and merely 1.18 per cent of the geographical area of the country, the state is home to 16 per cent of the country’s unemployed. In absolute numbers, as worked out from NSSO 43rd round (1990), the number of chronically unemployed in the state rose from a much lower level of 1,44,000 in 1965 to 18,79,000 in 1987-88. The relative intensity of unemployment in Tamil Nadu (1.72), which figures in the second position in this respect, is far lower than that of Keralam (4.63) in 1990-91. There has been a deceleration in the growth of employment in the state during the 1990s. The unemployment rate in Keralam rose from 15.51 per cent in 1993-94 to 20.97 per cent in 1999-2000. The corresponding increase at all-India level was from 5.99 per cent to 7.32 per cent. The total number of work seekers in the live registers of the Employment Exchanges in the state in 2004 was 37.56 lakh. It is also notable that the employment seekers in Keralam in 2004 consisted of 17.92 per cent below matriculation, 59.18 per cent matriculates, 14.9 per cent plus-2 educated, 6.38 per cent graduates and 1.62 per cent postgraduates. This means that in terms of its magnitude, the question of unemployment in the state is not merely a question of educated unemployment as it is often made out to be but primarily a question that concerns literate unemployment. There is a serious gender dimension to the question of unemployment in the state. This is clear from the fact that out of the 37.24 lakh job seekers through employment exchanges in June 2005, 21.41 lakh were women. The gender dimension, particularly in educated unemployment is further corroborated by the Human Development Report 2005 for Kerala: Unemployment among women is two to three times higher than among men. It argues that for those below the primary level of education, chronic unemployment is almost negligible, at the level of less than 2 per cent for the last two decades. The intensity of unemployment was the lowest for rural men and the highest among urban women in Keralam. The last two statements are not surprising since employment openings in the countries of the Persian Gulf were mostly available for unskilled construction workers and there was a scarcity for workers in agricultural operations in the rural areas of the state.

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71 Ibid, Table II, p. 110.
72 Jeromi, P.D. 2003: “What Ails Kerala’s Economy”, Economic and Political Weekly, 19 April, vol. 38, no. 16, p. 1598. See also our discussion on unemployment in Chapter V.
74 Ibid, p. 497.
75 Ibid, p. 497-98.
78 Ibid, pp. 109, 111.
“It has also been ruefully realised that not only Kerala’s literacy, but also its rates of mental illness and suicide correspond to the world metropolis”. According to National Crime Records Bureau, in 1997, the rate of suicide per million population was 100 at the all-India level whereas in Keralam it was nearly three times higher at 285. Keralam figured in the highest slot among 17 major states in this respect (See Table A.7 in Appendices). By contrast, it is interesting that there was no case of suicidal death in 1997 in the adjacent Malayalam-speaking Lakshadweep islands known for its backwardness. The 2001 Census put the suicide rate in the state marginally higher at 29.5 per lakh population, the all-India average remaining at 11.1 per lakh population. Going by latest figures, during 2004, 9053 persons committed suicide in the state. Illness, mental illness in particular and other prolonged illnesses are cited as the largest single cause for suicides. Thus 1381 persons ended their lives owing to insanity and 1322 due to other prolonged illness. Family problems come next, taking a toll of 2028 lives. Bankruptcy caused the third single largest number of suicides at 888 down from 1019 in 2003. This conforms to the general trend at all-India level in 1997 with illness and family problems reported as the two major causes of suicides, accounting for 20.16 per cent and 18.44 per cent, respectively. E. Durkheim had made a sociological classification of suicides into egotistic suicides resulting from loss of sense of integration with social group, anomie suicides resulting from a lack of collective order as during social or political upheavals and altruistic suicides done for the sake of others in the community. This, however, is quite insufficient to understand the present-day phenomenon of suicides in Keralam for instance, resulting from illness, family problems, bankruptcy, etc. Nevertheless, lack of social support is a thread that is running through these cited causes.

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91 As cited in Maleeha Raghaviah 2005: “Ill-equipped to take care of the mentally ill”, 8 November, Thiruvananthapuram edn., p. 5.
93 M.A.M. Khan 2000: “The undiscover’d country, from whose bourn no traveller returns”, Hindu Open Page, 15 August, Tues, New Delhi edn., p. 21. For a gendered analysis of suicides in the state, see, ‘Gender and its Interfaces with Class in Keralam’ in Chapter V. Such an analysis, in our view, points in a different direction as far as the causes of suicides are concerned.
Keralam has also earned the dubious distinction of being the state with the highest number of people with mental illness in the country. Thus according to the National Sample Survey Organisation Survey on 'Disabled Persons in India', there are 272 persons per one lakh population in the state suffering from mental illness, the corresponding all-India average being far lower at 105. Keralam also figures high among states for other kinds of disabilities, including mental retardation, with the sole exception of blindness. While 132 out of every one lakh population suffered from psychiatric disorders at the all-India level, in Keralam, the corresponding figure was startlingly high at 283 per lakh population, according to Census 2001. Alternatively, going by Census 2001, 58 out of 1000 persons in the state suffer from a range of psychiatric disorders i.e., constituting 5.8 per cent of the population. Lack of opportunities coupled with intense competition, unemployment or employment in jobs not commensurate with qualifications, consumerism with the 'Gulf boom', 'Gulf syndrome' among young women resulting from prolonged absence of their husbands, decreasing social support in keeping with individualistic ways of life, etc. have rightly been attributed as the social context for the rise in mental illness.

Very high rates of alcoholism, rising rate of crime, etc. are causes for concern as well. In the year 2000, a total of 99,033 crimes were committed under the Indian Penal Code (IPC). In 2004, the total number of crimes committed under IPC went up to 1,04,025. The total number of crimes committed in the state in the year 2004 was 1,56,135. 66.63 per cent of them were committed under the Indian Penal Code and 33.37 per cent under Special Local Laws. The crime rate also showed an ascending trend by 11.62 per cent over the previous year. It may, however, be admitted that the murder rate in the state was the lowest at 14 per million population as against 40 at all-India level in 1998 (See Table A.7 in Appendices). As for alcoholism, Keralam stands first among the states in India in terms of per capita consumption of liquor at 8.3 litres, followed by the Punjab.

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96 Maleeha Raghaviah 2005, p. 5.
97 Modern medicine has made great strides in the treatment of mentally ill persons, way ahead from the days of electric shocks and administration of depressants, to a wide range of drugs to treat specific problems. Nevertheless, it has been pointed out that the state presents a dismal picture with regard to the number of psychiatrists per patients. Thus while the global average is 3.96 psychiatrists per mentally ill patients, the corresponding average in the state is only one per one lakh patients (Maleeha Raghaviah 2005, p. 5.).
with 7.9 litres, as against the all-India figure of 4 litres per person. Even as we concede the merits of a focus on the sectors of social welfare for the achievement of 'human development', all these aforementioned superlatives of the negative order should constitute negative examples that makes one wonder if Kerala should not be considered a 'negative model' on these counts.

Throughout the 1980s, "Kerala model" was celebrated the world over for achievements in human development, just as the "East Asian tigers" were projected right up to the mid-1990s for fast economic growth following basic reforms for human development in several of these countries. The implication that could be drawn for the peripheral countries and nationalities of the world from the developmental experience of Kerala was: If it is possible to achieve high PQLI/high human development even without economic development or even when the per capita growth in the economy remained very low, why take the tortuous road of ushering in structural transformation by challenging the powers-that-be within the country and at the international level? It is against this proposition that we have posited the argument that the very factors, which have contributed to the human development/development of the social sectors in the state could be viewed as the manifestation of a dependency syndrome, in turn, raising the question of the very sustainability/feasibility of this pattern of development.

**Objectives of the Study**

1) A primary objective of the study is to understand the nature of Class-Nationality interface, linked, as they are, under the overarching processes of surplus accumulation in India in general and in the case of Kerala, in particular, as Class and Nationality seem to be the predominant social categories shaping, in turn, the other social entities. Whether there has been a contradiction between Kerala nationality on the one hand, and global capitalism and the dominant socio-economic structure/dominant production relations at the all-India level, on the other is a major question guiding our inquiry.

We would also seek to understand the rectitude of the political positions of the various streams involved in a debate on the nationality question of Kerala during the 1980s, in particular.

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2) To explore the symbiotic relationship between Class and Nationality in the case of Keralam, in the sense that classes within Kerala society are being constituted in material terms under the overriding influence of the Kerala nationality as a political economy construct.\textsuperscript{103}

3) To understand whether and how the contradictions involving the non-class marginalised social groups in Kerala society particularly, gender, caste, community and the human-nature contradiction are shaped by Class and Nationality in Keralam since the land reforms down to the days of Structural Adjustment Programme (SAP). We would not like to view Class as an abstract category but as a substantive one related to caste and gender in particular, in the context of India. We mean to understand the processes of underdevelopment of the productive sectors of the economy on a broader canvass, i.e. to take a bird’s eye-view and to identify the social forces capable of bringing about social transformation i.e., both democratisation of society and development of productive forces, in favour of all deprived sections in Kerala society. We would embark into in this venture by first engaging in a critique of the ‘Kerala model’ approach which is, perhaps, the most high profile school on Kerala studies.

4) To understand the impact and implications of SAP on Keralam. Does Structural Adjustment Programme accentuate the contradiction between Kerala nationality on the one hand and the socio-economic structure/dominant production relations at the all-India level, on the other. What are its impact/implications for the class and social relations in the state?

5) In the context of agriculture being the primary commodity-producing sector in society, we would also have a modest objective of understanding the nature and extent of capitalist development in agriculture, class/caste relations and mode of production, with reference to issues like land concentration and landlessness, semi-feudal tenancies and speculative trade on land.

Class analysis would also be attempted as a study of the process of the political struggles of the masses, and not merely by defining classes by their economic position or position in the production relations.\textsuperscript{104} This would involve an examination of caste/community identity and class identity.

\textsuperscript{103} See Chapter VII on how this relationship is indeed symbiotic.
\textsuperscript{104} This is taking cue from E.M.S. Namboodiripad 1973, p. 213.
Moreover, it would be our objective to understand the continued relevance, if any, of the slogan, ‘land to the tiller’ under a regime of globalised finance.

**Contextualising the Study**

The study, we hope, could at least partially fill in the void in academic studies into the political economy of the state. The search for alternatives is imperative lest the transient ecstasy of the ‘Kerala model’ turns an agony forever. A set of studies published in the *Economic and Political Weekly* in 1990 with a lead article, ‘Kerala Economy at Crossroads’, reflected upon the crisis of development retardation.¹⁰⁵ There was near unanimity among these scholars about the crisis of development in the state. However, the road ahead remained, by and large, uncharted.

At times, the options propounded only serve to confirm and consolidate the same exploitative relations. E.M.S. Namboodiripad’s would be a representative opinion to present the viewpoint of the mainstream left politics of Keralam. He said, “Within the limitations imposed by the global and national structures ... we will have to find practical solutions to the various problems that our state faces.”¹⁰⁶ The effort would be to find solutions within the constraints of the existing social system. Such an approach is at variance with the earlier work of Namboodiripad himself prior to the formation of the linguistic state, set out in *The National Question in Kerala* (1952), wherein he had advocated structural transformation through land reforms and the formation of the linguistic state as the logical steps ahead.¹⁰⁷

Scholars of a similar intellectual persuasion as E.M.S. Namboodiripad argued in a similar vein as he did: “The emerging perspective on industrialisation indicates the need to stimulate private investment, diversify industrial structure....” They argue for a solution of infra-structural crisis — expansion and renovation of rail, road, air and waterways,

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solution of the energy crisis and better irrigation." Again, the emphasis is not on a basic change in the existing social relations. We would argue that such within-the-system solutions only serve to reinforce the existing social relations, making it rather 'efficient' and functional. Of course, they may dole out stop-gap relief in the context of the prevailing agony of development, but offer no feasible alternative to the status quo.

On the contrary, we hope, our study would shed light on the macro processes of underdevelopment by trying to understand things on a broader canvass, with a view to transcend these structural constraints. Thus we look at the national formation of Keralam in its constitutive relationships with the Indian State and global capitalism. Our attempt would also be to understand how the macro structures and processes, in turn, shape the micro structures and processes. Thus we look at the formations of Classes and social groups in the state in their constitutive relationship with Keralam as a national formation in political economy terms.

Some of the latest literature in development studies that have originated in the state celebrates the high growth of the Services sector during the period of 'liberalisation'. They are somewhat in tune with the proposition paraphrased by Moyo and Yeros that "industrial transition is unnecessary in the periphery, that clinching 'comparative advantage' in a global market is sufficient for national development". Achin Chakraborty, K.P. Kannan and Human Development Report Kerala 2005 seem to reflect this view. Nevertheless, Achin Chakraborty does consider female disadvantage and morbidity rates as causes for concern in human development in the state and Kannan feels that the state faces hurdles in translating its high human development and high economic growth into development outcomes that could generate employment for the 'educated unemployed' in the state and ensure equitable participation of its womenfolk. Human Development Report Kerala 2005 says, "A major outcome of this Report is the emerging, as well as encouraging, scenario in Kerala of the possible emergence of a virtuous cycle of growth linking human development with growth." The scholars involved in the making of the Report, also spoke of a possible "turnaround" in the economic growth process in the state. The driving forces behind the growth was seen to be remittances...

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and economic reforms. Rightly so has the notion of growth with human development was promptly countered on grounds of sustainability. Moreover, it was also countered that there is really no structural transformation in the economy, as is claimed, since the predominance of the Service sector and declining level of workforce in Agriculture were characteristic of the Kerala economy at least since mid-1990s. We would add that there is hardly any indication by these set of scholars that the disproportionate growth of the Services sector, without a concomitant development of the commodity producing sectors of the economy could be symptomatic of the dependency syndrome. Moreover, the Report suffers from a unilateral emphasis, verging on a populist orientation, on women as a marginalised social category within the state, to the near-total exclusion of less numerous others such as Dalits, fisher people, Adivasis, immigrant labourers, etc.

We would hold that there is no lack of studies on certain aspects of the Kerala state, such as the human development achievements of the state. Economists studying the state have mostly focused on one or the other sector of the economy. There have also been a number of historical studies on the state, especially on the modern period. However, there has really been a dearth of studies on the political economy of the state, especially from the angle of Political Studies.

Our choice of “Class” and “Nationality” as the key categories seem to be most appropriate in the case of Keralam, not only to understand the objective processes of underdevelopment but also in terms of the potential, and to some extent, the actual organisation of people’s consciousness. The mode of production debate of the 1970s confined itself to analysis of economic classes and the level of development of the productive forces, and yet it left out the cultural processes that characterize the superstructure of a given society and shape the relations of production. The studies on culture subsequently, that is, during the past two decades, seems to have made a qualitative shift in our understanding of the societal processes. The terms, “Class” and “Nationality”, we hope, may enable us to locate our analysis in the conjunction of the objective and the subjective. The ‘objective’ here refers to the material position and the ‘subjective’, to the aspect of consciousness. This should also be in keeping with the general spirit of the findings of cultural studies in recent times that it is only a ‘subjective objectivity’ that we can aspire for and not an ‘objective objectivity’ in our understanding of social reality. In other words, we would hold that a study on ‘Class’ and ‘Nationality’

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could hold the key to a revealing understanding of the socio-economic and political economy context of contemporary Keralam.

Nevertheless, we would seek to understand Class and Nationality in the case of Keralam, as they are being constituted primarily in terms of their material position and to a lesser extent in terms of their level of consciousness. We hold that given their material position, they have also the potential of being converted into 'social entities for themselves'.

Nevertheless, the political constitution of these social categories depends on the agency of the political movements that sanitise their consciousness and give them a sense of direction, which has not yet occurred in many a case. And therefore, in order to deal with the constitution of Class and Nationality in Keralam in its present phase, we would approach it more from the political economy angle and to a lesser extent, from the angle of subjectivity.

By making Class-Nationality interface a major focus of our study, we hope it would not only enable us to locate the forces that hamper and retard the development of productive forces and cause impoverishment of the broad masses of people but also help identify the social forces that could potentially act as agents of change. In other words, our concern would be to comprehend both structure of the existing society and the potential agency of social transformation in the future. While focussing upon the predominant social categories of Class and Nationality, our effort could also be to understand how these, in turn, shape and constitute the marginalised social groups of the pre-existing society, particularly in the era of Structural Adjustment Policies. The choice of such topic enables us to understand things in relation, rather than in isolation. This is because Nationality is seen in its constitutive relation to the country-level structures, specifically the Indian State and global structures, specifically, global capitalism. And Class, used in the common noun form, is not seen as an abstract category but in its constitutive relation to Nationality and also as a substantive category related to social groups i.e., caste and gender, in particular and to tribe and community also in the Indian context. It is also the disciplinary privilege of Political Studies to be able to analyse societal processes in terms of appropriate concepts and categories, of course, with an interdisciplinary thrust.

This is after Marx’s classification of 'class in itself' and 'class for itself' discussed in Chapter II.
Studies on the causes of industrial stagnation in the state have often pointed out how in the words of Rammohan, labour relations had turned "a fetter upon economic development"\textsuperscript{116} and yet failed to locate the issue in the context of the limitations imposed by the system.\textsuperscript{117} Conversely, what we would attempt is an academic venture at getting to the roots of issues rather than trying to react or even respond promptly to issues of current relevance, in the manner of fire-fighting against contingencies that keep cropping up. By concentrating out focus on the common nouns of 'Class' and 'Nationality', we would, on the contrary, seek to explore herein both the structural constraints for the development of the productive sectors in keeping with the high human development, and seek to identify the plausible social bases for an alternative pattern of development as well. On this count, we would privilege 'Class' and 'Nationality' as the principal Social Structures of Accumulation (SSA) at this stage of social development in Keralam. The term, Social Structures of Accumulation (SSAs) as employed by Barbara Harriss-White refers to "the matrix of social institutions through which accumulation and distribution take place".\textsuperscript{118} We treat these categories as not only the primary Social Structures of Accumulation (SSA), but also as having the potential to embody social consciousness that could lead the way forward towards radical structural transformation of society. We would classify social/political movements into four categories: Class struggles, Nationality struggles, Social liberation struggles and General democratic movements.\textsuperscript{119}

In defense of the period chosen it must be said that 1970 was the landmark year when the land reforms were initiated in the state on a large scale, thus marking the realignment of classes in a largely agrarian society, at least in terms of their economic position of classes, if not in terms of their political consciousness. Moreover, the oil shocks of 1973 created employment opportunities for Keraleeyar (the people of Kerala) in the oil-rich Persian Gulf countries. This, in turn, led to the significant phenomenon of a remittances-driven economy since the mid-1970s. We have preferred not to specify the year ending the period because the effects of the Structural Adjustment Policies (SAP) in 1991 have only been becoming increasingly evident during the period of this study. Leaving out the


\textsuperscript{118} Barbara Harriss-White 2003: \textit{India Working Essays on Society and Economy}, Cambridge University Press, Cambridge, p. 13. For a detailed discussion on the concept of SSAs, see Chapter II.

\textsuperscript{119} More on these in Chapter VII.
period since 1991 would not be feasible since the impact of SAP on the political economy of the state is too pronounced to be ignored, by any count.

Out of the two distinct but overlapping methods to political economy analysis as mentioned by Terry Byres, namely, analytical-political economy method and chronological-political economy method, for now our analysis primarily follows the former. Nevertheless, we do grant that the latter could have yielded quite useful insights and as we have mentioned in the Acknowledgements, we mean to defer an historical analysis of the evolution of Class and Nationality in Keralam to a later project. In other words, although this work bears reference to the process of land reforms in 1970s as in Chapter V and an analysis of the ‘discourses of accumulation’ involved in the debate on the nationality question of Keralam during the 1980s, it primarily involves an analysis of the contemporary scenario of political economy within Keralam. In further defense of the choice of the period of our analysis, we would argue that it would have been rather facile and ahistorical to take 1991 as the watershed year because the initiation of neo-liberal reforms in 1991 only compounded many of the problems/contradictions that have already been existing prior to that. We would argue that even if one wants to undertake an impact analysis of the post-‘liberalisation’ phase, one needs to have an understanding of the situation prior to ‘liberalisation’ for comparative purposes. And given our disciplinary orientation, this political economy analysis is more from the angle of Political Studies rather than from the angle of Economic analysis. And as this work also falls within the ambit of the interdisciplinary field of Development Studies and the multidisciplinary field of Area Studies, trespassing into the boundaries of certain other disciplines like Sociology also becomes inevitable.

A Note on the Method

Some observations are in order about our method of analysis that would take us to the very philosophical moorings of Social Sciences. Explicit value biases as may appear in this study may not be dubbed as ‘ideological’ since value biases or pre-judices themselves are seen to be contributing towards knowledge production as Hans-Georg Gadamer would have us believe. Moreover, diverse theoretical orientations that seek to connect disparate issues and facts in various ways could be considered integral to the studies in Social Sciences. Methodologically conscious social science researchers would concede

that it would be rather preposterous to speak of an 'objective' analysis in human affairs. Application of analogies of the methods of the natural sciences to that of the social sciences have, many a time, turned out to be laughable failures. Objectivity may have greater applicability to the so-called 'immutable' laws of motion in natural sciences. Yet it is now conceded by many natural scientists that human subjectivity plays an important factor in our understanding these 'immutable' laws. A paradigm-shift as explained by Thomas Kuhn in *The Structure of Scientific Revolutions* could completely upset our understanding of even the natural reality, as has happened in the Copernican revolution which abandoned the Ptolemaic geocentric paradigm for a heliocentric paradigm. Understanding of human affairs also occurs within the limits of certain paradigms or at a lower level of abstraction, certain frameworks of analyses. Yet there is a greater role of human subjectivity within social sciences because the researcher is part of the social reality that s/he is analyzing. The social situatedness of the researcher implies his/her interests/biases/pre-judices. This is also reflected in the representation of facts. "Reflections are not simply mirrors of the social world, of course, but reflect selectively what constitutes a fact, what facts are significant, and how the bare facts are to be interpreted." In this sense, we would hold that Max Weber's well-known methodological injunction to let the values of the researcher come into full play in the choice of the topic of research and in the conclusions but to make the process of research itself free from value judgements, as far as possible, has only limited validity.

Biases/pre-judices/pre-judgements enable us to understand as propounded by Hans-Georg Gadamer in *Truth and Method.* In this parlance, understanding is possible only with pre-understanding and judgements with pre-judgements. There are no 'value-free' researches but there are common biases and uncommon biases and uncommon biases, we believe has the potential to give rise to uncommon kinds of knowledge. Scholars with greater inclination towards relativism would hold that there are different truths for different people, contingent upon their respective world-views. *We would rather hold that there are different aspects of the same truth, as perceived by us.* The researcher's biases/interests come to play in the choice of the framework of analysis and consequently determine the aspect of truth as perceived by him/her. The social position of a social

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analyst could shape his/her framework of analysis and consequently his/her conclusions. Yet there is nothing deterministic about it in that an intellectual, unlike ordinary mortals, is able to transcend the interests of his/her class/social group. Here we would hold the notion of 'de-classed intellectuals' in V.I. Lenin.

Conscious epistemologists rule out the possibility of 'objective'/'scientific' or impartial understanding in human sciences. In this sense, Marx’s insistence on his work being 'science' as against 'ideology' took an entirely different route of explanation. In defense of Marx, it may, however, be added that his notion of 'science' was quite different from what we understand it today. He held out 'science' against 'ideology' as characterised by bourgeois mystifications. The proletarian viewpoint was held to be 'science' as free from mystifications.\(^{125}\) Although our approach herein follows a different orientation, it may not be seen as contradicting the Marxian paradigm. Another vital additional factor making it impossible to have an objective understanding of human affairs is that 'immutable' laws of motion of social development are made a mockery of by the role of conscious human agency.

Our methodology herein is an interdisciplinary one using conceptual categories and theoretical work on political analysis and Development studies, and also relying on statistical and economic analyses. The study involves extensive survey and critical analysis of primary and secondary sources on the economy, society and politics of the state. besides study of theoretical works on the related areas, as in Chapter II, particularly and throughout the thesis. Given the broad sweep of the topic under our analysis, we have mainly used the approach of critically surveying the existing works in related fields, since our inquiry is in on a topic that is hardly worked upon. Nevertheless, we have also made liberal use of primary sources such as Economic Reviews of the State Planning Board, Human Development Report 2005, Census Reports, Legislative committee reports, etc. The research has also involved informal interviews of scholars, especially those working on Keralam, activists working for social change and affected people as at Nainamkonam colony, Adivasi people, and urban and rural workers from different parts of the state, etc. These have mainly contributed to enhancing our perspective, clarifying views and facts, etc. A combination of simple statistical methods, logical reasoning and help of empirical studies are being used so as to understand the topic from a multi-disciplinary perspective. Database as available on the economy and society of the state are also used to a limited

extent. These are provided in the statistical appendix and especially in Chapter V. Thus we have worked out landholding patterns, agricultural labour participation from the *Rural Labour Enquiry Reports* published every four years by the Ministry of Labour of the Government of India. We have used the *Reports* of 1977-78 in order to understand the post-land reform scenario and of 1999-2001 in order to understand the latest situation. We have also Census Reports mainly for population estimates by social groups.

Indeed, it is the Marxist dialectical method of understanding social reality in terms of Totality, Contradictions and Change or Movement in time that we find most suitable to follow herein. We would follow a top-down approach in identifying what Marx terms as the “rich totality of many determinations and relations” in society. This is much more appropriate because the direction of the transformations and determinations today increasingly follows a trajectory “from above”. We would not like to go with an empiricist approach that ‘misses the woods for the trees’. Indeed, “an aggregate view of social formations” is “necessary as a safeguard against empiricism that only took notice of parts”. We do go with the assertion that ‘if appearances were all that were to reality, then there would be no need for science’. Thus Marx in the *Capital* says, “All science would be superfluous if the outward appearance and the essence of things directly coincided.” In this sense, we seek to uncover the underlying pattern in social reality, trying to figure out ‘the internal relations of things’. Social contradictions of various kinds are seen as prime movers of the social process. As we have mentioned earlier, we have not resorted to an extensive analysis of Change or Movement in time of the social processes owing to our own limitations while doing this thesis.

Herein we would favour the theoretical approach of ‘methodological holism’ as against ‘methodological individualism’. Theoretically, this involves a rejection of the maximising individual rationality of neo-classical Economics in Gary Becker for instance. The basic arguments of Rational Choice Theory (RCT) are: 1) There is a maximising

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126 The non-formal classes in Jawaharlal Nehru University by R.S. Rao on Marxist dialectics have helped me to clarify my views in this regard.


behaviour, with an identifiable maximand; 2) the maximand is the self-interest of the individual and 3) the self-interest is narrowly self-centred and oblivious of consequences for others. Amartya Sen accepts RCT 1, disputes RCT 2 and rejects RCT 3. Gary Becker himself had disowned RCT 3 but retained it in his theory as a heuristic device. Sen invokes the authority of Marx himself for his advocacy of SCT as Marx disputed that while political economy tended to assume that "each person has his private interest in mind, and nothing else", in fact the "point is rather that the private interest is already a socially determined interest." Similarly, Albert Einstein had asserted that even most of our ideas are obtained from society. He sets forth the alternative of a Social Choice Theory (SCT) in place of the incorrigibly individualistic RCT. In its applications as in Cost-Benefit Analysis, RCT is also thoroughly utilitarian. This, in turn, raises several serious ethical concerns. After Marx, however, we would view that in a society with entrenched hierarchies, there are irreconcilable collective interests and therefore, we would rather view society in terms of Classes, Nationalities and Social Groups rather than as a social whole in terms of interests. In this view, human society is not merely comprised of atomised individual actors or individual players, as in the game theory but by collectivities bound together by common interests. There are not merely individual actors but structures, agencies and processes. We would, herein, view that structures, processes and even agencies can have quite impersonal dynamics.

Now let us have a brief synoptic view of what each of the following chapters in this thesis deal with.

Chapter II, “Conceptualising Class and Nationality in India” seeks to anchor this work in an appropriate theoretical framework. We have sought to view both Class and Nationality as having the dual aspects of accumulation and identity. We have focused more on the aspect of accumulation under the overarching framework of capitalist development. We have critically reviewed the Marxist approaches to Class analysis from the angle of a Third World subaltern perspective. We have reviewed the cultural theories on nationalism and sought to locate their political economy through the Dependency and

131 Gary Becker 1995 (1976): The Economic Approach to Human Behavior, University of Chicago Press, Chicago. There are also others of similar persuasion like Paul Samuelson who proposed the theory of Revealed Preferences.


135 For more on how we understand Classes and Social Groups, see Chapter V.

136 Structures are sometimes rubbished as reified notions but for the people of contemporary Iraq, American imperialism as a structure is a reality of day-to-day experience.

137 ‘Subalternity’ is used by us in the Gramscian sense, not that of the later writers of the Subaltern studies.
World System theories. Through these reviews, we have tried to find their plausible relevance to the Class and Nationality questions in India, that we have viewed as a multinational country. We have sought to pin down the definitionally elusive notion of ‘development’ and sought to distinguish it from developmentalism. We have briefly surveyed some of the theoretical strands in theorising the class basis of the State in India. Further, we have indicated how the “Social Structures of Accumulation” (SSA) approach contains the potential to synthetically link the approaches on both accumulation and identity, with a possibility of identifying the primary structures of accumulation as well. Before concluding we have also tried to find the possible theoretical links between Class and Nationality in understanding a country like India.

Chapter III, titled, “Facets of Dependency and Articulations of the National question in Keralam” seeks to identify Keralam as a national formation in political economy terms, in the first section. The over-inflated growth of the Service sector, stagnation of the commodity-producing sectors, particularly, the industrial sector, high unemployment, outflow of investible surpluses, etc. are viewed as manifestations of the dependency syndrome in the state. The next section discusses the Centre-state relations, with particular reference to financial relations. We also seek to solve the puzzle as to why has the question of federal autonomy turned a non-issue under liberalisation and identify critical areas where the Centre-state relations have come under greater strain. The third section seeks to analyse the political implications of a Structural Adjustment Loan from the Asian Development Bank (ADB) and explore the actuality of a ‘liquidity crisis’ in the state. In the fourth section, we seek to analyse the various articulations on the nationality question in the state during the 1980s and seek to understand the material interests lurked behind each of these political positions. Before the concluding section, we touch upon the question of Class-Nationality interface in the state.

Chapter IV, “Implications of the Neo-liberal Reforms for Keralam” deals with the impact of the SAP, in general and their implications that are rather futuristic. The greater part of this chapter deals with a critique of the phenomenon of globalisation and their implications for India and later part of the chapter deals with the state-specific implications of SAP economically and politically. We conclude indicating the need for a self-reliant trajectory of development, including the short-term regulatory measures and the ways in which globalisation can be countered by political movements.

Chapter V, “A Structural-Locational Analysis of Classes and Social Groups in Keralam” deals with Class as a substantive phenomenon, rather than an abstract, decontextualised one. To this end, we have sought to view subaltern class formations in relation to caste and gender, in particular, in the specific context of India. We have engaged in a brief analysis of how Class relates to Women, Dalits, Adivasis, fisher people and immigrant
labourers. We have sought to identify the major factions of the dominant classes in the state by a method of locating the sections that corner huge, undeserved benefits from the State, often illegal or even forcibly. We have sought to locate economic classes in relation to caste through an extensive data analysis of NSSO-based *Rural Labour Enquiry Reports* of 1977-78 and 1999-2001, to capture the post land reform scenario and the contemporary one. We have critically surveyed the after-effects of land reforms on the agrarian class relations in the state. We have reflected on the contemporary character of the mode/relations of production in the state. We have also sought to locate the sharp contradictions on the agrarian scene, even against the backdrop of a decline of agriculture.

Chapter VI, “Subalternity and Political Discourse: Class as a Relational Process of Becoming in Keralam” deals with the aspect of class struggle. We follow an approach of viewing society from the very bottom of the social ladder. Class is seen in its multidimensionality and the Gramscian term, ‘subalternity’ is employed to capture this. After dealing with theoretical aspects such as on land reforms, the concept of discourse, the notion of Adivasi identity, etc. we proceed towards analysing the contending discourses on the Adivasi land question in the state with a view to uncovering the class interests underlying each of them. We also deal with the emerging scenario of Dalit land struggles in the state by taking the instance of a defensive land struggle waged in a Dalit colony in southern Keralam.

Chapter VII, “Conclusion: Class, Nationality and the Task of Social Transformation in Keralam” seek to find interfaces between Class and Nationality as against the prevailing trend of viewing each in isolation. We have also summed up the major findings of the preceding chapters. Further, we have sought to identify factors that could pave the way for genuine social transformation in the state.