
Globalised Monopoly Capitalism and Indian Society

Author(s): C.P. Bhambhri

Source: *Social Scientist*, May—June 2016, Vol. 44, No. 5/6 (May—June 2016), pp. 65-70

Published by: Social Scientist

Stable URL: <https://www.jstor.org/stable/24890285>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



is collaborating with JSTOR to digitize, preserve and extend access to *Social Scientist*

JSTOR

NOTE

Globalised Monopoly Capitalism and Indian Society

C.P. Bhambhri

Indian capitalism in the twenty-first century seems to be succeeding in establishing its hegemony, not only over subordinate labouring classes, but also over the inherited pre-capitalist, feudal land ownership strata of society, and in its ongoing effort to integrate the whole society and every state. The capitalist classes have made full use of the Indian state power, especially after independence from the British colonial rulers. The central fact about the spread of Indian capitalism, both horizontally and vertically, is that it has achieved its present monopolistic state because of its deep harmony and control over the state. The Indian state has been the facilitator of the ongoing and unstoppable march of Indian capitalism. It deserves to be clearly stated that India had inherited a backward, underdeveloped and extremely poverty-ridden economy and a productive system which was kept almost primitive by the British colonial plunderers. The historical content of colonial exploitation of the Indian society as a whole is quite significant, because it also impacted the development of Indian capitalism, and the indigenous capitalist classes were quite weak and vulnerable to ever establish a pre-eminent class position in the society. The post-independence Indian state, while maintaining relative class autonomy, created institutions for the development of capitalism. The post-independence phase of Indian capitalism needs to be mentioned because its salient feature was that a relatively weak capitalist class with a limited capital base needed the state to carry it on its shoulders. As a result, in about less than four decades, the capitalist class, which was growing under the protective and promotional umbrella of the state, succeeded in graduating into big industrial and business classes.

The reality of the first two decades of the twenty-first century is that the infant capitalist classes of 1947 have become monopolies, and have decided to conflate themselves completely with global finance capital and imperialist transnational corporations. The capitalist classes and the Indian state began their journey in 1947 by following policies that fully protected the Indian merchants and Indian capital from the foreign capital of imperialist countries, because it was felt that the big fish will devour the small fish that has come of age. And Narendra Modi, the chief political executive of the Indian capitalist state, declared on 10 November 2015 that India, 'on the one hand [was] to further open the sectors for more foreign investments in the country and make it easy to invest in India'. Narendra Modi, during

his three-day visit to Britain from 11 November to 13 November 2015, while addressing the India–UNCEO forum, observed that his government ‘had confidently eased, consistently and ceaselessly worked to integrate the economy with the world’.

This story of Indian capitalist integration with global monopoly capitalism does not stop with the top instruments of the Indian state. All the 29 states and 7 Union Territories are visiting foreign capital for investment in their respective states, and this problem has further solidified the social base of foreign capital in every corner of India. The most important implication of the above narrative is that the globalised monopoly capitalism of India has merged itself with the Indian state. The salient feature of the twenty-first century is that capital and the state have completely merged with one another, and the Indian state has become a real instrument in the hands of the private property-owning industrial, business, entrepreneurial classes, whose number is about 300 million only in a country with a population of over 1 billion. Hence, one of its early characterisations that the state is a collective agency of the capitalist classes has almost become real in the past two decades of twenty-first century India. The weak capitalist class, with a low level of capital base of their own, in their class interest, wanted a relatively autonomous class-state after about four decades of the post-independence phase of capitalist development. However, the relationship between ‘capital and the state’ has fundamentally changed once the Indian capitalists have become monopolists and big economic players. R.K. Hangui, on 11 December 1965, had submitted a report which stated that corporate India needs to be repudiated because it had accumulated a ‘high degree of concentration of power’. In 2016, we see in the *Forbes* magazine that the richest 100 Indians are worth US\$ 345 billion – and Mukesh Ambani, a post-independence entrant to industry and son of Dhirubhai Ambani, has assets with a net worth of US\$18.9 billion, as of 2015. The erstwhile houses of Birla and Tata were known as the big bourgeoisie of India on the eve of independence. With the emergence of a new brand of industrialists of the twenty-first century, they have fallen to a junior position.

It is in the new India of monopoly and globally integrated capitalist classes that the 300 million private property owning, capitalist business trading, entrepreneurial strata of society are living a ‘segregated’ social life, while the absolute majority population of toiling working classes, labourers in the informal sector of economy, landless marginal agricultural workers of the ‘other India’ are engaged in daily struggles for survival and are also serving the upper classes, in a highly unequal society. A few analytical questions arise here, because the state of the monopoly capitalist classes and their global patron is governed by seeking the ‘consent’ of the empowered citizens, who enjoy universal adult franchise and fundamental rights, as enshrined in the republican Constitution of India. Hence, a central issue is the ‘equality and inequality’ inherent in the capitalist-democratic state

of the country. A basic contradiction of India has to be resolved, because if on the one hand, the monopoly capitalists supported by their own state are engaged in ruthless accumulation of profit, and on the other hand, the electorally empowered population of 700 million that constitutes the 'other India' are actively involved in the struggle to get a share in the fruits of economic growth which is contributed by these 'labouring classes', then, how can the democratic-capitalist state satisfy the greed of the private profit accumulators and the ordinary working class citizens who have the right to vote and to elect or reject the members of the political executive, the parliament and assemblies? There is a need to raise the larger issue of the role of ideology, which plays a significant role in making a large majority of people believe or accept that the rulers are working in their interests, and that therefore these democratically elected leaders of the state deserve their support and consent.

Karl Marx, in *The German Ideology, The Eighteenth Brumaire of Louis Napoleon*, and the Italian Marxist Antonio Gramsci, in his *Prison Notebooks*, elaborated on the role of ideology in society. The Indian state, like all other modern states, whether democratic or authoritarian or military-ruled, tried to gain the consent of the governed by coercion and ideology, which is acceptable to the masses. It deserves to be clearly stated that there is enough impeccable evidence from twentieth-century state systems to substantiate the argument that only a coercive apparatus, i.e. the state, is not enough to make rulers succeed in ruling their societies, as even the fascists and the Nazis needed an ideology to mobilise people and get their willing obedience. Hence, India cannot be an exception to this general rule that an exploitative and oppressive capitalist ruling class in the twentieth century depended on state systems consisting of a coercive apparatus to crush rebellions as well as the consent of the governed, to facilitate capital accumulation for private appropriation of the owners of the means of production.

The post-independence Indian state had successfully established its quasi-ideological hegemony over almost the whole of India by following the best ideological legacies of the anti-colonial struggles of the nationalists like the Gandhi-led Indian National Congress, the Socialists and Communists. The sectarian communalists like the All India Hindu Mahasabha, the All India Muslim League or the Rashtriya Swayamsevak Sangh were neither involved in anti-colonial liberation struggles, nor were they part of the mainstream ideological value system of nationalists like the Congress, Socialists and Communists. The post-independence Indian state gained its legitimacy because it practised and verbalised the ideology of secularism, integrally linked with the agenda of equality and socialism. The ideological hegemonic project of post-independence India had two pillars of secularism and socialism, and the grand experiment of economic and social development of an underdeveloped and backward country was

launched by ensuring that every citizen of the country, irrespective of religion, caste, creed or gender, is a rightful shareholder and an active partner in the economic growth agenda of independent India. A composite India belonging to every resident citizen is not only equal before law, but also a participant in his or her own right, in the gigantic task of making a new India. After independence, the critical debate in the public domain was about the content and substance of socialism. However, the controversies were not about the relevance of socialism for India but the speed and pace of private property owners whether landlords or industrial bourgeoisie, in socialist India. An ideological consensus existed that the Indian state was based on the pillars of secularism and socialism and that an effort needed to be made to deepen the process of the secularisation of society and make adequate institutional efforts in order to create a socialist society based on the principles of equality and social control over the main means of production. This national ideological commitment around secularism and socialism as two sides of the same coin gradually weakened, and challenges to these twin goals of new India came from the sphere of the Hindu Right, headed by RSS, which attacked the ideology of secularism and socialism.

The relevant issue worth analysing is that the challenges to and critiques of the nationalist ideological hegemonic agenda saw the great link that existed between the ideology of secularism and socialism, and an attack was launched against these two inter-related ideological goals, along with attempt to construct an alternative ideological hegemony, by demolishing both secularism and socialism and creating spaces for a new alternative ideological hegemony, based on full-fledged capitalism and Hindutva. It is analytically significant that Hindutva and supporters of globalised monopoly capitalism could demolish the ideological hegemony of the nationalists in spite of the fact that secularism and socialism were the products of long mass struggles and sacrifices.

What is the explanation for the success, even if temporary, of the emergence of an alternative ideological hegemony of the Indian state? It is empirically wrong to suggest that the socialist project failed to deliver on the promises made to the common labouring classes because the global experiment of socialism collapsed with the collapse of first socialist country of the world. Backward Soviet Russia and underdeveloped India, while launching the socialist project of social reconstruction, had to handle a heavy burden of not only developing the new modern means of production in their societies, but also of reforming and restructuring archaic social relations inherited from the past. It was a total agenda of creating not only a new productive system, but also establishing a system of new productive social relations because the past social relations had hindered and obstructed the growth of a new material productive system in society. The transition to socialism and secularism would not have been smooth either

for erstwhile USSR or for India, and in spite of many difficulties, some solid steps had been taken for the reconstruction of social and material productive relations in both these societies. However, the Indian experiment of mixed economy and planning failed to meet the expectations of the commoner who had lived in poverty for too long in history. Thus, the social and ideological forces which were selling an alternative dream to the common people, of Hindutva along with rapid economic growth, filled in the spaces which were being vacated by the practitioners of socialism and secularism. The forces of Hindutva and the Sangh Parivar have nothing to do with Hinduism and its diverse sects. In spite of this hard fact, they were able to manipulate the mass of people who were fed up with the unfulfilled promises of secular socialist torch-bearers. Socialism had given hope to the people of India and perhaps they waited too long for the hopes to be fulfilled and it was then, to quote Karl Marx, that 'Religion which is the sigh of the oppressed, hope for the hopeless', was offered as 'opium' by the Sangh Parivar. The social soil was fertile for the Sangh Parivar, and by mobilising huge priestly classes, the common Hindu was mobilised in pursuit of ritual-based Kumbh *melas* and other places of pilgrims. The Sangh Parivar established and strengthened a strong Hindu social, religious and cultural constituency for political mobilisation on the basis of the targeting of religious minorities. The idea of a Hindu Rashtra came in handy for demolishing socialism, which believed in equal rights for every citizen of India.

However, the story does not end here. It was not easy for the Sangh Parivar to establish Hindu religion-based ideological hegemony over the entire country, because of its rich cultural diversity. Hence the Hindu *Rashtravadis*, following in the footsteps of the socialist-secularist ideologies, projected themselves as champions of economic growth, which, according to them, could not rise to great heights because of the socialism of the past. Development became the mantra of Hindu ideological hegemony and it acted as tonic for these who had lost hope of better living in India. Hindutva and globalised monopoly capitalism are twin inter-related pillars of an alternative ideological hegemony of the Indian state in the first two decades. The monopoly capitalist classes and every strata of the petty bourgeoisie had shifted in their support to Hindu political parties, because it was the best bet for their future and prosperity. The Indian state is under the ideological hegemonic project of the Sangh Parivar, which is carrying on its shoulder the agenda for establishing a Hindu Rashtra and a prosperous and developed India, with the full contribution of the 300 million private property owners of the 'other India'. Social equality has no place in the new ideological discourse because the priority is to establish a prosperous and powerful Hindu Rashtra. The upshot of the above narrative is that the powerful, exploiting and regressive ruling monopoly-capitalist classes, who have successfully established their dominant position over

the Indian state and its political, bureaucratic and coercive apparatus, are happy to accumulate maximum private profit even if the Hindu *Rashtra* is born from the ashes of the outcasts.

The Indian state in the twenty-first century is the handmaiden of private property owners and profit seekers, both Indian and transnational imperialists, and is an instrument in the hands of Hindu *Rashtravadis*, who are dedicated to the project of making a Hindu nation in an essentially plural and diverse society.

C.P. Bhambhri is Retired Professor, Centre for Political Studies, Jawaharlal Nehru University, New Delhi.