# 1

# Introduction

## Revisiting the 'Pre-capitalist'

The global peasantry today is at an important crossroads. With much of the world well into a fourth decade of economic liberalisation, there are few localities left which are outside of the reach of globalised capitalist commodity or labour markets. Unprecedented improvements in transport and communication over recent decades have intensified this process of integration into the world economy. While capitalist industrialisation across the periphery is highly uneven, urban areas are experiencing a more dynamic trajectory of growth, with a surging service sector and the rise of a consumerist middle class. However, for the countryside, the expansion of capitalism has left in its wake a wave of monetisation, enclosure of land, rising costs of living and intensified inequalities (see Levien et al., 2018). These are paralleled by a cultural transformation, which includes a rising ambivalence towards the peasant 'way of life' (White, 2012). This is evident particularly amongst young people, who are increasingly in touch with the aspirations of globalised youth via the vastly improved telecommunications networks of recent decades and the social media revolution.

These economic and cultural transformations for the farming population converge with the rising ecological stresses associated with climate change. With spiralling costs of farm inputs and a depleted natural resource base, some of the gains of the 'Green Revolution' years are being reversed (Vaidyanathan, 2006). Agrarian stress, alongside cultural change amongst youth, has consolidated cyclical labour in the capitalist sector as a major feature of rural life (Shah and Lerche, 2020; Singh, 2007; Sugden, 2019; Zhan and Scully, 2018) – either via long-distance migration or 'commuting' to local towns. This applies particularly to the rural land-poor majority, who lack the ability or opportunity to 'accumulate' wealth in a liberalised economy – and follow the success of their urban middle-class counterparts. In this context, precarious

wage labour in the capitalist sector is increasingly supplementing fragile agrarian livelihoods at home.

Unfortunately, these transformations have coincided with a decline in many of the radical peasant movements which emerged in the post-colonial era, and this has been most pronounced over the last decade. Some movements have lost momentum as a new generation aspires to opportunities beyond the farm, while others have been co-opted by or have lost support to the global wave of right-wing populism (Scoones et al., 2018), which has cynically capitalised on the changes brought about by neoliberal globalisation (see, for example, Akhtar, 2022).

The transformations wrought by expanding capitalist markets have been felt particularly acutely by countries and regions on the very periphery of the world economy, with agrarian-dominated economies, a long history of import dependence and a skewed pattern of industrialisation. In the South Asian context, this includes Nepal, but also large parts of eastern India and Bangladesh. While these regions frequently have relatively low levels of capitalist production on the ground in terms of industry or large-scale commercial farming, the last few decades in particular have brought about intensified articulations with the global capitalist economy. They have become important captive markets for imported goods from regional centres of accumulation, breaking down age-old barter systems and cottage industries (Blaikie et al., 2001) – while also emerging as pools of surplus labour for capitalism, particularly via migrant labour (Sunam, 2020; De Haan, 2002; Singh, 2007; Sugden, 2019).

However, if one is to scrutinise these changes and chart a new path for progressive peasant politics for the twenty-first century in these peripheral regions, a part of the puzzle is missing. While the transformations to rural life brought about by capitalist expansion for the peasantry have been unprecedented, they have not taken place in a vacuum. All of these peripheral regions are home to complex pre-existing economic formations and class relations, many of which predate capitalism in its current form, and have a fundamental impact on agrarian livelihoods, food security and well-being. These old relations were once the subject of fierce academic debate, particularly in South Asia, when debates over whether India was 'feudal' or 'capitalist' reverberated within Indian academia in the 1970s and 1980s – controversies which had critical political implications regarding the role of the peasantry in the struggle for socialism (Thorner, 1982). While there have been some

promising attempts to revive these debates (Kar, 2018), the details of these controversies have now largely slipped into academic obscurity. However, the economic, social and political structures which drove them – most notably those associated with landlordism and its relationship with the state – were not dissolved overnight as South Asia was plunged into the neoliberal project. Likewise, the unceremonious end to the communist era, and the cultural turn in global academia (which precipitated a growing disinterest in the class politics that once made these debates so contentious), does not mean that the material struggles of the vast South Asian peasantry, who still sit between the pre-capitalist and capitalist, have lost their political resonance.

Now is a crucial juncture in which to understand how 'pre-capitalist' social relations have adapted to the changed economic, political and cultural reality. Important questions include whether older class relations are withering in favour of a new balance of power, potentially uplifting the livelihoods and political power of marginalised groups. Conversely, could the latest wave of capitalist expansion allow older economic formations, such as landlordism, to adapt and accommodate economic changes associated with expanding markets? Finally, could these changes bring about new class alliances, just like those which were forged in the deep history of empire when British colonial capitalism extended into the Gangetic Plains two centuries earlier, converging with the centralised feudalism of the Mughals? These are some of the questions addressed in this book – which seeks to chart the political economy of agrarian change on the plains of southeastern Nepal in the context of cultural, political, environmental and economic change.

The book offers broader lessons on the complex mechanisms through which capitalism expands into peripheral regions long associated with 'non-capitalist' forms of social and political organisation. It also sheds light on the larger debates in human geography and agrarian studies around the multilinear processes of agrarian change in the periphery of the world economy. However, it diverges from much recent scholarship through its explicit focus on the pre-capitalist. In doing so, it offers an acknowledgement of how older agrarian relations – in particular, South Asian landlordism, associated often with 'feudal' economic formations – can persist, adapt and even be reinforced in an era of globalisation. It shows how this takes place through a complex interplay of political, economic and cultural phenomena within spheres of both production and circulation. This is contrary to a lot of research on the topic, which implies landlordism is a 'relic' of limited relevance in an era of neoliberal globalisation.

## The 'Capitalist' and the 'Pre-capitalist' on the Eastern Sub-Himalayan Frontier

The far eastern Tarai-Madhesh (lowlands) of Nepal forms the historic region of Morang, a frontier belt which encompasses the fertile plains between the Koshi river and the eastern border with India (see Figures 1.1 and 1.2). It is part of a much larger cultural and ecological zone which stretches deep into North Bengal and Assam, skirting the foot of the eastern Himalaya. The agrarian context within this zone epitomises many of the contradictions associated with the convergence of old and new modes of production. Not only was this formerly a forested belt at the interface between hill- and plains-based kingdoms, it also has, throughout the last three centuries, been at the intersection of capitalist, feudal and tribal or 'Adivasi' social formations. The relative isolation, its dense *sal* (Shorea robusta) forests and high prevalence of malaria supported the emergence of complex Adivasi civilisations, who lived separately from erstwhile hill- or plains-based feudal states and whose

**Figure 1.1** Nepal's Morang plains are part of a highly fertile belt home predominantly to Adivasi communities which extends across the eastern sub-Himalayan lowlands

*Source*: Author.

livelihoods were grounded primarily in shifting cultivation, or *jhum* (Rai, 2015; Ray, 2013; Chaudhuri, 1995).

These older economic systems, however, experienced a wave of subordination to feudalism following the conquest by centralised state formations in the eighteenth and nineteenth centuries. These state formations sought the region for its plentiful fertile land, high rainfall and rich reserves of timber. In the North Bengal Tarai, this included first the Bhutanese in the eighteenth century and then the British empire in the nineteenth century, including tributary kingdoms such as the Cooch Behar princely state. Over the Nepal border in Morang, where this study is focused, the Gorkhali empire (of present-day central Nepal) conquered the region in the seventeenth century. This conquest would go on to have an unprecedented impact on agrarian relations in the decades to come. The land of the plains was a significant source of tax revenue for the rulers of the new kingdom of Nepal, who encouraged the clearing of the region's vast forests – particularly in the southern part of Morang. This entailed the implementation of a rigorous tax collection hierarchy which created stratification within the Adivasi social structure, encouraging the accumulation of surplus and the emergence of an Adivasi landed class. At the same time, the distribution of tax-free land grants, particularly on the Nepal side of the border, supported the emergence of an absentee landed class. These processes collectively precipitated the gradual contraction of the forest frontier and move from shifting cultivation to sedentary tenant farming.

While the late nineteenth century saw early inroads for capitalism in the region, this did little to undermine the dominant feudal agrarian relations, which were now entrenched. By the 1960s, the mode of production in southern Morang was dominated by landlord–tenant relations. The failed land reforms of the 1960s consolidated the absentee landlords, mostly of hill origin, as the primary landed class. Feudal agrarian relations in South Asia, as described during the earlier 'mode of production debate', entailed concentration of land amongst an upper-caste locally resident landlord class and subordinated through an interlinkage of land and usury (Prasad, 1973). However, most of these studies were from the caste Hindu heartlands of Bihar and southern Bengal, which had a much longer history of sedentary farming and landlord–tenant relations. The Morang region, like much of the eastern sub-Himalayan lowlands, differed somewhat due to the relatively recent clearing of the forest frontier and the subordination of a largely Adivasi peasantry who made up the tenant class. A majority of big landlords were absentee owners of large estates (who had received grants of uncultivated land by the state or who

were appointed to settle forest land), rather than being locally based landlords whose tenants had been bonded to them for generations through debt and caste authority. Furthermore, while most of the landlords in southern Morang were upper castes from the hills, the peasantry was predominantly Adivasi, and thus the role of caste in reproducing the feudal system via *jajmani* and other ritualised ties of dependence was limited.

Nevertheless, the differences with the caste Hindu heartlands do not diminish the exploitative nature of feudalism in this belt, and it was no coincidence that the eastern sub-Himalayan lowlands had by the late 1960s become the heartland of anti-feudal struggle, when the Naxalbari revolt took hold just over the border in North Bengal. The Naxalbari region was like Morang, home to a largely Adivasi peasantry, with a mix of local Adivasi landlords and absentee landlords from other castes at the apex of the agrarian structure (Mukherji, 1987). Also of significance was the fact that both Morang and the Naxalbari region were by no means part of a 'closed' feudal economy, and were experiencing intensified integration into capitalist markets. North Bengal had emerged as a centre for tea production, while Morang's strategic location, high rainfall and rich agricultural lands made it a prime location for commercial jute production, Nepal's early industrial endeavours and commercial timber extraction. Biratnagar emerged as a centre of commerce for eastern Nepal, as well as an important administrative outpost for Kathmandu in the east, with a large 'bureaucratic' class. This, in turn, also contributed to the further concentration of land.

The agrarian trajectory of the North Bengal region diverged following successful land reforms in the 1970s, which leaves the Morang region of Nepal, with its juxtaposition of a feudal landlord and capitalist economy, as an outstanding case study to understand how older economic systems adapt to the expansion of capitalism in the periphery. It also offers insights into the mediating role of a state which has long been associated with a pre-capitalist feudal social order at home and semi-colonial relations externally, as well as older ideologies rooted in caste and ethnic hierarchy. This book seeks to explore the relationship between the capitalist and pre-capitalist across the socio-political and agroecological landscape of southern Morang. In doing so, it will offer richer understandings of landlord–tenant relations in the twenty-first century and associated forms of surplus appropriation – while examining the character of the two-way relationship between the capitalist and pre-capitalist – with lessons which extend far beyond South Asia.

## Situating This Research within Agrarian Transition Scholarship

There are two primary bodies of scholarship upon which this study builds. The first, which the book is most strongly grounded in, is the long tradition within Peasant Studies on the political economy of agrarian change – which mobilises extensive empirical data, including farm surveys, combined with a Marxian conceptual framework, to understand changing class relations in agriculture and transition between modes of production – in particular, in the context of transition towards capitalism. This is a tradition with a long history, starting with seminal empirical works such as Lenin's *Development of Capitalism in Russia* (Lenin, 1960 [1899]). Marxian scholarship on agrarian transition later included a number of major historical studies, including the debate over the European transition from feudalism to capitalism (Hilton and Hill, 1953; Takahashi and Mins, 1952; Sweezy and Dobb, 1950) and the mode of production debate in South Asia. It is the latter which is particularly important for this book. This debate initially sought to determine whether South Asian (although, in particular, Indian) agriculture was 'semi-feudal' (see Bhaduri, 1973; Bhaduri, 1977; Prasad, 1973; Chandra, 1974; Sau, 1975) or capitalist (see Rudra, 1974) and went on to inform a number of classic Marxist analyses of Indian agriculture throughout the 1980s until the early 1990s. This scholarship, which will be explored in much greater detail in Chapter 2, engages directly with questions of the pre-capitalist versus capitalist – themes of crucial relevance to this book.

However, unfortunately, this tradition of scholarship in South Asia has been on the decline since the 2000s – although relevant studies do appear periodically in outlets such as the *Journal of Peasant Studies*, the *Journal of Agrarian Change* or the *Economic and Political Weekly* (see Lerche et al., 2013, as well as Rodgers and Rodgers, 2001; Shah and Harriss-White, 2011). Furthermore, there has long been an 'India bias' to this work – and while the study region of this book is part of a contiguous cultural-ecological belt which spans the Nepal–India border, the different state formations and histories of both regions mean that the lack of agrarian political economy research on Nepal represents a notable gap in the literature. There has been some work on Pakistan (Niazi, 2004; Alavi, 1976) and Bangladesh (Ito, 2002; Wood, 1981; Mahapatro and Ullah, 2014), although empirically grounded agrarian transition research on Nepal has historically been limited.

There are some recent examples from Nepal, including Laya Uprety's (2021) review book, which offers a valuable national overview of the status of Nepal's peasantry under globalisation, and Uprety, Dhakal and Basnet's edited volume (see Dhakal, 2020) on the peasantry. However, most of the large-scale empirical studies on agrarian transition were based upon data from the 1960s–1970s. These include the extensive (mostly historical) work of Mahesh Chandra Regmi, including seminal manuscripts such as *Land Ownership in Nepal* (1976), Blaikie, Cameron and Seddon's *Nepal in Crisis* (Blaikie et al., 2001) and follow-on studies (Blaikie et al., 2002), as well as erstwhile Maoist leader Baburam Bhattarai's classic thesis on the political economy of Nepal's underdevelopment (Bhattarai, 2003). Other isolated examples include Feldman and Fournier's (1976) study of agrarian class relations in the Tarai.

The second body of scholarship upon which this study builds is a long-established body of ethnographic research, largely from the field of anthropology. While the former (agrarian political economy scholarship) is focused on India, in the case of Nepal, the anthropology scholarship is particularly rich. Most of these take the form of classic 'village ethnography', and while they generally have a specific focus (for example, religion, natural resource management, identity, gender relations), they are generally focused on a single community and entail a broad overview of different aspects of social, economic and political life. Such studies are relatively well spread across Nepal and include, but are by no means limited to, ethnographies of Tamang communities of the central hills (Holmberg et al., 1999), Gurung (Macfarlane, 1976) and Magar (Gurung, 1996; Hitchcock, 1974; Hitchcock, 1966) communities of the western hills, the caste Hindu communities of the far western hills (Cameron, 1998), Kirat communities of the eastern hills (Gaenszle, 2000; Caplan, 1970; McDougal, 1973; Dahal, 1981), and Newar communities of the Kathmandu valley (Gellner, 1992). Work on the Tarai is more limited, albeit with the exception of a body of research on the Chitwan and western Tarai Tharu communities (Krauskopff, 1989; Guneratne, 2002; Muller-Boker, 1999; Rajaure, 1981).

This book fills a niche between the aforementioned two bodies of scholarship. Nepal's many 'ethnographies' significantly enrich our empirical understanding of the country's diverse communities. However, political economy or rural class relations, while usually touched upon, are rarely the main focus of the research. Existing ethnographic research in Nepal only occasionally offers an understanding of the mode of production and how it fits within the larger national or global capitalist economy. At the same time,

a weakness of the South Asian agrarian political economy scholarship, as well as its India bias, was its failure to explain processes of change via ethnographic insight – this indeed was one of the reasons why debates over whether South Asia was 'feudal' or 'capitalist' ended in stalemate, as I indicate in Chapter 2. This is because the tradition has largely been dominated by agricultural economics – grounded empirically in large farm surveys, with limited qualitative insight or analysis of cultural and political processes at the grassroots.

Relatively few studies have successfully engaged explicitly with political economy and mobilised Marxian tools of analysis while also maintaining an ethnographic focus – and these represent a valuable contribution to the field. Examples include Athreya et al.'s (1990) study of agrarian change in Tamil Nadu (and the much earlier study, Djurfeldt and Lindberg, 1975), Shah's (2013) and Kunnath's (2012) ethnographies of Adivasi and Dalit communities respectively in the context of India's Maoist movement and Singh's (2007) classic analysis of the political economy of religious proselytisation amongst the Bhil of Madhya Pradesh. Research which spans both elements of Marxian political economy and anthropology in Nepal is even more limited. There are, however, examples of economic anthropology in Nepal, some of which integrate Marxian elements, which are crucial contributions to the field. These include Dahal's (1981) ethnography of the indigenous peasant economy of the Athpahariya Rai in the eastern hills, Rai's (2013, 2015) fascinating study of land and social change within the Dhimal of the eastern Tarai and Fitzpatrick's (2011) study of cardamom production and agrarian commercialisation amongst Limbu communities of the eastern hills.[1] Also of relevance is Rankin's (2004) analysis of peri-urban economic and cultural change in the 1990s Kathmandu valley.

This book takes inspiration from the aforementioned bodies of work which take elements of a Marxian approach to ethnography, yet also uphold a long tradition of agrarian class analysis which utilises farm surveys and large datasets and systematic effort to identify pre-capitalist 'modes of production' and their co-existence and articulation with capitalism. It also seeks to situate local-level change within a much broader set of regional political and economic processes spanning multiple scales. The book is also heavily influenced by the 'radical anthropology' tradition (Meillassoux, 1980; Dupré and Rey, 1979), which places a particular emphasis on the analysis of the articulation between pre-capitalist and capitalist modes of production – an approach that, with few exceptions (for example, Singh, 2007), has not been applied in South Asia.

All four empirical chapters draw upon both ethnographic and survey data spanning 17 years, yet this combination of approaches does require

some compromises. Firstly, many of the early farm surveys covered a large geographical region, such as an entire state or district. This is not possible for this study, as collecting representative ethnographic data would be challenging. I have therefore compromised by focusing on a cluster of villages spread out over an area of approximately 50 square kilometres in southern Morang, which captures more of the diversity in different social relations than would be achieved via a classic 'village ethnography'. Second, it is not possible to gather the depth of ethnographic data as one would expect in a single village study, which would entail in-depth immersion into a single rural community. As the data is spread over a large number of villages, the book does not achieve the same level of detail with regard to local social relations, cultural practices and micro-politics as the classic anthropological literature on Nepal.

A final commentary with regard to the purpose of this book is that fieldwork which spanned 17 years (2006–2023) encompassed a time of considerable political change in Nepal. This included the transitional period at the end of the People's War, which led to some renewed debate around the peasantry and land reform, three rounds of ethnic mobilisation in the plains, the promulgation of a new constitution, the creation of a federal system and the restructuring of local units of governance. While the book touches upon political change, a changing governance landscape and political identities, these are not the focus of this manuscript. There is a vast body of existing scholarship already on issues such as ethnic politics (Gellner et al., 1997; Dahal, 2008; Hachhethu, 2007; Pandey, 2017), Nepal's recent post-war transition (Jha, 2014; Adhikari, 2014), the Maoist People's War (Ismail and Shah, 2015; Paudel, 2019; Zharkevich, 2019) and longer histories of peasant conflict, including the novel historical analysis by Raj (2010) and the volume by Seddon et al. (2020). Given the limits to what can be achieved in a single book, and the pre-existing scholarship, political transition, shifting political identities and the various party 'positions' on class and the peasantry in Nepal's fluid electoral landscape are only touched upon so long as they are relevant to the analysis of agrarian change and the mode of production on the ground.

## About the Study Site and the Research

This book will provide an in-depth analysis of agrarian change in southern Morang, the shifting balance of class relations throughout this era of great flux, and the implications for fragile peasant livelihoods, with a focus on a core field site, made up of seven case study villages. These communities vary in terms of their history of landlordism, levels of integration into the market