CHAPTER THREE

SEMI-FEUDALISM AND MODERN MARXISM

Like most other variants of Marxist theory, the semi-feudal thesis was temporarily eclipsed in the 1980s by the rise of postmodernism, an interlude during which discussions about patterns of economic growth in the so-called Third World were diverted down a culturalist cul-de-sac, in that development itself was called into question and deemed to be neither possible nor desirable. Although postmodernism has waned in terms of academic popularity during the late 1990s, the semi-feudal thesis not only survives but remains influential in certain quarters: in the study of agrarian change in the so-called Third World generally, and especially in the case of India.1

In keeping with the non-Marxist theory considered in Chapter 1, therefore, the semi-feudal variant of Marxism views unfree labour as incompatible not just with capitalism but also with advanced productive forces, economic efficiency, skilled workers, and market expansion.2 Most crucially, the epistemological importance of the claim, by Marxists who are exponents of the semi-feudal thesis and non-Marxists alike, that unfree labour is always and everywhere an economically inefficient relational form, is its corollary.3 Namely, that

---

1 That such a view continues to inform debate about the agrarian question in India is evident from two recent analyses. One is by Ajay (2008), who characterizes Haryana as semi-feudal, despite the emergence there of a dynamic commercial agriculture pursued by an economically powerful stratum of rich landowning peasant farmers who recruited/employed migrant workers. Because the latter were composed of bonded labour, the agriculture in which they were deployed could not in his opinion be a capitalist one. The other is by Ramachandran and Rawal (2010), who argue much the same case with respect to India as a whole. Namely, that the struggle in the Indian countryside remains one against foreign capital and its internal ally, the landlord class – the central emplacement of the semi-feudal thesis.

2 Among other things, the focus by both non-Marxist theory and exponents of the semi-feudal thesis on technical improvements as the motor of economic transformation – allocating primacy to the forces of production, in other words – opens the door to the position that it is possible to increase output without altering social relations.

3 The existence of a considerable epistemological overlap between on the one hand the non-Marxist interpretations considered above in Chapter 1, and on the other the semi-feudal thesis, ought to signal caution where claims to Marxist ‘authenticity’ are concerned.
capital is seen as opposed to using unfree labour, and in contexts where the latter relational form is found, invariably strives to replace it with free labour-power.

Refusing to contemplate the possibility of socialism, exponents of semi-feudalism argue that the next step is to a ‘fully functioning’ capitalism. With this kind of politics, socialism is never ever going to get onto the agenda. What exponents of the semi-feudal thesis refuse to confront, therefore, is the impact of outsourcing/restructuring on the production relations available to capital. They still think a group of permanent workers enjoying trade union rights and employed for a good wage under one roof in a big factory is the next step, whereas the reality nowadays is very different.\footnote{For example Byres, an exponent of the semi-feudal thesis (see below), wrongly equates capitalist development with a factory system, or massification based on a male workforce employed on a permanent basis. Hence the view (Byres, 1982b: 136) that the central issue is ‘whether…industrialization…has created, or is poised to create, a factory system…that would signal a deeply rooted and healthily functioning capitalism.’ By contrast, what happened throughout the 1980s and 1990s was the opposite process: capitalist development entailed restructuring, a strategy based in turn on the decentralization of production, the increased importance of outsourcing and downsizing premised on workforce that was casualized and female.}

The pattern currently takes the form of subcontracting of production by large off-shore corporations to many smallscale sweatshops (frequently located in the countryside, out of sight of government regulation) where coercion and bonded labour relations are rife. Coming across the latter, exponents of this Marxist variant declare them to be evidence for semi-feudalism, and thus for the absence of a ‘fully functioning’ capitalism, rather than what such units actually are: evidence precisely for the existence/operation of a ‘fully functioning’ – or a mature – capitalist system.

It is for these reasons that the concept ‘semi-feudalism’, its theoretical assumptions and political effects merit close scrutiny. Of significance is the way in which its view of transition as this applies both to systemic change and a transformation in production relations, licenses an interpretation of Third World development that, both politically (nationalism not socialism) and economically (privileging growth, not redistribution), is shared with much non-Marxist theory.

To this end, the first section of this chapter looks at the post-1945 rise to prominence of the semi-feudal thesis, and how its theoretical focus was on the development not of socialism but of capitalism.