

# **Compressed Capitalism, Globalization, and the Fate of Indian Development**

A Presentation By

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India's economic turnaround since the 1980s and since 1991 has been widely credited as a result of economic reforms. Gradual and systematic deregulation at home and increased international integration promises even better economic performance. This is only partly true since a good part of India is untouched by economic reforms in any meaningful way, even if official reports of declining poverty are to be believed. The question this paper poses is why despite enviable economic growth rates, India's development seems elusive. This is a complex issue and could be addressed variously but they are all likely to resort to 'nation-centric' explanations. I take an alternative perspective (still work in progress) to position India in the wider capitalist dynamic of the late twentieth century articulating the national with the global. Late capitalism in India, and for that matter many other developing countries, has meant new technologies, mature capitalists, and a relatively well-developed state. All three cumulatively stand for economic growth, industrialization, urbanization, and some politically negotiated redistribution. However, I will argue that the working of compressed capitalism, that is, primitive accumulation, which is historically complete elsewhere, is an ongoing feature in India and coexists with advanced sectors on a high road to accumulation. However, the dispossession and displacement of people and the persistence of petty commodity production in the context of technology-led, enclave-based economic production add to the development conundrum. The resulting inequality (and polarization) in India in an expanding economy is thus not an anomaly but a reflection of systemic dynamics of contemporary.



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Professor Anthony P. D'Costa joined the University of Melbourne and the Australia India Institute as Chair of Contemporary Indian Studies in 2013. Prior to joining Melbourne University, he was Research Director and A.P. Moller-Maersk Professor of Indian Studies, Asia Research Centre at the Copenhagen Business School, Denmark (2008-13). He was also with the University of Washington for 18 years. He has written extensively on the political economy of steel, auto, and IT industries covering themes of capitalism and globalization, development, innovations, and industrial restructuring.

Of his several books, most recently he co-edited *Transformation and Development: The Political Economy of Transition in India and China* with Amiya Kumar Bagchi (2012), *Globalization and Economic Nationalism in Asia* (edited, 2012), and *A New India? Critical Reflections in the Long Twentieth Century* (edited, 2010). He is working on globalization and the international mobility of IT workers (Routledge) and *After Development Dynamics: South Korea's Engagement with Contemporary Asia* (edited, Oxford). He has been a fellow of the American Institute of Indian Studies, Fulbright-Hays, Korea Foundation, Social Science Research Council, World Institute of Development Economics Research, Abe (Japan Foundation), and POSCO Fellow, East West Center.