

A TEXTBOOK OF ECONOMIC SOCIOLOGY

P.K. Mohanty
Manoj Agarwal





A Textbook of
Economic Sociology

P.K. Mohanty
Manoj Agarwal

A Textbook of Economic Sociology

**P.K. Mohanty
Manoj Agarwal**

W
Wisdom Press
NEW DELHI

A Textbook of Economic Sociology

P.K. Mohanty, Manoj Agarwal

*This edition published by Wisdom Press,
Murari Lal Street, Ansari Road, Daryaganj,
New Delhi - 110002.*

ISBN: 978-93-82006-37-4

Edition: 2022 (Revised)

ALL RIGHTS RESERVED

•
• This publication may not be reproduced, stored in
• a retrieval system or transmitted, in any form or by
• any means, electronic, mechanical, photocopying,
• recording or otherwise, without the prior permission of
the publishers.

Wisdom Press

Production Office: "Dominant House", G - 316, Sector - 63, Noida,
National Capital Region - 201301.
Ph. 0120-4270027, 4273334.

Sales & Marketing: 4378/4-B, Murari Lal Street,
Ansari Road, Daryaganj, New Delhi-110002.
Ph.: 011-23281685, 41043100.
e-mail : wisdompress@ymail.com

CONTENTS

| | |
|---|----|
| Chapter 1. Understanding the Relationship between Society, Culture and Economy..... | 1 |
| — <i>Manoj Agarwal</i> | |
| Chapter 2. Formalism and Substantivism in Economic Sociology | 9 |
| — <i>Nazia Hasan</i> | |
| Chapter 3. Emergence and Growth of New Economic Sociology | 17 |
| — <i>Chanchal Chawla</i> | |
| Chapter 4. Gifting and Reciprocity: Exploring Cultural, Economic, and Sociological Perspectives..... | 26 |
| — <i>Vivek Anand Singh</i> | |
| Chapter 5. Understanding the Essential Connection: Trade and Money in Society..... | 34 |
| — <i>Vipin Jain</i> | |
| Chapter 6. Exploring the Dynamics of Hunting and Gathering Societies..... | 41 |
| — <i>Pankhuri Agarwal</i> | |
| Chapter 7. India's Pastoral and Horticultural Traditions: Challenges and Insights | 48 |
| — <i>Roma Khanna</i> | |
| Chapter 8. Understanding the Transition: Exploring the Domestic Mode of Production | 55 |
| — <i>Anshu Chauhan</i> | |
| Chapter 9. Peasant Societies and the Evolution of Rural Economies in India | 62 |
| — <i>Amit Kansal</i> | |
| Chapter 10. Division of Labor and Its Impact on Production, Economic Inequality, and Variations in Socialism | 70 |
| — <i>Gurleen Kaur</i> | |
| Chapter 11. Analyzing the Development Process: From Distinct Notions to Evolving Strategies..... | 80 |
| — <i>Ashish Juneja</i> | |
| Chapter 12. An Overview of the Globalization: Impact and Evolution in the Modern World | 88 |
| — <i>Chanchal Chawla</i> | |
| Chapter 13. Economic Sociology: Understanding the Complexities of the Modern Economy and Rural Development in India | 95 |
| — <i>Vipin Jain</i> | |

CHAPTER 1

UNDERSTANDING THE RELATIONSHIP BETWEEN SOCIETY, CULTURE AND ECONOMY

Manoj Agarwal, Associate Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- agarwalmanoj21@gmail.com

ABSTRACT:

This abstract is a detailed examination of the complex interactions between society, culture, and the economy. It explores the intricate relationships that influence society growth and human life. It aims to shed light on the mutual impacts of these three core facets of human civilization via an interdisciplinary perspective. The introduction to the course Economic Sociology describes and explains the link between society, culture, and economics. How these three important facets of life both cultural and social are interconnected, and how sociology as a discipline specifically the social sciences sheds light on the nuances of economic behaviour seen in many countries. Arts and Economy In order to better grasp societal changes, other sociologists' perspectives, and these three facets of social, cultural, and economic events, we start by exposing you to them. We have spoken about the changes in development as well as the continuities in the economic process. The nature of social change from the eras represented by the classical philosophers through the time in the 1990s when a change in economic development known as the Washington Consensus occurred will be covered in this unit.

KEYWORDS:

Development, Culture, Economic, Economy, Society.

INTRODUCTION

Contrary to what many social science academics believe, the connection between Economics and Sociology is one of collaboration and complementarity. It is often necessary to add a social viewpoint to analysis of economic events that are merely economic. Even some neoclassical economists caution that social insights must be included in the explanation of many economic events. The shifting economic and social environments they were surrounded by worried many of the early nineteenth century's classic sociologists. Even though there were no real specialisations in sociology at the time, their interests and inquiries were concentrated. The shifting world order and sociologists' concerns were largely influenced by capitalism, industrialisation, urbanisation, fast technological advancement, and various kinds of collective action. Karl Marx, for instance, contends that social development and reproduction are significantly influenced by the economy. It is now clearer that society is basically structured around the economy and that the social class structure is dependent on the particular method of production. Although Max Weber also looked at the connection between social behaviour and economic structures, he chose to look at how cultural elements affect how our economies are structured. It prompted him to emphasise the significance of the "protestant ethic" in the development of the "spirit of capitalism" in the contemporary west. Emile Durkheim also attempted to investigate the connection between social realities and the collective consciousness. Durkheim was especially curious on how the division of work operates specifically in contemporary cultures and how it explains how groups and solidarities are formed. He observes that as contemporary technology develops, civilizations

become more distinct and new types of social cohesiveness emerge. The basis of economic sociology are these traditional evaluations of the economy and society. To describe the social upheaval brought on by the industrial and commercial revolutions, social theorists created a number of categories, such as tradition-modern, status-contract, and others. In order to understand the evolution of a certain economic mode, classical political economics and economic sociology integrate Weber's institutional focus with the Marxian approach to political economy and class analysis. Similar to this, Durkheim's idea of structure aids in the development of a structural method to research corporate strategy, market behaviour, and other topics. The topic of economic sociology was founded as a legitimately specialised area of study by subsequent scholars like Parsons and Polanyi [1], [2].

The development of mathematical models and the quantitative examination of the underlying premises governing the market and its operation were the main focuses of economists in the nineteenth century. On the other hand, sociologists were more focused on describing how market behaviour and practises were impacted by various structural causes and functioned as a sort of social activity. Numerous assumptions of both classical political economics and modernization theory have been called into question as a result of social shifts, which has changed how economic and social theories are now thought of. Given that this is the first unit of the course, it would also serve to highlight the general framework of economic sociology. The next units would cover a lot of these topics and arguments. Let's start with the fundamental ideas surrounding the interactions between society, culture, and the economy.

Understanding how society, culture, and the economy are related. As we all know, economic sociology is not only a specialised paradigm for understanding how human actors function within their social contexts, but it is also a way to critically engage with the presumptions of neoclassical economic theory. A branch of research and study known as economic sociology aims to establish the relationships between economic and social phenomena. Adam Smith served as the inspiration for classical economic theory, which was predicated on the stability of human nature and behaviour. Additionally, it was predicated that people behave rationally and base their purchases on a product's utility functions. Sociologists then challenge these presumptions by claiming that people behave in social and cultural settings, and as a result, their activities are social actions that may vary between cultures. But it does not exclude comparisons of specific acts. According to Max Weber, for example, every social activity may be impacted by three social factors in particular: tradition, emotion, and rational-legal. According to Pierre Bourdieu, personal taste is significantly influenced by social class settings rather than just reflecting moral aesthetics as Kant predicted.

As a result, there are several traditions in sociology for illuminating the processes of the economic and social life. The early methods of economic sociology may be generally divided into three categories. The first strategy, which adopts Marx's dialectical method for comprehending the modes of production, explains the larger social structural dynamics of relationships formed around material life, class division, the generation of rent and profit, economic differentiation, and the effects of capitalist structure on socio-cultural realm. It effectively takes into account Weber's emphasis on the study of organisations. As a result, it examines how social actors such as the state and social classes, such as the distinction between industrial and agricultural interests, interact with organisations. The second school of thought in economic sociology is concerned with how networks affect the economy. This method, which was inspired by elite studies, examines elite relationships as well as their access to and control of social resources [3], [4]. How do various corporate elitists build alliances with influential social and political figures? How do these alliances influence national policy and commercial transactions? The institutional approach is a third method for

studying economic life. The adherents of this school of thought, who take their primary inspiration from Durkheim, use this approach to investigate beliefs, social myths, ideologies, and the social construction of economies. It has taken economic sociology a while to establish itself as a distinct field within sociology.

DISCUSSION

Now let's go on to economic sociology's academic literature. The fundamental question in economic sociology is provided by Marx. He believed that employment was the most essential element of human civilization and that all other activities were built around it. Marx criticised traditional economists for being unable to effectively capture the antagonism between capitalists and workers that is a defining feature of capitalist systems in his famous book *Capital*. Marx made the decision to emphasise the social limitations built into the fundamental structures of capitalist systems. In other words, he emphasised the issue of who owns the means of production and how paid labour functions as mechanisms that control the output of products and the distribution of money. Marx developed a dialectical theory, inspired by the German philosopher Hegel, to explain the development of class and social change. The social classes would become more and more segregated under capitalism, which would result in escalating conflict and eventually the dissolution of traditional economic structures. His focus on the exploitation of the working class as the engine of the economy via the development of surplus value and profit contributes significantly to his negative assessment of the potential of capitalist economies to continue creating and distributing wealth. Marx outlined the assumptions behind his critiques of political economics in *Capital*.

If there is no profit for the capital holders, things cannot be produced in a capitalist system when the means of production are privately owned. But from whence does profit originate? When a worker is used in the production process, he adds value above and above what is required to cover his salary. This discrepancy results in an excess of labour, which creates surplus value, which then generates profit. The introduction of new machinery, which would increase fixed capital at the cost of labour, is nonetheless something that individual capitalist entrepreneurs are interested in doing in a competitive environment. By doing this, they lower the cost of labour and generate more profits up until other business owners are forced to adopt the same innovations. However, this has two primary effects: First, it causes unemployment and degrades working-class circumstances; second, it causes a propensity for profit rates to decline, which lessens the incentive for production. According to Marx, the sole source of profit is the exploitation of labour. Marx also showed how the class structure was becoming more differentiated as well as how culture and politics had a separate impact on how various social groups thought and behaved. Following the tradition of the classical economists, he also held the view that the mechanics of a competitive market would ultimately result in the extension of the capitalist mode of production, hence minimising disparities across nations.

In addition to raising significant theoretical issues regarding economic sociology, Weber's study in the first half of the 1890s also highlighted the critical importance of non-economic institutional and cultural contexts in comprehending economic behaviour. It is customarily accepted that his book *The Protestant Ethic and the Spirit of Capitalism* serves as the fundamental articulation of his thesis on the genesis of contemporary capitalism. He posed the straightforward question, "Why did capitalism emerge where it did," in this piece. Many economists at the time, according to Weber, had a poor understanding of the social and cultural setting in which capitalism had first emerged. He looked into the cultural norms of many civilizations and found that the protestant morality, which was influenced by Calvinism, was a key factor in the development of capitalism concepts. He said that the

predestination belief has conditioned many individuals to interpret the indication of "being chosen" in terms of their financial well-being. Additionally, a lot of individuals began to see their professional lives as a key indicator of their fate. People began developing their own standards of "success" and came up with strategies for becoming the "chosen ones" by adhering to the Calvinistic values of diligence, investment, and saving. For instance, persons who put forth a lot of effort and are religious and honest are often seen as receiving favour from God.

As a result, working became a vocation and being thrifty improved people's financial situations. However, the spirit of capitalism also included a dedication to the productive use of wealth as well as a criticism of luxury items and pleasures [5], [6]. It also included the pursuit of profit as a moral obligation. So, according to Weber, this reasoning served as the cornerstone for the formation of capitalism. Weber's theory is intriguing because it ties together the structural growth of the capitalist business with the historical complexity of Europe's cultural backdrop. He argued that rather than being seen as a constant, entrepreneurial activity should be viewed as a variable that depends on the institutional situation in which individuals find themselves. As a result, he thought that the production sector, as well as labour and finance, need an adequate institutional structure. Economic progress could only be produced if these conditions could foster the expansion of entrepreneurship. In the process of studying German society, Weber came across the concept of entrepreneurship, which led him to think about the macro-sociological issues surrounding the birth of capitalism and its regional expansion. These issues would occupy him for the next few years. Weber also made a contribution to economic sociology with his class formula. One of the most striking aspects of his approach to sociology is the notion that the 'ideal kinds' should be pitted against empirical realities in order to develop genuine experiences.

Because social institutions, norms, and values are ingrained in economic phenomena, according to Durkheim's social embeddedness principle, economic factors are dependent on social phenomena. His theories have had such a large impact on some areas of economic theory and research that some contemporary economic sociologists refer to him as the "father of economic sociology." Both Durkheim and Weber made vain attempts to promote economic sociology as a field of study. Unlike Weber, he openly criticised economists for their propensity to separate things from what they see as "social" components. Durkheim investigated the evolution of industrial societies and sought to provide sociological justifications for changes in communal lifestyles. According to his sociology, which treats "society" as a *suigeneris* object, he examined variations in what he refers to as "social density." With the development of technology and the emergence of cities, according to Durkheim's famous book *The Division of Labour in Society*, numerous groups of people came together with significant ramifications. Their social interactions with others have also changed as a result of this. As it was no longer feasible to do all types of work, as it was during the pre-industrial era, people began learning specialised abilities. People got engaged in certain types of work as a result of the processes of industrialisation and urbanisation, which also increased their interdependence on one another. Thus, we see a rise in class distinction that sparked the development of "organic solidarity" in contemporary society. The larger change had an impact on society since it led to the emergence of new types of labour division and the further complexity of the social structure.

In this sense, Durkheim also offered a criticism of utilitarian economists who insisted that human society is characterised by rational conduct. The laws of the contemporary industrial society also experienced change. Instead of the restrictive rules of the past, it advocated for flexible penalties like fines, which are known as restitutive laws. In terms of purchasing,

thinking, morals, and other aspects of society, individualism increased. Therefore, he criticised economists' theory of action and developed an institutional theory, which was his first significant contribution. His main argument from a substantive standpoint was that the way economic activities are organised in contemporary cultures causes social instability because of their "abnormal forms" of labour division. But after that, he broadened his academic pursuits to include other topics. Individuals' real economic behaviour was shaped by moral standards and laws that evolved as society did. Economic growth was influenced by these institutional variables and was also influenced by them. According to the conventional theory, which is accepted by economists, the division of labour was brought about by individual decisions since doing so would improve their benefits. This argument, according to Durkheim, is unpersuasive since lone persons find it difficult to anticipate or comprehend the benefits of higher production and wellbeing. The causes of the division of labour should be looked for in a separate, social source, according to Durkheim. Its key locations are variations in social morphology and the structure of social relationships. These were represented in common moral standards that connected individuals to one another and governed their interactions.

Money is one of the main institutions of modern capitalist society, according to Simmel's *The Philosophy of Money*. However, Simmel believed that its primary significance resided in the fact that it had a significant impact on interpersonal interactions in contemporary society. Understanding contemporary society was crucial to understanding the causes and effects of using money or the money economy. One may argue that Simmel took capitalism for granted and paid attention to its institutional preconditions since it was a particular economic system for the production and distribution of products that followed from the monetary economy. They both agreed that the money economy had negative societal effects, such as the growing depersonalization and rationalisation of interpersonal interactions and career choices. Simmel argues that capitalism is an economic system that assumes private capital accumulation. The number of people who participated in the money economy grew as a result of the need for money to be used as a medium of exchange more often.

However, one fundamental non-economic need had to be met for money to operate as a catalyst for economic activity to occur: a growing confidence in the ability of money to be transformed into tangible products at any moment. Thus, the accumulation of capital implied the buildup of trust, which was in turn backed by institutional considerations such as the legal system's guarantees and the legitimacy and effectiveness of political authority. In this way, the institution of money was made public. Simmel further stressed that the destruction of the natural economy based on production for one's own consumption was largely due to the money economy. As a result, it encouraged the creation of a centralised government that would manage money as its primary duty. Thus, the development of taxes, which enabled the maintenance of the military and bureaucracy under the control of a centralised authority, contributed to the expansion of the modern state as well. The old feudal order would be undermined and the money economy would be strengthened as a result of these tools, ensuring the growth of trades. Simmel's main focus was on the effects of the money economy on social interactions and lifestyles.

He discussed both the advantages and disadvantages of these impacts, emphasising their duality. Due to the interchangeability of social interactions in the realms of commerce and production, money therefore favoured the expansion of individual liberty. The ability to choose from a variety of suppliers in manufacturing depersonalised and increased the independence of buyer and seller relationships. Additionally, there was less ritualism and fixity in ancient forms of consuming since there was more flexibility in choosing economic

partners as well as a wider variety of items. There was so more flexibility with respect to objects as well. A clear and explicit work contract replaced the serf's and apprentices in a mediaeval guild's reliance on their masters, and this transition was also felt in the area of production. The development of money as a public institution led to these impersonal connections [7], [8].

Veblen was eager to rethink economic analysis from an institutional standpoint while including the evolutionary viewpoint. Even though it has a distinct social and cultural setting, his institutional economics is analogous to the Durkheim model in this regard. Veblen made a contribution to a non-individualistic theory of economic activity and concentrated on a historical-empirical research issue that economics had not before addressed: the social repercussions of liberal market-based capitalism. He focused on three issues when presenting the key points of his analysis. These are: First, there was the idea of economic activity, which reflected an individualistic notion of human nature. The static aspect of conventional economic analysis, or its emphasis on equilibrium rather than change, came in second.

The connection between the pursuit of individual interests and societal welfare was made last were influenced by the ideals and standards they ingested from the culture they lived in. Institutional and personal behaviour changes were necessary for historical change. Since individual preferences, the level of knowledge, and the state of technology were taken as givens in traditional economic theory, it was unable to adequately explain this variety in action. Veblen emphasised the neoclassical economics' rigid and ahistorical characteristics. According to him, the old method was based on a notion of equilibrium and a search for economic stabilising processes that drew inspiration from the physical sciences, particularly mechanics. The possibility of coexisting civilizations with varied relationships between technology and institutions was one effect of Veblen's theory of change. Veblen rejected the idea that institutions would inevitably converge as a result of technology, creating a single institutional model that would be better equipped to deal with the challenges of adaptation given by the economic and social environment. The Theory of the Leisure Class, Veblen's best-known work, covers the cultural aspects of consumption patterns. According to him, the desire to enhance material consumption was not enough of a reason for individuals to participate in economic activity. The ability to spend more was desired by people in modern society because it was a source of pride and social honour in a system where the economy was based on private ownership and the market. Courage and valour in battle, formerly symbols of social distinction, were supplanted by conspicuous spending.

Economic Development: Conflicts and Issues

The term "Modernization Theory" first appeared in the western world and, starting in the 1950s, began to dominate intellectual and political circles. Its core principles were the transition of cultures from a traditional stage to an industrial, developed phase, which involves fast rates of economic development, commerce, and foreign investment, and imitates western nations' practices. With the use of this framework, economists created formal models that highlighted directed state action, industrialization, changes in technology, capital accumulation, and savings as key themes. Sociologists and anthropologists choose their preferred subjects, concentrating on conventional cultural and structural barriers to growth as well as customary institutional changes that go along with it. Political scientists were intrigued by the transition from traditional tribal, communal, and local political structures to the complex of contemporary political parties, interest groups, and institutions.

Import substitution and competitive industrialization were highlighted by dependency theorists as the preferred developmental options among initiatives to escape reliance.

Dependency theory underwent significant and less radical revisions, and its cousin, world systems theory, highlighted comparable processes of global political and economic control. These theoretical arguments, which mirrored Marx and Lenin's previous works on imperialism, were well received by the disaffected in the late 1960s and early 1970s. Dependency theory has had difficulties as a result of challenges of its diagnoses from academics, the seeming limits of its intervention tactics, and the spectacular "Asian miracle," in which South Korea, Taiwan, Singapore, and Hong Kong saw a sharp rise in their levels of development. In emerging nations, the concept of the developmental state sprang to popularity as a way to describe how industry, finance, and government work together to achieve success [9], [10].

Developmental economics underwent a counter-revolution in the early 1980s as part of a wider recovery of economic orthodoxy. The World Bank and International Monetary Fund embraced the phrase "Washington Consensus," which was created by John Williamson of the Institute for International Economics. It was influenced by the economic theories of Milton Friedman and Friedrich Hayek, the political ideologies of Margaret Thatcher and Ronald Reagan, and the knowledge gained from the debt crisis of the early 1980s. The agreement produced a list of policies to be implemented in debt-ridden Third World nations, including fiscal restraint to cut public spending, tax reforms to increase incentives, competitive exchange rates, market-determined interest rates, trade liberalisation, privatisation, deregulation, and property rights protection. Neoliberalism's success corresponded with a rising hostility against or contempt for Marxist principles and communist-socialist political structures. Eastern Europe was the first region where this emerged, followed by Western Europe and finally the United States. Since the sole significant threat to western capitalism had now vanished, the collapse of these regimes in 1989–1990 just intensified the momentum, and western economists and policy-makers rushed in to these countries to promote capitalist growth.

A new meaning of the word "globalisation" also emerged around this time, suggesting that capitalism might now rule the whole world without facing any ideological or political opposition. The Washington Consensus was founded on the core belief that neoclassical economic theory was universally applicable and didn't need any substantial modifications or new postulates. a similar emphasis on reason, incentives, deregulation, and privatisation; an anti-state belief that markets can function flawlessly without government intervention. Neoliberalism's economic policies came under the umbrella of structural adjustment policies, which were an IMF creation and included putting constraints on debtor nations to assist ensure loan repayments. In the 1990s, while India was experiencing a financial crisis and dwindling foreign exchange reserves, SAP entered the country. These initiatives attempted to decrease government spending, scale down government economic interference, and liberalise trade. Many of these measures were really punitive, including pay freezes, currency devaluations, and the implementation of labour regulations that cripple labour unions and any attempts to collectivise the working masses.

CONCLUSION

A short overview of the history of economic sociology as a branch of sociology in this section. Marx, Weber, Durkheim, Simmel, and Veblen were important theorists in the early years of economic sociology as they continued to provide sociological responses to the limits of economic theories. As opposed to their pure treatment in economics, the economic life has been examined from the perspective of the social context in which they exist. Furthermore, these events are not only byproducts but rather fundamental in and of themselves. The well-known statement of James S. Duesenberry that "while economics is all about how people

make choices, sociology is all about why they don't have any choices to make" demonstrates the significance of the difference in their epistemic emphasis. The traditional theoretical arguments in both the fields of economics and sociology have made this situation abundantly evident. Despite the efforts of these traditional theorists, economic sociology had to wait until the 1950s to advance in new directions with an empirical focus rather than simply complement economics. Sociologists today are brave enough to stray into economics' territory and pose challenging questions about the economists' purview.

REFERENCES:

- [1] B. Liu *et al.*, "Earliest hydraulic enterprise in China, 5,100 years ago," *Proc. Natl. Acad. Sci. U. S. A.*, 2017.
- [2] D. Tarabar, "Culture, democracy, and market reforms: Evidence from transition countries," *J. Comp. Econ.*, 2017.
- [3] M. Sanei, M. Khodadad, and F. P. Ghadim, "Effective Instructions in Design Process of Urban Public Spaces to Promote Sustainable Development," *World J. Eng. Technol.*, 2017.
- [4] Z. Adriana, "Exploring the role of civilizational competences for smart cities' development," *Transform. Gov. People, Process Policy*, 2017.
- [5] S. Rysbekova, "Some transformation problems of spiritual culture and gender relations in the Kazakh society in the 1920s-1936s," *Espacios*, 2017.
- [6] A. B. Buyukcivelek, "The capitalist political economy and transformation of public spaces: The case of Gençlik Parki, Ankara," *Built Environ.*, 2017.
- [7] M. Stranger, *Surfing Life: Surface, Substructure and the Commodification of the Sublime*. 2017.
- [8] S. S. Feng, "Function Analysis of Society in Promoting the Scientific and Technological Competitiveness of State-owned Enterprises," *J. Railw. Eng. Soc.*, 2017.
- [9] L. F. Campos Saavedra and C. Rodriguez Morilla, "'Democratic Goods' in the Economy for the Common Good: four ways for conceptual delimitation," *CIRIEC-ESPANA Rev. Econ. PUBLICA Soc. Y Coop.*, 2017.
- [10] J. C. Buggle, "Irrigation, collectivism and long-run technological divergence," *Work. Pap.*, 2017.

CHAPTER 2

FORMALISM AND SUBSTANTIVISM IN ECONOMIC SOCIOLOGY

Nazia Hasan, Assistant Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- nazia_14m@yahoo.co.in

ABSTRACT:

The argument between formalists and substantivalisms in economic anthropology is discussed in this unit. By claiming that the fundamentals of a capitalist system are universal, the Formalists build a case for the universality of capitalism and the ideology that supports it. The creation and distribution of products and services in pre-capitalist economies were argued for by substantivists, who were led by Karl Polanyi, in contrast to those who critiqued the advocates of formal economic reasoning. In each community, there are three different ways that commodities and services are circulated: reciprocity, redistribution, and exchange. By virtue of its absence of social embeddedness, Polanyi distinguishes the capitalist mode of production from other types of economic organisation. In pre-capitalist economies, a broad range of institutions, including the family, neighbourhood, community, etc., were more or less deeply ingrained in the production process. In fact, it was Polanyi's decision to differentiate between economic life forms based on their distinctive distributional principles rather than on their social relations of production as a result of the embeddedness of pre-capitalist production. In light of this, Polanyi said that although it was often difficult to analytically separate production from other social activities, it was typically possible to pinpoint the operational principles influencing the allocation of material resources. However, the birth of capitalism led to the decoupling of material production from all extra-economic institutions and the establishment of a free-market economy that followed a profit-maximizing economic theory.

KEYWORDS:

Economic, Formalism, Industrial, Substantivism, Transformation.

INTRODUCTION

The two schools of thought in Economic Anthropology that have been divided into these two groupings since the middle of the 1950s are referred to as "Formalism" and "Substantivism." 'Formal' and 'substantive' economies are distinguished, according to Karl Polanyi, a historian of economics from Hungary. Karl Polanyi suggested that economics may be described in two terms: formal and substantive, drawing on the work of German sociologist Max Weber who makes a distinction between formal and substantive rationality. Due to two methodological disagreements, this divergence resulted in the development of the substantivist and formalist schools of thought in economic anthropology and sociology. While substantivism is descriptive and grounded on experience, formalism is founded on a deductive and logical way of thinking. While substantivists, like Karl Polanyi, contend that economics is embedded in social-cultural settings, formalist approach is founded on the concept of economic rationality as people maximising their own interests. Paul Bohannan, Pedro Carrasco, Louis Dumont, Timothy Earle, Maurice Godelier, Claude Meillassoux, John Murra, Marshall Sahlins, Rhoda Halperin, Eric Wolf, and George Dalton are notable members of the 'substantivist' orientation, a new school of thought in economic anthropology founded by

Polanyi. We shall go into more depth on the definitions of formal and substantive economies in the sections that follow.

Formalism

Formalism is linked to the fundamentals of the capitalism system, which are vastly different from those of the pre-capitalist systems. Additionally, it implies that the tenets of a capitalist economy are seen as universal, putting non-industrial economies under the tenets of a market economy. Formalists contend that non-capitalist economies may be understood by using the formal principles of neoclassical economic theory, which were primarily created from the study of capitalist market cultures. For instance, American anthropologist Melville Herskovits, one of the Formalists, supported this viewpoint in his book *The Economic Life of Primitive People*. He said that the desire for plenty and maximisation is a universal trait. Everywhere, the same methods are used to accomplish various goals [1], [2].

Industrial economies and pre-industrial economies

Such theoretical paradigms were developed throughout the great shift of European civilisation from the preindustrial to the industrial age, as recounted by Karl Polanyi in his landmark work *The Great Shift*. The term "industrial revolution" refers to a significant change in manufacturing techniques as well as the concomitant changes in ideologies, ideas, and social and economic policies. He examined the effects of market capitalism on early nineteenth-century England and the rest of the industrialising globe in *Great Transformation*. In contrast to the pre-capitalist economy, which was not monetised nor commoditized but was instead entwined in social ties, market capitalism, in his view, commodified and commercialised all products and services in terms of a single standard of money. It does not imply that there were no markets in pre-capitalist economies. Although there were markets in many pre-capitalist economies, they were not guided by the principles of a "self-regulating market," instead depending on the dynamics of "supply-and-demand." Market capitalism also commoditized the work in addition to the commodities. According to Polanyi, capitalism has turned everything into a commodity that can be bought and sold by elevating profits and the market above society and human values. His definition of the market economy is that it is "an economic system controlled, regulated, and directed by markets alone" and that it is based on the "fictitious commodification" of land, labour, and money. In a market economy, the rules of the market take precedence over social norms. He believed that economics, which was created alongside market capitalism, serves the latter and is just a component of the system that keeps capitalism alive by giving it an air of naturalness. In an effort to comprehend alternatives to market capitalism, Polanyi looked farther back in history at past empires.

The formal economy, or capitalist economy, which is subject to self-regulatory mechanisms, spreads the notion that people act in ways that maximise their financial advantages. According to one theory, there is a means-end connection based on the concept of choosing between limited means and desired outcomes. The logic of rational action, which refers to yet another fundamental principle of formal economics, describes the principles regulating the choice of methods. In the formal economy, rational behaviour is defined as the selection of means in relation to goals. Anything that is suitable to achieve the goal in accordance with the game's or nature's rules is a means. Words like 'economical' or 'economising' make clear the formal meaning of economics that derives from the link between means and goals. It refers to a specific scenario of choice, namely one between various uses of means brought on by a deficiency of those means. In reality, Polanyi adds, "if means are less scarce," the more and harder choices we are forced to make. Choice does not always presuppose a scarcity." Human civilizations have shown a tendency towards making harder decisions when resources

are abundant. According to Polanyi, the formal framework of neo-classical economics makes it impossible to comprehend human society, the economy, or human history. As a result, "to narrow the sphere of the genus economic specifically to market phenomena is to eliminate the greatest part of man's history from the scene" [3], [4].

Substantivism

According to Polanyi, the idea of economic rationality is a fairly unique historical term that primarily refers to the early modern market societies that developed in Western Europe. Thus, Polanyi contends that rather than self-interested behaviour being "natural" for humans, it is socially motivated behavior motivated towards the interests of one's family, clan, or village that is. Rational self-interest is instead a characteristic of a highly specific society like market society.

Polanyi contends that communitarian organisational patterns may be discovered in a number of ancient civilizations, replacing economic rationality and the market mechanism as the foundation for the organisation of the premarket economy. According to Polanyi, history and ethnography provide a wide range of basic institutions for the economy and society. "Market institutions are historically specific themselves exhibit significant regional and historical variety. That said, it seems that commerce, artisanship, the manufacture of goods for the market, and other related activities have a very long history in human communities. Markets are therefore undoubtedly not the nearly unique historical creation that Polanyi claims they are. These types of economic exchanges are well documented in ancient China, Europe, and the Americas, and we can understand very well how they would emerge again and again out of ordinary human activity and interaction. Additionally, we may differentiate between "market" institutions based on whether they are structured around consumption or profit, use or accumulation. Polanyi disagrees with the notion that rational self-interest is the root of all human drive. Instead, this social psychology of "possessive individualism," according to Polanyi, "is itself a very specific historical product not a constant feature of human nature." In fact, according to Polanyi, "social motivations are more fundamental than rational self-interest."

DISCUSSION

Polanyi expands on the definition of substantive economy by using the idea of embeddedness. His most well-known intellectual contribution to social theory is the idea of embeddedness. His idea of embeddedness really represents a criticism of capitalism's economics, in which society and the economy are seen as two separate entities that are not intertwined. Polanyi emphasises from the outset that the idea of the economy as an interconnected system of markets that automatically adjusts supply and demand via the pricing mechanism underlies the whole heritage of modern economic thinking or formal economics, which has persisted up to the present.

The idea that the economy functions as an equilibrating system of interconnected markets is one that economists continue to cling to, even though they accept that the market system sometimes needs assistance from the government to overcome market failure. While discussing the self-regulating market in *The Great Transformation*, Polanyi asserts that no society can naturally exist for a long time without having an economy of some kind. However, up until recently, no economy has ever existed that was, even in theory, controlled by markets as is the case with capitalist societies today. Gain and profit through trading have never previously been significant components of human economics. Even though the market has been a reasonably frequent institution since the later Stone Age, its importance to economic life was minimal.

Integrity and Serious Economy

Polanyi wants to demonstrate how drastically this idea diverges from the reality of human communities throughout history. He maintains that the human economy, or what he refers to as substantive economics, was constantly intertwined with society before the nineteenth century. Institutions, both economic and non-economic, are integrated in the human economy. It is crucial to include non-economic groups. His aim was to demonstrate how the economy interacted with other cultural institutions in many countries at a certain moment.

The institutionalized nature and social integration of economies were stressed by Polanyi. He saw the economy as 'an institutionalized process of interaction between man and his environment, which results in a constant supply of want-satisfying material means' in its substantive meaning. The human economy, he said, "is an established mechanism that... is ingrained and intertwined with institutions, both financial and nonfinancial. It is crucial to include non-economic groups. For the structure and operation of the economy, religion or governance may be just as crucial as financial institutions or the availability of equipment and technology that reduce labor-intensive tasks [5], [6].

The concept of "embeddedness" conveys the notion that, contrary to what traditional economics would have us think, the economy is not separate from society. Politics, religion, and social interactions usually come first. He emphasises how fundamentally different from earlier thought the classical economists especially Malthus and Ricardowere. Their theory of self-regulating markets involved subordinating society to the logic of the market, as opposed to the historically common pattern of subordinating the economy to society. Part One of *The Great Transformation* quotes him as saying: "Ultimately, that is why control of the economic system and the market is of overwhelming relevance to the whole organisation of society: it entails no less than the management of society as an auxiliary to the market. Social interactions are ingrained in the economic system rather than the other way around.

According to Polanyi, man's social interactions are where the economy is buried in the real economy. "Man acts to protect his social status, social claims, and social assets rather than his private interest in the acquisition of material items. He only loves material possessions when they help him achieve his goals. Each stage in the production and distribution processes is aimed towards a variety of social interests that ultimately guarantee that the necessary step is done. Neither the production nor the distribution processes are tied to particular economic interests attached to the ownership of products. A tiny hunting or fishing village will have quite different interests from a large autocratic society, but in both cases the economic system will be driven by non-economic factors. Malinowski's Kula trade was widely used by Polanyi as an illustration of substantive economics.

According to Polanyi, the goal of the classical economists' ideological propagation was to create a society in which the economy was successfully disembedded. To this end, they employed the political system. He is certain, though, that they both failed and were unable to do this. Indeed, Polanyi frequently asserts that "the goal of a disembedded, self-regulating market economy is a utopian project; it is something that cannot exist." For instance, in the first paragraph of Part One of *The Great Transformation*, Polanyi states: "Our thesis is that the idea of a self-adjusting market as implied is a stark utopia. The natural and human foundation of society could not have been sustained by such an organisation; it would have physically killed man and turned his surrounds into a wilderness. According to Polanyi, for a market economy to be completely self-regulating, both society and the environment must be reduced to the status of mere commodities. This would inevitably result in their extinction. According to him, proponents of market liberalism or self-regulating markets are always

edging human society closer to a cliff. However, once the negative effects of unregulated markets start to surface, individuals start to rebel and refuse to behave like lemmings walking down a cliff to their own demise. "Instead, they turn away from the principles of market self-regulation to prevent the annihilation of society and the environment. Under this regard, one may compare the process of separating the market from society under capitalism or contemporary industrial society to stretching a very large elastic band. The amount of friction rises when efforts are made to improve the market's autonomy. If the band is stretched any farther, it will either break, symbolizing societal collapse, or the economy will return to a more entrenched state. Free-market advocates' attempts to separate the economy from society are bound to failure.

Since it asserts that the economy in various civilizations is built on wholly distinct logical principles, Polanyi's substantive model is radically relativist. Therefore, the same way a flint knife wouldn't be useful for repairing a jet engine, the tools for comprehending capitalism are worthless for researching the ancient Aztecs. He maintains that any investigation into how real economies, or substantive economics, are incorporated into social structures and non-economic variables must begin by examining how the economy develops its sense of wholeness and stability that is, via the interdependence and repetition of its constituent components. This is accomplished by combining a relatively small number of patterns that are often referred to as the forms of integration. According to Polanyi, the balance of the three types of integration—reciprocity, redistribution, and exchange, defines the economy. These three types of circulation, which have coexisted in various degrees in cultures throughout human history, are distinguished by Polanyi.

Exchange, Redistribution, and Mutuality

Three structures—reciprocity, redistribution, and exchange—represent how commodities created in every community are dispersed. Reciprocity is the method of distributing goods and services when there is a strong feeling of shared responsibility for lending a hand and sharing resources. People who are linked to one another in a symmetrical connection by virtue of their same family or clan trade goods and services. As the term indicates, redistribution refers to the exchange of commodities and services via some kind of central authority who gathers from everyone and then redistributes. Exchange, in contrast to these two, refers to the market system where the pricing system operates. While capitalism societies are connected via the market system of exchange, pre-capitalist economies are largely integrated through reciprocity and redistribution. This does not imply that there were no functional markets in pre-capitalist cultures. They do have markets where individuals may trade, but they do not operate according to self-regulatory market principles. All three of these systems of exchange for goods and services may coexist in capitalist economies, but Exchange is the dominant form, with Reciprocity and Redistribution in the background and at risk of becoming hegemonized by Exchange.

Reciprocity and redistribution are the main driving forces in pre-capitalist and socialist economies. "Therefore, the sheer existence of the marketplace as a site of actual commerce or that of money does not prove the existence of a capitalist economy. We may find evidence of the existence of items that serve as money in many traditional cultures, but these items often have a specific purpose rather than serving as a global unit of value, as is the case in a market economy. Pre-capitalist economies are multicentric, or they have numerous realms of trade, since special-purpose money and the items or services that may be exchanged for them are limited to certain sectors of society. Contrarily, market principles and the use of universal money enable capitalist economies, which are essentially unicentric in that all products, services, and production tools flow in a single, undivided sphere of trade [7], [8]. With the

advent of the industrial revolution, modern market exchange—where prices are established via barter and money—became essential to the European economy. Only until there is a market for the "fictitious commodities" of land, labour, and money does a market system come into existence. The market doesn't turn into a market economy unless income, which makes up the majority of survival, depends on it. Only then does the market completely take control and transform into society.

A few instances to give you a better grasp of reciprocity and redistribution. In his famous book *Gift Exchange*, Marcel Mauss analyses a number of pre-capitalist communities where reciprocity and redistribution were the norm for economic integration and circulation. He uses case studies from the Andaman Islands, the northwest coast of North America, Polynesia, Melanesia, and other regions. Mauss discovered significant evidence in these communities to support his theory of three moral duties to give, receive, and exchange presents in a gift economy. He also examines how the ideas of the gift economy are still present in the legal systems of the ancient Roman, Indian, and Germanic civilizations. Let's look at one instance from this book that relates to India.

Mauss describes the *danadharma* idea as it relates to Brahmins. The epic *Mahabharata*, which, according to Mauss, has the value of *Smiriti* and *Castra* in Brahminic tradition, is where the philosophy of gift-giving in India originates. According to Mauss, compared to the other law books, the thirteenth book of the *Mahabharata*, the *Anucasanaparvan*, is more precise on gift practises. He interprets it as the model of the gift-exchange system used in Vedic India. He views the *Mahabharata* as a tale of great potlatch. Mauss defines potlatch as trading customs used in diverse tribal communities when goods are given away or destroyed in an effort to elevate social rank. He describes the dice game played by the Pandavas and Kauravas in the *Mahabharata* as the Indian equivalent of the potlatch. He also refers to the *Mahabharata*'s military fair, when Draupadi selects her spouse.

Therefore, according to economic theology, a gift is an extension of the donor, which implies that when one provides a gift, they are truly giving themselves. The gift is not totally lost when it is given to the giver, however. As opposed to this, it is claimed that "the thing given brings return in this life and in the other." As Mauss states, "It may automatically bring the donor an equivalent return it is not lost to him, but reproductive; or else the donor finds the thing itself again, but with increase." In this sense, a gift is essentially self-replicating. Giving food ensures that it will be given back to the giver in this world as well as in his subsequent reincarnations in the hereafter. He further claims that this is a morally and economically regulated economy in which nothing is casual from contracts, alliances, the transmission of goods, and bonds created by these transfers. He goes on to say that giving away water, wells, and springs is insurance against thirst; giving away clothing, sunshades, gold, and sandals for protection against the burning earth will return to you in this life and the next. It differs from the market economy in this way, "where man takes a thing objectively for a price."

You should now be able to distinguish between formalism and substantivism. You must be able to see the limits of the discussion between formalism and substantivism by taking a look at the examples that Mauss used in his book *Gift Exchange*. One of the Substantivist school of thought's major achievements has been to dispute the idea that capitalism is an imperishable, all-encompassing economic system. Substantivists have widened the subject of non-capitalist economies by include ethnographic research on numerous pre-capitalist communities in Asia and Africa. In actuality, Karl Polanyi himself spoke of a socialist economy characterised by a strong emphasis on reciprocity and redistribution. However, there are several limits to this discussion in economic sociology and anthropology. While concentrating on the characteristics of the exchange of goods and services, it overlooked the

component of production in every economy. Distribution and production cannot be seen as two distinct economic sectors. This constraint is evident in Mauss's work when he uses the Mahabharata to examine gift-giving in India [9], [10].

Review of a Gift Exchange

First off, the Indian situation lacks the components of the Gift Economy that Mauss is investigating. According to Mauss, a gift economy involves three fundamental obligations: the duty to give, the duty to receive, and the duty to reciprocate. In the case of India, Brahmins have no responsibility to contribute, but they do have an obligation to receive. Similar to this, Kshatriyas only have the responsibility to give; they do not have the obligation to receive. Furthermore, dalits are exempt from these duties since it is against Brahmin law for them to provide them items like pakka meal. Untouchables are not at all subject to these responsibilities. In his criticism of Mauss's account, Thomas Trautmann states, one can understand what Mauss means when he talks of a warrior class that is filled with rivalry and competing with one another for honours. They play dice games where they provocatively risk everything. For the hand of a princess, they compete in archery tournaments and other events. They find honour in the splendour of their charity rather than the amassing of money. ... and so on. In other words, every component of the potlatch ethos is there with the exception of the actual potlatch. The heroes of the Mahabharata do not explicitly compete in gift exchanges, where the goal is to outdo the opponent by giving more than he can return. Games of chance and the like are competitions, no doubt, in which everything may be foolishly risked and lose. We also fail to locate the moral code, which, if we interpret it correctly, constitutes the requirements for participating in the potlatch competition: mandatory giving, obligatory receiving, and obligatory gift-reciprocity. One notable aspect of the ksatra-dharma of the epic, as Minoru Hara has so skillfully shown, is that monarchs do not embrace it since doing so would indicate weakness and dependency. Only the Brahmin may be considered to have the second of Mauss' three obligations: the responsibility to receive gifts and he must not return the favour, so the third requirement is not applicable. Because the recipient of the religious gift is expressly forbidden from returning, the Indian material from the Anuâsana Parvan which is so supportive of Mauss' thesis in regard to the notion of gift as extension of the giver and as endowed with personality fails him when he wishes to see in facts of this order the cause of the obligation to repay.

CONCLUSION

The conflict between substantivism and formalism in economic sociology has been a long-running and beneficial one, greatly advancing our comprehension of the economic facets of society. Formalism has contributed significant knowledge about market behaviour, human decision-making, and the function of institutions because of its focus on mathematical models and rational choice theory. It has provided a strong framework for examining economic phenomena and has had a particular impact on neoclassical economics. Contrarily, by underlining the significance of cultural, social, and historical contexts in influencing economic activity, substantivism has questioned the constrictive assumptions of formalism. Substantivists contend that the larger social and cultural framework in which economic behaviour takes place cannot be completely separated from it. This viewpoint has improved our comprehension of non-market economies, reciprocity, gift-giving, and the integration of economic activity into interpersonal connections. Both substantivism and formalism have advantages and disadvantages, and the decision between the two often relies on the unique study questions and objectives of the sociologist. Modern economic sociology increasingly adopts a balanced approach that acknowledges the use of formal models while also taking into account the social and cultural aspects of economic activity.

REFERENCES:

- [1] L. Suckert, "Same same but different. The field theoretical approaches of Fligstein and Bourdieu and the potential of a mutually informed perspective for economic sociology," *Berl. J. Soziol.*, 2017.
- [2] A. Mica, "The unintended consequences in new economic sociology: Why still not taken seriously?," *Soc. Sci. Inf.*, 2017.
- [3] A. Gregory and G. Halff, "Understanding public relations in the 'sharing economy,'" *Public Relat. Rev.*, 2017.
- [4] L. A. Colombo, "Guerra fiscal na federação Brasileira: A contribuição das abordagens da sociologia econômica," *Soc. e Estado*, 2017.
- [5] D. et al. Tomaskovic-Devey, "Comparative Organizational Inequality Network : Toward an Economic Sociology of Inequality," *the Eur. Electron. Newsl.*, 2017.
- [6] I. Loader and A. White, "How can we better align private security with the public interest? Towards a civilizing model of regulation," *Regul. Gov.*, 2017.
- [7] N. Fligstein, J. Stuart Brundage, and M. Schultz, "Seeing Like the Fed: Culture, Cognition, and Framing in the Failure to Anticipate the Financial Crisis of 2008," *Am. Sociol. Rev.*, 2017.
- [8] K. Moeller and S. Sandberg, "Debts and Threats: Managing Inability to Repay Credits in Illicit Drug Distribution," *Justice Q.*, 2017.
- [9] M. de S. Sartore and E. da S. Leite, "Economic Sociology: contributions for deconstructing market devices," *Rev. TOMO*, 2017.
- [10] S. D. Parsons, "Max weber and economic sociology a response to peukert," in *Max Weber*, 2017.

CHAPTER 3

EMERGENCE AND GROWTH OF NEW ECONOMIC SOCIOLOGY

Chanchal Chawla, Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- chanchalchawla0@gmail.com

ABSTRACT:

A substantial philosophical change has occurred in the study of sociology with the creation and expansion of New Economic Sociology, which challenges established economic paradigms and provides new perspectives on the complex interrelationship between economics and society. The main advancements and contributions of New Economic Sociology are briefly summarised in this synopsis. In order to bridge the gap between economics and sociology, the New Economic Sociology movement, which gained traction in the latter half of the 20th century, looks at how social elements like networks, norms, and institutions affect economic behaviour and results. It shifts away from neoclassical economics' exclusive emphasis on logical players in perfectly competitive markets and instead looks at how social structures influence economic decision-making, market behaviour, and economic consequences. 'New Economic Sociology' has been defined in this section under the heading "New Economic Sociology." It has discussed the many contributions to this area of sociology that offer you a knowledge of Karl Polanyi's economic sociology and Mark Granovetter's ideas on information and "embeddedness." You also studied Richard Swedberg, Neil Flinnstein, and Paul Di Maggio's theories. Finally, this section considers the development in this area from several aspects, including the socio-cultural embedding of economic life.

KEYWORDS:

Business, Economic, Growth, Social, Sociology.

INTRODUCTION

Social connections are influenced by the modern economic environment and its more recent possibilities, which in turn are impacted by broader cultural trends. How much our social inequities are based on the market or networks of businesses, how consumption becomes fashionable in society and creates conditions for social exclusion. These issues are being debated by economic sociologists more than at any other time in their academic history. Sociologists of today have made significant contributions, notably in the areas of economic networks, organisational structure, and the impact of culture. New Institutional Economics is a methodology created by economists. Their fundamental goal is to use microeconomics to understand the development and operation of economic institutions. In contrast, sociologists have created a method for studying economic sociology that is sometimes referred to as the "new sociology of economic life," despite the fact that it has some flaws that prevent it from being as effective as new institutional economics.

The early 1980s saw the publication of various publications that served as the foundation for New Economic Sociology, which is now a little over ten years old. According to academics, the phrase "New Economic Sociology" gained popularity when Granovetter developed the idea of "embeddedness." A systemic critique of New Institutional Economics was offered by Granovetter in his brilliant essay "Economic Action and Social Structure: The Problem of Embeddedness," which was published in the November 1985 issue of the American Journal

of Sociology. Granovetter did this by highlighting the importance of "non-economic" factors in economic life. Economic sociology has had a rapid expansion over the previous ten to fifteen years, with several new innovations and discussions of fresh issues including wealth, entrepreneurship, and the significance of law in the economy. Insights from the past have also been expanded in new areas. The latter includes, for instance, Swedberg and Fligstein's research on markets and Granovetter's theories regarding embeddedness. Sociologists were at a loss for theory when economic sociology was resurrected in the middle of the 1980s. The idea that sociologists should create their own methodology and that it should be distinct from traditional economics was strongly held, but that was about it. The legacy of economic sociology, in particular the influential theories of Max Weber, was not an option because of their lack of popularity [1], [2].

New Economic Sociology's Development

There are two methods that are of special importance to economic sociology in the region where sociology and economics converge, and both may be considered to combine to represent a new economic sociology. The first method is referred to as "new institutional economics," while the second is dubbed "new sociology of economic life." The new institutional economics was mostly established by economists, while some sociologists have also begun to study in this area. The main point is that social structures and behaviour may both be understood via the lens of microeconomics.

Though in theory this method covers a far wider range of topics than economic sociology, in practise it often works with this subject as described by Schumpeter, who defined economic sociology as the study of "institutions that are relevant to economic behaviour." However, it must be noted right once that Veblen's American institutionalism and modern institutional economics have very little in common, if anything at all. Though it did not fully blossom until the 1970s, new institutional economics had its philosophical origins in the 1950s. It expanded across many judicial, political, and social organisations between 1950 and 1970. However, in the 1970s, some economists also started to put out controversial new theories of organisational behaviour using terms like asymmetric knowledge, transaction costs, etc. Each of these hypotheses provides a somewhat different explanation for the origins and/or structure of organisations. While the focus of transaction cost economics is on minimising transaction costs, that of agency theory is on how the principal may manage and lead the agent. However, efficiency is often important to the decision to choose one organisational style over another, according to all of these perspectives. Mathematical modelling predominated in the field of labour economics. These different methods lacked an emphasis on social structures and instead hammered home the word "efficiency." According to academics, it cannot be used to explain the current institutions, whether they are in the economy or other. Despite the fact that the so-called "new institutional economists" were only starting to examine institutions, they focused their explanations on the "efficient" and rational acts of self-seeking people, leading to the perception that these institutions were the result of rationality. Few sociologists also researched the nature of capital and labour relations from an explicit Marxist viewpoint, even if empirical interest in economic life outside of the industrial sociology framework was growing.

For instance, Michael Burawoy's *Manufacturing Consent*, Harry Braverman's *Labour and Monopoly Capital*, Mintz & Schwartz and Useem's analysis of the "inner circle" as the interlocks among corporates. These studies also broke the impasse created by functionalist sociology's exclusive emphasis on the "equilibrium puzzle." The decline of Marxism and Parsonian sociology in the 1990s, which left an intellectual vacuum, may also be seen as a background to the development of economic sociology.

Economic Sociology in The New

According to popular belief, new economic sociology is predominantly an American phenomenon and has only just started to spread to European settings. However, Granovetter's most significant contribution was to change the focus of the economics criticism from its customary emphasis on the fallacy of the notion of rationality to a more socially contextualised view of economic action. His research focused on how economists overlooked social structure while conducting their analyses. Decision-making becomes 'atomized' when the individual human nature is the only thing considered. 'Embeddedness' is presented as a counter-concept to economists' emphasis on 'profit-maximization' and 'atomization' of economic activity. Although the older economic sociology tradition established by Parsons, Smelser, and Moore had much to contribute, Granovetter was able to construct a combined Polanyi and network analysis method. It aided him in clearly separating the two schools of economic sociology. One of the main differences between the new and the old economic sociology has generally been that it does not hesitate to criticise neoclassical arguments in fundamental ways, whereas the older work kept its criticism rather muted and hardly ever developed alternative models of economic action. The "new sociology of economic life," often referred to as "new economic sociology," has gained considerable popularity in the roughly 10 years that it has been in existence. The three different traditions of modern sociology that New Economic Sociology borrows from and is therefore shaped by are networks theory, organisation theory, and cultural sociology. Granovetter's objective was almost exactly the opposite of Karl Polanyi's, namely to demonstrate that economic acts are really social actions in capitalist society. Polanyi had established the concept of embeddedness to emphasise that the economy was an integral component of society in pre-capitalist periods. According to this argument, economic activity is "embedded in concrete systems of social relations," with a focus on networks' function. The basic thesis is that interpersonal networks have an important role in how people behave economically. In other words, new economic sociology has critically expanded the hypotheses put forth by earlier generations of sociologists and not just the sociological interpretation of economic phenomena; it has questioned the very nature of 'economic' action and has become a legitimate area of scientific study [3], [4].

DISCUSSION

Following Polanyi's early ideas, economic sociology's goal evolved towards tracing how networks are used to organise economic behaviours. Contrary to what economists assert, economic behaviour seldom takes the shortest and most direct route to maximum gain. They instead mediated and were rooted in the intricate networks and institutional environments already in place. The Great Transformation by Polanyi served as a source of inspiration for academics in this discipline. In addition to asserting that governments are necessary for the development of markets, Polanyi also contended that the emergence of capitalist markets would result in societal unrest. He went on to say that in order to stabilise markets, provide social security for workers, and establish laws to control relationships between capitalist groups, governments would need to become involved. They had to be contingent in the ways they achieved this, and it was inferred that past institutional diversity may have contributed to regional variations in market structures. One of the key economists who contributed to the development of the field of economic sociology was Karl Polanyi. Polanyi built his argument for the connection between society and the economy in his seminal book, *The Great Transformation*. Its central claim is that a radical endeavour was made to establish a brand-new, market-based sort of society in nineteenth-century England. Everything would be chosen by the market automatically; therefore, no outside authority was required. Even the

value of money was turned over to the market and taken away from the governmental authority. Both nonviolent and aggressive tactics may be used by the market to gain acceptability among society institutions. This kind of action, in Polanyi's opinion, could only result in disaster. Countermeasures were put in place to address the negative impacts of the market reforms as they became clear in the latter part of the nineteenth century, according to Polanyi. However, these policies only served to further destabilise society, and movements like fascism in the twentieth century were the unfortunate outcome of England's misguided effort to liberalise trade in the middle of the nineteenth century.

The most well-known idea connected to Polanyi's work is "embeddedness," which he used in a manner distinct from how it is used now. When economic acts are "disembedded" or not controlled by social or noneconomic authorities, in Polanyi's view, they become harmful. The main issue with capitalism is that it now allows the economy to make decisions about society rather than society making decisions about the economy. Previously, social interactions were incorporated in the economic system, but this has changed. His work has also sparked the development of a fresh paradigm for analysing contemporary social movements. Polanyi's 'forms of integration' are a further set of conceptual tools for economic sociology. His main contention is that an economy must be able to continuously supply people with material nourishment since rational self-interest is too unstable to serve as the basis for society. There are three types of integration, or techniques to unify and stabilise the economy. These include redistribution, in which things are distributed from a centre in the community, such as the state; exchange, in which products are dispersed via price-making marketplaces; and reciprocity, which occurs within symmetrical groupings, such as families, kinship groups, and neighbourhoods.

Mark Granovetter's contributions have mostly focused on the study of how social networks, social institutions, and individuals interact and influence one another. Granovetter essentially stated that it is oversimplified and incorrect for economists to believe that the reason why the current economic institutions exist is because they are the best effective course of action. He contends that this efficiency's instrumentality ignores the social, historical, and legal dimensions of institutions' functions. Additionally, the new economic institutionalism's bias towards efficiency hinders in-depth examinations of social structure. The widely read paper on economic embeddedness by Granovetter is sometimes referred to be the new economic sociology's credo. As was already indicated, Granovetter's prominent viewpoint emerged in the late 1980s. He equated the viewpoint of Parsons and Smelser on the economy and society with "old economic sociology." According to Granovetter, a micro level criticism of the dominant neoclassical economic theory in economics gave rise to new economic sociology. His interpretation of "embeddedness" emphasises the significance of social networks. This prompts him to remark on the over-socialized and atomized human activities. Similar to this, Mark Granovetter's *Getting a Job* is a model study in economic sociology and may be the most effective study of the networks market. It is creative, well investigated, and analytically shrewd. Based on a study of professional, technical, and managerial employees in Newton, a tiny suburb of Boston, this article is an effort to analyse the social factors via which individuals acquire employment. 100 of the 280 respondents who completed the questionnaire and were interviewed were chosen at random. The inquiries aimed to identify the information source that produced new employment. Are economists accurate in believing that the labour market is a place where information about employment reaches all participants, for example, was one of the issues the research sought to answer. And, using utility-maximizing principles, is the individual who obtains a new job better described as someone who actively seeks out employment? The concept of a rational job search does not

accurately depict what really occurs when individuals find work, according to Granovetter, who also concludes that "perfect labour markets exist only in textbooks [5], [6]."

The novelty of the new economic sociology, as promoted by Granovetter, lies in the fact that its proponents have recently begun to examine institutional, firm, and market behaviour as well as question the widely held presuppositions of economic thought. These assumptions were generally accepted by sociologists from earlier generations. Even while corporate control difficulties and the logic of the capital market's operation have been emphasised by organisational theories, these theories have avoided examining the influence of macrosocial settings and structures on the development of inflation, unemployment, and growth patterns. The embeddedness approach emphasises the importance of actual interpersonal connections and their networks in determining how confident and trustworthy people are with one another. Granovetter emphasised that it overlooks the previous relationships and the identities of the parties, while economists would only concentrate on the continuance of future transactions as the foundation for creating trust connections. As a result, the fundamental basis of trust in people's economic lives are their social relationships, not their institutional or organisational systems. In other words, the thesis is that social relationships permeate all types of transactions, and that the anonymous market, firm of the neoclassical economic models, is essentially nonexistent in real economic life. For instance, networks analysis has been used to investigate numerous forms of economic interaction, although it cannot be classified as either customs or a certain style of organisation.

Economic sociology shares a concern for the company with organisational sociologists and a focus on the influence of culture and values on the economy with cultural sociologists. He is cautious enough, however, to avoid blaming "culture" for any explanation of economic occurrences. The utilisation of networks has shown to be highly beneficial to economic sociologists' jobs. Building on this concept, Paul DiMaggio and Walter Powell sketched the networks through which new rational norms spread across organisations, including political networks, professional networks, and networks of businesses, in 1983. Schools, hospitals, auto plants, and charitable organisations were becoming to resemble one another more. There is a growing set of accepted practises in every industry. The driving force for institutionalisation was defined by DiMaggio and Louch as the fact that social managers of auto plants adopted the same business practises from well-established companies rather than creating them on their own. DiMaggio has been a vocal proponent of analysing economic practises from a cultural perspective. For instance, he seeks to comprehend the socio-cultural contexts in which customers interact with people with whom they have nonmarket relationships. As a result, actors may utilise social links to determine and evaluate the trustworthiness of partners with whom they have no direct or indirect social ties; the authors refer to this paradigm as 'search embeddedness'. As an alternative, players may decide to cooperate with people with whom they already have personal relationships as transaction partners; this is known as a "within-network exchange." In other words, his research has helped to clarify the function of diverse networks in consumer markets and investigated how various markets are socially organised. These kinds of partnerships also lessen ambiguity, danger, and discontent. Additionally, how individuals utilise these network relationships is quite similar to how businesses employ organisational structures. His approach has also uncovered new potential topics for economic sociology research. For instance, research of unofficial interactions inside formal institutions of state and governance might provide novel insights on the operation of contractual officials in the modern era.

Fligstein concentrated his research on markets and businesses as a subset of wider institutional, historical, or network dynamics. He cites a straightforward illustration:

collaboration or compliance is greatly influenced by specific interpersonal relationships and their past, but it also relies on the broader structure of the social networks in which individuals are located. As a result, although prior relationships between two actors have a role in whether they would betray one another, the larger network that both players are a member of is equally crucial. As a result, the focus on stability is what defines contemporary markets. This viewpoint contends that players prefer stable markets over an uncertain economic climate. Fligstein contends that differing ownership and the existence of bank interlocks are not significant predictors of the strategic and financial results of major enterprises in his analysis of the ownership of large corporations in America. Instead, he concentrates on the power structures that already exist inside the company, the corporate governance structures, and the behaviour of numerous rivals within the huge enterprises. The objective Neil Fligstein laid forth in *The Transformation of Corporate Control* for the study of American businesses has contributed fresh perspectives to the field of economic sociology of ownership. Fligstein asserts that the major American corporations' tactics are determined by their "concept of control," not only by human relationships. By emphasising the significance of power dynamics inside an organisation, he criticises the embeddedness theory put out by Granovetter and others. The focus placed on market entrepreneurial dynamics and government dynamics in current sociological study on enterprises is primarily what makes it new. Last but not least, Fligstein has promoted organisational theory and created vital access points for economic sociologists to study corporate organisations and their operations.

He is one of the modern sociologists who has made significant contributions to economic sociology and worked to get it recognised as a distinct area of scientific study. Swedberg has researched the shifting market systems in the contemporary economic environment, drawing inspiration from Weber. The market has to be seen as more than just a venue for trading money. He contends that the industry has to create its own structures and ideas. For instance, he argues that a key component of the sociological explanation of economic life is the meaning of culture. In order to theorise about the economy, he contends that social science should be concerned in relationships, objects, human interpretations, and meanings. He calls for a "materiality" approach while criticising the economics' abstract theories about poverty, consumerism, and economic progress. Based on this knowledge, Swedberg has played a significant role in the development of the idea of "interest." He emphasises the need of understanding "interest" as a social construction by drawing on Bourdieu's work. It is necessary to differentiate between "social" interests and biological or psychological ones. Swedberg places interests at the core of the sociological framework that may explain the dynamics of markets, enterprises, and the wider capitalist order, in contrast to former system theorists like Parsons who prefer to see interests as a product of utilitarian tradition [7], [8].

Alternative Perspectives on The Social and Cultural Embeddedness of Economic Life

Contrary to Parsons' ideal, both New Economic Sociology and the resurgence of institutional economics attempt to provide alternatives to neoclassical economics rather than merely complements. More reasons to be wary of reductionist accounts are presented by larger-scale sociology, which places an emphasis on the interaction between social networks and institutional structures as well as the complex interplay of structure and agency through coupling and decoupling. It also offers a persuasive explanation for how economic outcomes are produced. For this reason, economic sociologists are interested in learning how the market obtains its legitimacy and social approval, which put its regulating mechanisms into effect. Entrepreneurship has to be studied in new economic sociology as a different area of research. First, it would have to overcome the social individualism that permeates this industry. The emphasis needs to shift from psychologists' attempts to identify the

entrepreneurial mentality to the entrepreneur as an actor who works alone to amass a wealth and an empire. A possible strategy is to see entrepreneurship as a group activity. In fact, it may provide a foundation for combining all three techniques to analyse the dynamics of entrepreneurship: network theory, organisational theory, and cultural sociology. As a result, one's network affects both how they act and how they perceive others in other positions to act. The issue of property hasn't been well examined in the field either.

New economic sociology may provide light on how property is structured in emerging nations like China, Brazil, and India. One may investigate, for instance, if there is a pattern of individual ownership or institutional mediation in the property and how socio-cultural circumstances affect this pattern. Sociologists now have fresh issues concerning the function of inherited wealth and its contribution to the replication of inequality because to Thomas Piketty's recent book *Capital in the Twenty-First Century*. Additionally, it would shed light on the demographics of these nations' hidden wealth disparities and their geography. It would be pretty odd if economic sociologists were not interested in the outcome of market and capitalist economic processes, as well as who gets what and how. Political and economic power work together to establish public policies that affect how individuals see their interests and how they may act. Political networks, industrial networks, and professional networks that act as the distribution channels for fresh ideas for public policy and commercial tactics are used to exercise this kind of control on economic institutions and norms. In other words, economic sociologists are more concerned with justice than efficiency in actual market situations.

This viewpoint has been held throughout the decade, and one might say that there has been a widespread effort to move beyond embeddedness and replace it with a radically different strategy. A major criticism of the embeddedness method, according to French sociologist Pierre Bourdieu, is that it fails to address structural problems. As a result, he uses the idea of a field to describe the macro-level problems that influence the character of economic behaviour. For instance, prices are influenced by the field's structure rather than the other way around. A social psychological component that is missing from Granovetter and other analyses is added by the idea of "economic" habitus. Economic individual actors are generally unconscious and embodied products of their social experiences. Their preferences, as well as their techniques and orientations in the economic sphere, whether at the top of corporations or in the political and bureaucratic spheres, are shaped by the field. This is how Bourdieu opposes the conventional rational action theory with a novel sociological theory of practise that leads to a collection of methodical observations. Economic structures seem to act as powerful frames of restraint for both individual and group actions. They cannot be reduced to networks of relationships between different nodes because they are more deeply rooted in multidimensional social spaces that are fundamentally shaped by the distribution of different "capitals," which gives them their structure. The notion that underlies the economic "illusion," which is that it is an independent "game," is a complicated historical creation. In addition, Bourdieu challenges the idea of "interest" and argues in favour of a unique and nuanced understanding of interest that runs counter to the "economism" that dominates economists' definition. He believes that interests are social constructs. Similar to this, in *The Social Structures of the Economy*, his book on the housing business, he concentrated on the field-based rivalry among such enterprises and its implications for people. Using data from a nationwide poll conducted in the middle of the 1980s, Bourdieu thoroughly describes the purchasing habits of the various consumer categories. He is cautious to emphasise building a home is a huge project that involves much more than just money. In addition to financial investment, people put time, effort, and emotions into their homes. The home has great social, cultural, and symbolic value since it is where a family will reside. With the use of

national data and correspondence analysis, the field of home producers is likewise meticulously mapped [6], [9]. *The New Spirit of Capitalism* by Luc Boltanski and Eve Chiapello offers a stimulating examination of political economics within the context of ideological and cultural analysis. They talk about how the modern version of capitalism, which offers even worse working conditions, has survived and thrived. The authors contend that the constant evolution of capitalism practises is due to how well it has adapted to social criticism. The supporters of capitalism have been continually at odds with one another as a result of these two types of criticism. As new antidotes are discovered, the criticisms gradually lose strength as a result of being incorporated into the system and get neutralised, rendering them unable to engender any opposition to the capitalist system. According to Boltanski and Chiapello, one such flexible labour arrangement used in contract work is capitalism's reaction to the system's rising number of critics. The management literature from the 1960s and 1990s served as the basis for the writers' development of the "third spirit" of capitalism. In other words, this approach connects actors' ideas and reasoning with a wider political economy and adds a new "pragmatic" dimension to understanding the operation of the capitalist system. Boltanski has often criticised the network theory for being pro-capitalist and ideologically conservative. According to him, this idea has not adequately described how people interact with the machinery they use to do their jobs in factories and businesses.

New developments in economic sociology call for comment about the recent efforts made by researchers in this area to create a historical and comparative economic sociology. It is frequently stated that these two themes reflect areas where economic sociology has comparative benefits in comparison to pure economics. Sociologists have a long and effective heritage of analysing historical and comparative issues. In its current form, economic sociology may be seen of as an established branch of sociology with a unique character. As opposed to what Louis Wirth claimed a few generations ago, it is not merely the "left-over science" today. It has long been believed that economic sociology has to distinguish itself from other branches of economics, including sociology of economics and "old" institutionalism, as well as from mainstream neoclassical economics. It is evident that economic sociology research has increased substantially over the last several years, particularly since the 1990s.

For instance, there are several views on how markets are a developing area in the sociology of finance today.

The bigger aim of the new economic sociology has made major efforts to include historical data and the comparative method. Utilising organisation theory, new economic sociology has had great success in examining corporate structure, connections between organisations, and the wider environment. However, there are still several crucial areas in economic sociology where little progress has been achieved. A number of these topics, including firm, interest formation, ethnic economy, and the effort to integrate economic sociology and stratification theory, have been touched on in this course. A growing number of economic sociologists are concentrating on how technology affects economic life. Economic sociologists must perform empirical studies of money, media, economic ideologies, financial crises, inheritance tactics, geographical disparities and accumulation techniques, ethnic and gendered economies, and exclusionary factors, among other topics, in order to comprehend the current economic system.

The two primary objectives for the future of the discipline are the explanation and interpretation of economic reality. In order to understand how their own analyses perpetuate current economic and cultural values in their publications, new economic sociology has to be actively reflective.

CONCLUSION

Embeddedness, social capital, network analysis, and the examination of economic institutions are only a few of the fundamental ideas and approaches covered in this summary of the New Economic Sociology. The movement's contributions to our understanding of several economic issues, including trust, collaboration, entrepreneurship, and economic inequality, are highlighted. It also emphasises how the New Economic Sociology has consequences for forming policies and how it may help develop equitable and sustainable economic systems. In conclusion, New Economic Sociology's development has improved our understanding of the intricate interactions between society and the economy. This paradigm shift has broadened the scope of economic study by highlighting the significance of social connections, institutions, and cultural elements in economic operations. Its continuous development is anticipated to be a helpful resource for understanding current economic issues and directing efforts to build more just and resilient economic systems.

REFERENCES:

- [1] L. R. Ford, "Intellectual property and industrialization: legalizing hope in economic growth," *Theory Soc.*, 2017.
- [2] P. Lehoux, F. A. Miller, and G. Daudelin, "Converting clinical risks into economic value: The role of expectations and institutions in health technology development," *Technol. Forecast. Soc. Change*, 2017.
- [3] S. Salat, "Shanghai in the new economy of global flows shaping urban form and connectedness in the digital age," *J. Archit. Urban.*, 2017.
- [4] H. Fahad and E. Endrayadi, "Pengembangan Sektor Pariwisata Di Kabupaten Banyuwangi Tahun 2002-2013," *Publika Budaya*, 2017.
- [5] E. R. González, *Latino city: Urban planning, politics, and the grassroots*. 2017.
- [6] I. Kickbusch and E. de Leeuw, "Global public health: revisiting healthy public policy at the global level," in *Global Health*, 2017.
- [7] N. C. Lauro, E. (Enrica) Amaturio, M. G. Grassia, B. (Biagio) Aragona, and M. Marino, "Data science and social research : epistemology, methods, technology and applications," *Data Sci. Soc. Res. Epistemol. Methods, Technol. Appl.*, 2017.
- [8] Y. Kurumisawa, "New Challenge of Legal Studies in Twenty-First-Century Asia: Towards a Sustainable Society," *Asian Journal of Law and Society*. 2017.
- [9] A. Easat-Daas, "Who Is Charlie? Xenophobia and the New Middle Class," *Sociol. Race Ethn.*, 2017.

CHAPTER 4

GIFTING AND RECIPROCITY: EXPLORING CULTURAL, ECONOMIC, AND SOCIOLOGICAL PERSPECTIVES

Vivek Anand Singh, Assistant Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- vivekanand.ima@gmail.com

ABSTRACT:

The complex and varied aspects of these basic social phenomena in this thorough investigation of gift-giving and reciprocity. These customs, which have a long history and are ingrained in human civilization, are effective instruments for comprehending how social interactions, business deals, and personal identities work. This studied the concepts of gift and reciprocity in this unit. It is split into two halves. The idea of reciprocity is covered and the idea of gift is covered. Gift giving is a sophisticated phenomenon that incorporates the calculation-free conveyance of both real and intangible commodities. It creates a place for individuals to appropriately express their sentiments to the recipients of the gift as a symbolic gesture, which sets the path for the relationships to endure. As a result, the urge to spend even more money on presents increases, sending the recipients a strong message. The kind of presents given, the occasions on which they are exchanged, and the reasons behind such exchanges all constantly vary. The unit provides insight into the economic change from altruism to self-interest, but there is also a social component that involves gift-giving for continuity and for strengthening the relationships between trading partners. There are three general methods to giving gifts, which provide light on the many interpretations of the concepts of giving gifts and receiving them in return. The reciprocity principle, which encompasses five gift characteristics including value, respect for the other, responsibility, moral consideration, as well as altruistic and agonistic qualities, governs the sharing of presents. In addition to these, there are other enforcements that control how reciprocity in the trading system is defined. The lesson also provides insight into the many types of reciprocity and how they vary from one another.

KEYWORDS:

Cultural, Economic, Gifting, Reciprocity, Sociological.

INTRODUCTION

Reciprocity is the reciprocal giving and receiving of commodities by individuals or groups of individuals under circumstances where either both parties profit from the transaction or when at least one of the parties is unavoidably favored. It is a procedure that results in the development of social ties. Let's use the sale of commodities in a market as an example to break down the mechanics of such a transaction. There is always a counter reaction from the buyer once the seller acts by providing the buyer a price on his products, indicating that the buyer formally accepts the seller's action. This response to the seller's behaviour serves as the driving force behind continuing and preserving the two parties' connections. According to some academics, in order for this kind of connection to continue, there must be constant interchange, since it would otherwise suffer from abnormalities in the exchange process. This implies that the buyer has a duty to react to the seller. However, this does not imply that every time a transaction of this kind takes place, the buyer and seller engage in a parallel

trade that is equally balanced. Due to irregularities in the communication and exchange, such a relationship cannot be sustained over time.

According to Gouldner, such a custom of trade is inherent in the existing social systems where players continuously and reciprocally exchange and develop connections via providing and receiving both economic and non-economic items or other services which open the way for additional exchanges. This indicates that for the actors to be satisfied with the counterpart received in return for what is given, more of what is given must be provided in order to enhance the quantity of incentives received, which also prevents one from being indebted to the other. When the in-take is deemed to be comparable to what is originally provided to the other, the actors' pleasure is also decided. As a result, the performers are dependent on one another. The division of work in contemporary cultures, which serves as the foundation for reciprocal commerce via a give-and-take process, is often used to facilitate this exchange. Here, reciprocity indicates that both parties are comfortable with the trading process. In contrast, an exchange of products or services between unequal parties cannot be said to constitute a reciprocal trade if one or both parties' express displeasure with the exchanged goods or services. When one party to an economic connection is unhappy with the way things are being exchanged, the partnership will eventually give way to unfair trading. Reciprocity is thus the primary cause of the exchanges' stability and consistency, and the actors are required to give and receive equally in order to preserve their connection and keep it in balance [1], [2].

Type of Mutuality

The aforementioned explanation makes clear that returning in proportion to what has been received is the essential aspect of reciprocity. This reflects the ethical aspect of reciprocity, which also obligates a person to give back to the donor. Additionally, the moral principles of justice and fairness are at the foundation of reciprocity. Therefore, the favours that are returned may be seen as both a reward and a kind of reasonable compensation for all the goods and services that the original donor has received. The theories of justice presented by John Rawls in his "Theory of Justice," which was released in 1971, may be used to understand this concept, such as the retributive justice characterised by "an eye for an eye." Retributive justice dictates that the exchange of products for goods and services for services, as in a barter system, may be used as the counterparts to what has been received. A written contract is used to facilitate these mutually beneficial transactions. Constant interchange of both economic and non-economic commodities is required for reciprocity. However, it is never guaranteed if the return in exchange would be comparable to what is supplied. Further trades are threatened by this ambiguity, which is addressed by three types of enforcement mechanisms: legal, logical, and social enforcement.

Legally binding

Enforcing the law entails making sure that the parties agree to trade and bargain throughout the process. It is a formal agreement between two people to trade something, generally between partners who are on equal footing. If the other fails to reciprocate, one partner may legally sue the other. As a consequence, there is a certain amount of friction between the parties, and the reciprocity principle is maintained.

Reasonable application

The concept of reason, or the self-interest of the participants participating in the trade, is the foundation of rational enforcement. For instance, in recurrent exchanges, both parties have a rational motivation in responding to economic or non-economic commodities since doing so

assures that there will be further exchanges and is in their mutual best interests. Additionally, this lessens the hesitation when reciprocating afterwards. Thus, the partners' self-interested activity is what leads to the enforcement of reciprocity [3].

Social pressure

In order to impose social norms, one must engage in trade with the other, and this first transaction reveals whether or not the partners are likely to reciprocate. There is no prior knowledge between the couples about one another. According to social enforcement standards, each partner receives information from the other via their network inside the community, which then leads to the initial exchange that is reciprocal. This social network also makes sure that both parties abide by the reciprocity norms, since failure to do so would result in the termination of the trade relationship with the offender.

DISCUSSION

In his renowned book "Stone Age Economics," written in 1972, Marshall Sahlins defined three different types of reciprocity that existed both in the past and the present. Negative reciprocity, balanced reciprocity, and generalised reciprocity are these three. These three different forms of reciprocity all influence the various degrees of relationships that exist in a social situation. While social groupings use generalised reciprocity, balanced reciprocity is used by communities that trade goods and services in a reasonable manner, while negative reciprocity is used by communities that have networks based on distance. In fact, all three of these reciprocity types may coexist concurrently in any culture and contribute to the development of bonds.

Universal reciprocity

Generalised reciprocity is a kind of reciprocity that is often inspired by the desire to help and the spirit of generosity. Reciprocity in this sense includes "something for nothing" types of transactions. This indicates that even while giving without expecting anything in return, the giver experiences pleasure from the one-way transaction. As a result, it follows that generalised reciprocity entails giving without expecting anything in return. This kind of reciprocity is common in cultures where individuals have strong emotional bonds with one another and feel obligated to provide for one another's needs. A typical illustration of this kind of reciprocity can be seen in both traditional and modern households, where parents nurture their kids and provide them all the necessities without expecting anything in return. Ekeh counters that generalised reciprocity does not require that services provided by one be reciprocated by the recipient but rather by another. Fowler and Christakis refer to it as "pay-it-forward" reciprocity because of this.

Generalised reciprocity may also be understood in the manner that scholars like Fowler and Christakis have described it. They contend that if someone has ever received assistance from someone, regardless of the circumstances, that person would often choose to assist others without expecting anything in return.

This translates to individuals choosing to help others based only on whether they have ever received aid in the past, without giving any thought to the person who first gave them assistance. This means that it is always possible for those who have received aid in the past to provide assistance to others in the future, regardless of who provided the assistance or who received it.

This kind of reciprocity is often prevalent in tiny human settlements where residents are related to one another or belong to closely related societies [4], [5].

Equilibrated reciprocity

This kind of reciprocity entails establishing bonds between communities and people as well as preserving those bonds over time via reciprocity. The reciprocal invites to ceremonies and other important events are a frequent illustration of balanced reciprocity. However, it is also possible to transmit products or services, which need a nearly similar amount of recompense in order to balance the transaction and satisfy the donor. The provider anticipates the return in balanced reciprocity right away or in accordance with their needs. However, on sometimes, the donor sets a certain time for the return of the gift. If the recipient doesn't reciprocate within the allotted period, the provider stops providing them with products and/or services. In addition to ceasing to transmit things to the recipient, the donor may also engage in idle conversation with others, require the recipient to reciprocate, or even sever all ties with the recipient until the latter provides products and/or services of equal or about similar value. The key element of this kind of reciprocity, bargaining or talks between the donor and recipient, is absent from balanced reciprocity.

In balanced reciprocity, the receiver is required to reciprocate in addition to the value of the return being about equivalent to what has been received. Therefore, the inability to withstand one-sided transference serves as the litmus test for this kind of reciprocity. In everyday speech, individuals get hostile and express dissatisfaction when recipients don't return favours with gifts or other invites. The two-side flow of substantial items informs the bond between two persons and establishes their relationship within the Indian family structure. If one of the individuals in such a relationship reciprocates but does not do the same, the connection between the two parties progressively begins to deteriorate and will eventually end after repeated exchanges of this kind. Therefore, without any direct bargaining, the two parties' relationship is mostly based on reciprocity and fair trade.

Negative retaliation

The antithesis of generalised reciprocity is negative reciprocity, which is seldom used by economists and social scientists. The 1972 publication "Stone Age Economics" by Marshall Sahlins has a significant amount of negative reciprocity. One side seeks to benefit at the cost of others in this sort of reciprocity. This kind of reciprocity is unique in that both sides want to get all they can out of the transaction while giving as little as possible in return. This translates to the idea that receiving products or services at a discount constitutes negative reciprocity. Additionally, in this kind of reciprocity, one constantly plans to exact retribution, which reduces profit and fosters a hostile environment between the two parties that further impedes their trade connection. The reciprocation of vengeance and retribution for deterrence, according to Kolm, "is only partly symmetrical to and does not have the essential function of.... Reciprocity". A behavioural archetype that has importance in the socioeconomic environment is negative reciprocity. According to game theorists Fehr & Gächter, it involves exchange based on retaliation such as "haggling," "barter," "gambling," "chicanery," "theft," and "other varieties of seizure" in which goods are obtained out of impunity in the absence of social interaction and is based on the notions of "an eye for an eye and a tooth for a tooth."

GIFT

A gift may be seen as a social, economic, or even cultural transaction that is essential to maintaining social bonds in human communities all over the world. A gift might be anything tangible or intangible that is given to another person freely or sometimes upon their request. Money and other physical items are frequent instances of material commodities, while intangible items like time, attention, love, etc. Are examples of non-material goods. Gift-

giving is believed to be a fascinating and universal human behaviour since it always involves some kind of reciprocity, which is considered to be a key characteristic of presents. Due to its symbolic component, whereby giving presents may clearly transmit cultural ideas, it is also seen as a procedure that promotes integration within a culture. As a result, according to Edward Schieffelin, "gift-giving...is properly a vehicle of social obligation," as stated in his 1980 paper "Reciprocity and the Construction of Reality". This is one possible interpretation of the word "gift." However, in economic terms, some individuals would see the gift as a kind of reciprocity. But a gift fundamentally differs from a reciprocal transaction. Any tangible object that is given from one to the other is considered a gift according to a reasonable meaning of the term. The details of the return, such as the kind of present, the cost, and the deadline for returning a counterpart, are still up in the air throughout this exchange. This distinguishes presents from commercial ties, where both tangible and intangible goods are equally traded for the original gift [6], [7].

Understanding the nuances of the value of the presents being given is necessary to evaluate the economics of gift-giving. Studies on the economics of gift-exchange that have been done so far indicate that givers place a higher value on the gifts they give to their friends and acquaintances. In addition, the recipient places a bit less value on the present than it is really worth. Due to this, the transaction will ultimately come to a stop for both sides. In contrast, Cheal contends in his 1988 book "The Gift Economy" that gift-giving has remained a ubiquitous phenomenon despite such economic shortcomings, which may have negative psychological effects on both parties. Giving and receiving presents is a procedure that is expanding as new gifts are given on even more recent occasions. In their 1991 article "Economic Dimensions of Household Gift-giving," Garner and Wagner made the point that any exchange of goods material or immaterial whether it be economic or social is regarded as a gift exchange if it is governed by an existing bond between the parties. Due to this previously formed connection, both parties have a duty to reciprocate the favours they receive.

Gift-Giving Definitions

In his anthropological research "The Elementary Structures of Kinship," which was released in 1969, Levi Strauss identified the trading practises as the key determinants of tribal economics. This, however, is simply one way to comprehend the concepts of gift that guide patterns of trade in an economic environment. However, there are three main categories through which it is possible to comprehend how gift-exchange functions in various circumstances. Which are:

Social Concern

Giving gifts may be seen as a social invitation for individuals to establish connections. Gifts reveal the donors' genuineness in sharing the pleasures and sorrows of the recipients, but there is almost always a secret motivation behind such involvement. The expression of links and relationships between the giver and the recipient of a gift falls under the social component. The unpleasant feelings induced by such interactions, albeit not always, may be deceiving. Gifts are sometimes offered for purposes like social integration and preserving virtual closeness in relationships typified by social distance. Sometimes there are good intentions buried behind such transactions. For two reasons, the work of Marcel Mauss is significant in how the concept of gift-giving is seen today. The first is because Mauss views giving gifts as the perfect way for two people to connect, and the second is that he sees them as an example of the best conduct. The value and quality of the present, among other factors, influence the nature of the connection between the two parties participating in the exchange when giving and receiving gifts. For instance, the value of the present will be higher if it is

given in close connections. As a result, if the patterns of the relationship change, the trade continues, but the components of the gift do. The characteristics of the connection and the components of the gift are therefore related. Gift-giving has a social component that includes connections that are personal, focused on a similar goal, and where trust is always strong.

Economic aspect

The ideological implications of giving gifts and the ways in which the value of the present is expressed fall under the economic component. The giving and receiving of gifts is seen to provide the recipient with significant advantages. This binds the recipient to a duty and compels him to return the favour. Reciprocation in such an exchange preserves the receiver's reputation, which might otherwise sour the two parties' relationship. The components of the present are essential to the economic dimension as well, as was addressed in the section on the social aspects of gifts. Exchanges may be deemed balanced if they include about equal exchanges between the two parties. Given that the trade is fair and balanced, the economic exchange theory views giving gifts as a contract in which both parties gain from the dual processes of giving and receiving. The parties' connection is formal and motivated by their own self-interests, nevertheless. However, the trade must be fair in order to satisfy both sides and maintain equilibrium. Gifts with an economic component entail impersonal interactions with little to no trust.

Personal aspect

The exchange of gifts reveals the experiences of the giver's and receiver's identities within the personal dimension. Thus, self-expression occurs, and the manner in which gifts are given to others validates the identity of the donor. The other person's acceptance or rejection of presents, which might be an intentional affirmation of the other person's identity, runs parallel to this. Identity crisis is often a result of offering, accepting, or purposefully rejecting presents. As a result, there is always a reason for giving a gift that relates to personal beliefs. Scholars have distinguished between numerous types of gift-giving motivations that influence the conduct of the persons exchanging gifts. For instance, Solomon's divides impulses into hedonistic and utilitarian reasons. The latter is based on emotional or sensory rewards for oneself, whereas the former leads to the realisation of utilitarian advantages. Similar to how Sherry divided motivations into agnoistic and altruistic categories, giving and receiving pleasure is dependent on these categories. Agnoistic motivation represents obtaining personal profit for self, whereas altruistic motive represents increasing the enjoyment for the recipient. Gift-giving is thus constantly competitive since individuals give in order to earn [8], [9].

Arrangements For Gifting

After talking about the many aspects of gift-giving, we can now consider different approaches to providing gifts. There are three main methods for providing gifts. These three approaches are anthropological, sociological, and economic.

The anthropological method

Because gift-giving has its origins in prehistoric civilizations, anthropologists like Bronislaw Malinowski and Marcel Mauss were captivated by the idea. They claim that persons who give presents to others anticipate receiving them back with interest. This proves that even in prehistoric communities, the worth of gifts was a factor that was taken into account. By donating presents, individuals accumulated large amounts of riches that they then displayed at rituals. Gift-giving was thus a way for ancient civilizations to gauge a person's rank or riches. The contemporary systems of gift exchange also have this feature. The present gift-

giving practises, however, differ from those of the ancient cultures in that reciprocity is not a part of them, unlike in the primitive civilizations where it was one of the main characteristics.

Sociological Perspective

Sociologists share anthropologist Bronislaw Malinowski's perspective in that they see giving presents as a form of self-expression. Malinowski expanded on this idea by claiming that gifts convey and symbolise meanings. For sociologists, giving gifts is a means of communicating one's "self" to the receiver, which helps to form that person's identity. These transfers express the ties between the donor and the recipient. The meaning that the giver ascribes to the gifts, involving the elements of the gift such as the choice of the gift, value, vigour in making selections, which further serve a vast number of functions such as conveying identity, governing relationships, imposing fair distribution, setting boundaries, and so forth, is thus what is symbolic in this exchange. These purposes are included in the purposes of giving gifts.

Economic Method

The efficiency and inefficiency of the present-giving process are more important when discussing the economics of gift exchange. Every person considers their own interests while using an economic approach, and the interests of others are seldom taken into account. The economic approach views the "signal" as opposed to the sociological approach's view of the "symbol" as the basic characteristic of gifts. Contrary to popular belief, gift exchange takes place in an economic context when one participant does not instantly anticipate a present in return. For instance, a person may go to a store and ask for something in exchange for paying the store owner a similar amount. If a similar circumstance arises while giving presents and the gift of equivalent value is promptly returned, this indicates that the other person is not interested in forming a connection with the original donor and has rejected it via the prompt return. As a consequence, neither party is obligated to pay anything back to the person who gave it to them or reciprocate in any other way. However, the economic perspective suggests that there are underlying aspirations to get immaterial returns against the tangible presents, such as self-esteem, love and affection, honour, and so on, to explain the scenarios when gifts are given without expecting a speedy return.

CONCLUSION

The idea of reciprocity, which was discussed in the previous section, emphasises the crucial part it plays in forming social ties and business relationships. The concept of reciprocity covers a complicated network of social norms, trust, and expectations in addition to equal trade. We have looked at a number of different types of reciprocity, including generalised reciprocity motivated by charity, balanced reciprocity regulated by self-interest, and even negative reciprocity marked by exploitation and revenge. The means of reciprocity's enforcement—law, reason, and social pressure—ensure that it continues to be a key factor in the stability of society and the economy. As we moved on to the second portion, we dove into the subject of gift-giving, a custom that is closely related to reciprocity. Gifts, whether material or immaterial, represent identity, emotion, and social ties. As we've seen, giving gifts has benefits beyond just exchanging goods; they can establish bonds between people and reveal the ideals of the donor. In contrast to the economic viewpoint, which places more emphasis on effectiveness and measurable results, sociology regards gifts as symbolic manifestations of self. The roots of gift-giving may be traced back to early communities when they served as a symbol of social standing and riches. A window into the complexity of social interaction, culture, and economy may be seen via the study of gift-giving and reciprocity. These behaviours highlight the complex interplay of social ties, personal identity,

and self-interest. The intricacies of gift-giving and reciprocity may be understood to gain vital insights into the social fabric of civilizations, where bonds are formed, economies grow, and people get meaning from their interactions with others.

REFERENCES:

- [1] L. Alborough, "Lost in translation: A sociological study of the role of fundraisers in mediating gift giving in non-profit organisations," *Int. J. Nonprofit Volunt. Sect. Mark.*, 2017.
- [2] J. Drenten, K. McManus, and L. I. Labrecque, "Graves, gifts, and the bereaved consumer: a restorative perspective of gift exchange," *Consum. Mark. Cult.*, 2017.
- [3] C. Hann, "The human economy of pálinka in Hungary: A case study in longue durée lubrication," in *Economies of Favour after Socialism*, 2017.
- [4] J. Cruz-Cárdenas, R. González, and J. Gascó, "Clothing Disposal System by Gifting: Characteristics, Processes, and Interactions," *Cloth. Text. Res. J.*, 2017.
- [5] J. Roberts, K. Winter, and P. Connolly, "The Letterbox Club book gifting intervention: Findings from a qualitative evaluation accompanying a randomised controlled trial," *Child. Youth Serv. Rev.*, 2017.
- [6] K. Buhles, "Shared Gifting: Shifting Funding Power to Nonprofits," *Stanford Soc. Innov. Rev.*, 2017.
- [7] D. Newman, "Top Five Digital Transformation Trends In Retail," *Forbes.Com*, 2017.
- [8] A. Sriprakash, J. Qi, and M. Singh, "The uses of equality in an elite school in India: enterprise and merit," *Br. J. Sociol. Educ.*, 2017.
- [9] L. Waite and H. Lewis, "Precarious Irregular Migrants and Their Sharing Economies: A Spectrum of Transactional Laboring Experiences," *Ann. Am. Assoc. Geogr.*, 2017.

CHAPTER 5

UNDERSTANDING THE ESSENTIAL CONNECTION: TRADE AND MONEY IN SOCIETY

Vipin Jain, Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- vipin555@rediffmail.com

ABSTRACT:

A cornerstone of human civilisation and economic systems, it is undeniable that commerce and money have a complex connection. Trade and money are inseparable friends that depend on each other for their survival and operation, as we have discussed throughout this debate. This crucial link has been the focus of much academic study that crosses several social science disciplines. The fact that money serves a variety of purposes, including facilitating transactions, acting as a store of value, and functioning as a unit of account, was immediately apparent. It is important to note that money is not only a means of trade. Modern economies depend on money because of its inherent qualities, including its capacity to hold its value through time, liquidity, and function as a unit of measurement for value. The two types of money utilised in trade, the mechanisms of exchange that before modern cultures, and the types of money employed in exchange processes have all been covered in this course. A basic historical overview of currency and trade is provided in the unit. It charts the shifting modes of exchange from currency to commodities that have existed in the past and in the present, respectively. The lesson then shifts focus to defining paper money in relation to contemporary systems of trade. By focusing on money as a medium of exchange, its value, and money as the unit of account, the unit also covers the functional characteristics of money. By concentrating on how money becomes a legal commodity, it also provides information on the legal elements of money.

KEYWORDS:

Cultures, Hunting, Money, Service, Trade.

INTRODUCTION

It is crucial to understand right away that trade and money go hand in hand; one cannot be addressed without the other. The relationship between one and the other has long been discussed by academics from many social science fields. Since money is always used as a means of trade, this unit will focus on that function of money. As a result, this unit's discussion of trade and money will take place simultaneously. To grasp the concepts of money and trade, the unit presents a distinct understanding of both at first, and then it gives a historical account of exchange in connection to the money by emphasising other exchange mediums that were used in earlier cultures. The unit also provides insight into how the parameters of trade are evolving from traditional forms of commodities as a medium of exchange to contemporary forms of e-money, checks, and bills. As was already noted, money acts as a means of transaction, but it also performs additional tasks that will be highlighted in this unit. By focusing on the legitimising features of money, the unit also sheds light on the topic of how value is connected to the commodity utilised in money production. On a larger scale, the unit will educate about the social elements of economics that unite people and communities and encourage them to forge exchange-based bonds.

Common Sense of Money And Exchange

The two first ideas that spring to mind when we talk about and describe the many types of trade. These are exchange and money:

Money

People use money as a medium of trade when exchanging products or services. However, it may also be a method that people expect for the delivery of products or services. Zelizer said that the only "interchangeable" and wholly "impersonal instrument" is money. Money has a definite significance for economists, but its use in everyday transactions has other connotations. The way that economists utilise money differs from the way that people often use it. For economists, money is a medium of trade that may only be used as payment for physical or intangible products or as security for any outstanding debt. The proper forms of money are currencies like the rupee or the dollar. Thus, when people talk about the money, they really mean the various currencies. In this sense, it is difficult to imagine a society without money since people all across the world trade money for goods and services. There is a paradox here, too, since if it's hard to imagine a society without money, how did the trading system work in prehistoric societies? To further understand, let's look at how trade developed in prehistoric cultures and how non-monetary trade gave way to monetary trade. Let's first grasp what exchange is and what it means before we get into how it functioned in the past and how it changed [1], [2].

Exchange

Giving and taking take place in the process of exchange, which is distinguished by the cooperative and competitive traits of mutual dependency. Shared advantages are the foundation of exchange's cooperative quality. This means that the cooperative aspect of trading entails bringing about benefits for both parties throughout the exchange process. The second kind of interaction involves rivalry and conflict that are inherent to the process. The comparison between cooperative and competitive trade constantly shifting in accordance with both objective and subjective discernments of exchange. The two more general types of trade, namely reciprocal and negotiated exchanges, rely heavily on the two other types of exchange. The actors are bound by the agreed form of trade, which reflects collaboration. When two parties engage in an exchange like this, both parties get fair benefits, and the rewards of one party match the rewards of the other, demonstrating the parties' cooperation. The second is a mutual exchange that reflects a clash of interests. Even if both parties get advantages in a reciprocal trade, there is no room for discussion. As a result, conflict is more likely to arise in this kind of exchange, which is made clear by competitiveness throughout the exchange process. In a reciprocal trade, however, the parties give without any thought to whether or when the other party would reciprocate, but in a negotiated exchange, the parties agree the terms of exchange that are obligatory upon them.

Exchange History

Despite the fact that from ancient times, people have lived in communities and used money in the form of commodities, there was also metal money, such as gold and silver. However, the definition of currency in any particular social system may change through time and might encompass a variety of material objects that are used in place of money. This illustrates how many ways of understanding and realising money have existed throughout history, and how the types of money that were accepted in diverse communities relied heavily on the basic needs of those countries' inhabitants. As a result, there exist two types of currency. One includes trading products for other, while the other involves trading money for goods. The

former is referred to as commodity money and has an inherent worth, whilst the latter is referred to as paper money and has no inherent value. But as human civilization spread throughout time and geography, several phases of the genesis of money may be identified. Money went from being a commodity in the beginning, moving through metallic, paper, and credit money until arriving at plastic and e-money utilised in online transactions. The transitional nature of money, from commodity to bank notes to electronic money, will be covered in the parts that follow [3], [4].

Changing Exchange Dimensions

In the past, commodities that were universally accepted by everyone in a specific social environment were often utilised as a medium of trade in cultures. Everyone accepted products in return for the delivery of their own commodities or services. This indicates that goods have a particular worth that makes them eligible to be recognised as money. It differs from other types of commodity exchanges because there was a need before any kind of material thing could be regarded as commodity money. Since the time of the agricultural, pastoral, and hunting and gathering communities, this kind of commodity money has existed. But each succeeding society's commodities are unique from one another and are best understood in isolation.

DISCUSSION

In hunting and gathering cultures, a means of trade. The hunting and gathering culture, in which hunting was essential for existence, was one of the least advanced. The most viable situation in such communities was the property acquired by hunting, which had a definite worth that was recognised by everybody. One of the oldest forms of commodity money, for instance, was the trading of animal skin for clothes. In certain regions of the globe where trade in the form of products for other things of this sort occurs, this kind of commodity money is still in use. People also traded plants and roots for food and medicine in addition to the commodity money they earned from hunting.

Trading tool in pastoral societies

While there was a shift from hunting and gathering societies to pastoral societies, commodity money also underwent a change, which resulted in a significant change in the nature of commodity money from commodities in the form of cattle, which represented expensive yet negotiable forms of commodity money, to the skin and fur of the hunted animals. In contrast to the skin or fur of the hunted animals, these domestic animals were appropriate for fast transfer and could be maintained for extended periods of time as livestock.

Exchangeable currency in agricultural societies

Produce from the fields served as commodity money in agricultural communities. In addition to other grown goods for everyday use, the harvest from the fields comprised vegetables, fruits, maize, rice, wheat, and so on. In agricultural communities, certain animal foods, like eggs, were also employed as a type of commodity money at the same time. But this does not imply that money did not exist at this time. However, people traded more in terms of commodities than in terms of money, and they would use money to buy things or services that couldn't be exchanged for commodities. However, there has been a shift in the sort of money being used for trading, even though this form of commodity money still exists in rural India. Once again, this is not to imply that commodity money is not existent in modern civilizations. In contemporary cultures, there is a dual currency in the form of commodities and bank notes since the exchange occurs on a larger scale via the export and import of

products for goods or goods for money. Paper money also arose in the form of bank notes and checks when the nature of commodity money changed from everyday objects of use to valuable metallic commodities like gold.

Forms Of Economic Exchange In Use Today

As was noted in the preceding section, bank notes and checks were the first forms of paper money. These are the contemporary monetary systems that are widely recognised as a form of payment throughout the exchange process. Due to the development and extension of contemporary, technologically sophisticated banking, both bank notes and checks are recognised by law as valid forms of payment-making money. The legitimacy of currencies is one reason why they are traded internationally. But the development of paper money was not a direct result of the disappearance of metallic money. In the sense that it was simple to turn paper money into gold in times of need, paper money had a solid support from the metallic money in the form of gold. This caused a dramatic increase in the price of gold and silver. Bank notes became the recognised form of currency solely because they are regarded as legal tender after this change in the form of money and the inconvertibility of paper money into metallic money. However, the drawbacks of paper money, including its propensity for theft and difficulty in transporting larger sums, prompted the development of the modern banking system, which used checks as the primary medium of trade. Although checks became a more portable method of payment, bank notes continued to be used. In the current world, checks and bank notes continue to be the two most used means of payment. The distinction between the two is that whereas a check expires after a transaction, a bank note does not lose value when it is exchanged. Unlike bank notes, which are used for small trades, checks are the preferred method of payment for bigger transactions.

The methods of payment in modern times have undergone yet another significant change. Bills, savings certificates, and online payment methods are used for transactions in addition to the use of physical money, such as checks and bank notes. A kind of digitalized economic transaction known as e-money is the online transaction. The use of technology advancements like Paytm, mobile banking, and online banking systems enables this kind of digital economic interaction. The transactions are made for bigger amounts when using paper money, however the digital mode of transactions does not provide larger quantity transactions to match the paper currency transactions. The amount that may be traded via online method is always subject to some limit. However, making payments online is a rapid and efficient method of trade. Plastic money is the other currency used for trading in the digital world. Credit, debit, and other cards are used for plastic money transactions [5], [6].

Purpose Of Money

The use of money as a means of exchange for goods and services, as well as other transactions, may be used to establish its purposes. It keeps its worth as long as it is in your possession.

Additionally, money serves as a yardstick for comparing the worth of various items and services, making it possible to find better deals on related products. The market value of goods is established via the use of money as well. According to John Hicks, who released his Critical studies in monetary theory in 1967, the manner that money operates may be used to describe it. Three crucial roles of money have been identified by economists and social scientists alike. They serve as a trade medium, a store of value, and an accounting unit. They claim that the distinction between "money and other assets" is the former's ability to serve as a medium of trade.

The Means of Exchange

The primary purpose of money is to serve as a medium of trade. Receiving anything in return for goods and/or services is referred to as using a medium of exchange. But because the subject at hand is money, it serves as a means of exchange when utilised to pay for products or services. We exchange products and/or services for money in the form of bank notes and checks while conducting transactions. The idea that money is a medium of exchange stems from its worth, which has meaning while conducting transactions. Additionally, the success of the transactions depends on the availability of a medium of exchange. Modern modes of payment use money as a medium of exchange for goods or services free from any difficulties in the mechanism of exchange, in contrast to ancient societies where the exchange of commodities for commodities took place only when there was a need for certain goods. Two prerequisites must be met before using money as a means of exchange: first, a person must be identified who needs what the other has to provide, and second, this person must possess what the other is seeking. The latter is compatible with both traditional and contemporary civilizations, whereas the former is compatible with the kind of exchange that occurred in the past when goods were traded for one another. This method of choosing the right individual to swap products with based on what they already have against what they don't is known as double coincidence. The dependence on commodities based on the division of labour and the creation of products is ensured by the twofold coincidence of the medium of exchange, which in turn stimulates role specialisation and, as a consequence, increases output.

Keeping Value

Money may also be used as a store of value. The ability to make purchases is stored in money. The quantity of money saved for future purchases serves as a measure of the buying power. When money is given to someone, it is not always spent entirely at once. They retain a portion of the money collected for use in the future. For instance, a worker who gets payment in return for labour uses just a part of the money and saves the rest to utilise in times of scarcity, assuring future exchanges. The fundamental concept of a store of value encapsulates money as a means of saving that ensures its buying power throughout a range of time periods. In order to maintain the value of money over time, this implies moving buying power from the present to the future. A typical illustration of this kind is holding money in a locker and removing it as necessary. Additionally, while using the money that has been maintained, it retains its worth and may be used to purchase virtually identical items as in the past.

Now the issue is raised: Why does money just act as a store of value while goods also maintain their worth? The distinction between money and commodities as repositories of value is their relative liquidity, which provides the basis for the answer to this issue. Money is the most liquid of all assets, even though commodities and money may both be swapped and kept. This implies that there is no conversion necessary to determine the worth of money or to make transactions.

It has worth all by itself. But in order to make purchases, commodities must be exchanged for cash, and the kind and quantity of a commodity define its worth. The value of an item is also constantly changing.

As an example, one may sell their property to pay off their debt. He most likely agrees to a low price in the transaction, which lowers the worth of the product being sold. Land, in this instance, cannot be regarded as a reliable repository of value. Money is the best store of value because it is the most liquid and because its worth remains constant throughout time.

Measure of Account

The unit of account, which is money's third function, aids in establishing the standard of value. Money as a unit of account aids in measuring the worth of the products or services being traded, in contrast to a barter economy where there was no other way to determine value other than the exchange of commodities for other commodities. For instance, if we used Forms of Exchange to compare the monetary values of one kilogramme of chicken and one kilogramme of mutton, we would conclude that the price of mutton is three times higher than that of chicken. It is simple to compare the relative values of money and goods in this situation. Only a commodity's monetary worth may be used to determine its price. To compare the costs of different things, money is employed as the unit of account. This implies that the method used to measure value relies on it.

Let's use the example of money in various nations, such as the United States, United Kingdom, India, Europe, etc., to illustrate how to more simply determine the worth of products and services. Each of these nations uses a unique currency as a means of trade, and their own currencies serve as the fundamental unit of measurement for value. In these nations, every form of product that is sold for a specific price represents a certain value in terms of the selling nation's currency. By choosing the currency that sells items at the lowest costs on the exchange market while comparing currencies for different commodities, we may strike a better deal. Products are priced in a variety of units that vary from nation to country. The unit of account for a nation is the unit in which prices are expressed there. Rupees are used as units of account in India, just as dollars are in the US, euros are in Europe, etc. [7], [8].

Monies And Legality

While in the previous part, we clarified what money is by describing how it works in its different forms, including commodity money, paper money, plastic money, and/or digital money or e-money. All types of money are used as a means of trade, but can e-money be recognised as money as it fulfils all three of the aforementioned purposes? To be clear, all types of money may serve as a medium of trade, but not all forms of exchange are equivalent to money. This justification serves as a foundation for explaining what money truly is. Something 'legal' that goes beyond economic definitions of money seems to have entered the picture. What constitutes legally acceptable money is restricted by legal considerations in contrast to instruments of trade. Because e-money is not legally recognised in India, even if it meets the criteria to be considered a medium of exchange, it does not meet the criteria to be regarded as money. Instead, transactions made using e-money are often predicated on two parties' consent.

Without taking into account the components used to make money, the aforementioned argument might be clarified by looking at the value that is assigned to it by the government. Government issues money, assigns it a value, and makes it acceptable for use in transactions. Economic experts refer to the currency that the government has issued as "legal tender money" since it has the legal authority to be used as a means of exchange. The sole kind of payment that financial organisations accept to collect debts from its clients is legal tender money.

There is a limit on the amount of money that may be used to pay off debts, however. In India, for instance, there was a cap on the value of smaller coins, such as 25 paise or 50 paise, that might be collected as payment for a debt up to a value of rupees twenty-five. The RBI officially prohibited the circulation of coins with a value of 25 paise or less in India, and this ban took effect on June 30, 2011. As a result, in an exchange market, if a payment exceeds

the predetermined limit, certain participants may refuse to accept it. In such a scenario, coins with lesser denominations that surpass the cap are no longer considered legal tender [9], [10].

CONCLUSION

Governments have a major influence on how money is defined and governed, ensuring that it is a form of payment that is accepted everywhere. The contrast between money and other trading vehicles, such as e-money, is not only economic but also based on legal issues, emphasising the significance of government sanction. In essence, knowing the many relationships across economic systems depends on having a solid knowledge of the fundamental relationship between commerce and money. Our ability to successfully traverse the complicated world of contemporary finance is made possible by this understanding, which also illuminates the historical development of trade. The exchange-based linkages that connect people, groups, and countries via the medium of money serve as the lifeblood of economies. This knowledge is becoming more and more important in the globalised world of today, where transactions take place both online and across boundaries. While acknowledging the tremendous influence of money on the economic and social fabric of society, it equips people and organisations to successfully traverse the constantly changing world of commerce and finance. In essence, the interrelationship between commerce and money is a timeless and essential topic that continues to influence our world.

REFERENCES:

- [1] M. Nawaz, M. Naeem, S. Ullah, and S. U. Khan, "Correlation and Causality between Inflation and Selected Macroeconomic Variables: Empirical Evidence from Pakistan (1990-2012)," *iBusiness*, 2017.
- [2] M. A. Naheem, "Trade based money laundering: A primer for banking staff," *International Journal of Disclosure and Governance*. 2017.
- [3] B. Park and D. H. Lee, "The Interplay between Real Money Trade and Narrative Structure in Massively Multiplayer Online Role-Playing Games," *Int. J. Comput. Games Technol.*, 2017.
- [4] A. Y. Ahmad, "The role of money in Financial Instability and possibilities of reformation within an Islamic financial system," *J. King Abdulaziz Univ. Islam. Econ.*, 2017.
- [5] A. Saad-filho and D. Johnston, "The Neoliberalism A Critical Reader," *Neoliberalism*, 2017.
- [6] E. S. Zadvornaya, "CULTURAL AND SYMBOLIC FOUNDATIONS OF JAPANESE IDENTITY REPRESENTATION POLITICS," *Vestn. Tomsk. Gos. Univ. Kul'turologiya i Iskusstv.*, 2017.
- [7] A. Shaikh, "The Economic Mythology of Neoliberalism," in *Neoliberalism*, 2017.
- [8] D. R. Cressey and J. Finckenauer, *THEFT OF THE NATION: The Structure and Operations of Organized Crime in America*. 2017.
- [9] K. Pająk and D. J. Mierzejewski, "Economic Transformation In Ukraine: Comparative Analysis And European Experience (Review)," *Eur. Coop.*, 2017.
- [10] B. Uuriintuya, "Cryptoeconomics - The Opportunities and Challenges of Blockchain," *Webpage*, 2017.

CHAPTER 6

EXPLORING THE DYNAMICS OF HUNTING AND GATHERING SOCIETIES

Pankhuri Agarwal, Associate Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- dreams.pankhuri@gmail.com

ABSTRACT:

Diverse communities have flourished throughout human history, each displaying distinctive traits and ways of life. Hunting and gathering communities are one of the oldest and most recognisable types of human organisation among them. In this paper, we investigate the essential features of hunting and gathering communities, illuminating their sociocultural dynamics, political, economic, and social structures. The main source of food for hunting and gathering cultures, often known as tribal communities, is the environment. They take part in pursuits like hunting, fishing, and harvesting seeds and other plant materials. These societies are known for their gender-based division of labour, with males often going on hunting excursions and women gathering herbs and taking care of the home. These cultures' economies are centred on resource-based activities including hunting, gathering, fishing, and other resource-related pursuits. Additionally, they trade items with other villages, emphasising the usage of presents rather than money in order to foster cordial connections. The principles of hunting and gathering cultures were covered in this section. The section provides a fundamental overview of the general way of life of hunters and gatherers. By examining the ways in which hunters and gatherers carry out their survival strategies and the tools they use to hunt and gather resources from their defined territory, it highlights the fundamental traits of hunting and gathering societies and traces the economic aspects that are common among them. Political and social institutions exist in hunting and gathering cultures. The section provides insight into their social structure by concentrating on the two key facets of it and then delves further into the political structure among hunters and gatherers. The section concludes with a briefing on the sociocultural dynamics of hunter-gatherer communities.

KEYWORDS:

Culture, Economic, Gathering, Hunting, Societies.

INTRODUCTION

Hunting and gathering cultures have fundamental social systems that are often built on familial ties. Kinship plays a significant function in the group because it encourages close relationships and makes it possible to share resources, especially in times of shortage. Although decisions in these communities are made collaboratively, the headman often holds the position of leadership. Hunting and gathering societies are structured politically in a variety of ways, from simple headman-led groupings to more intricate ones with hierarchies. Given the limited political effectiveness of these societies, confrontations between groups, which are mostly resource-driven, sometimes become violent but do not last for an extended period of time. Socioculturally speaking, these civilizations value one's own autonomy as well as respect for leaders like the headman. Through social learning, cultural practises and knowledge are transmitted, yet certain distinctive talents may disappear with time owing to a lack of preservation. Hunting and gathering communities are remarkably flexible, relocating

to resource-rich places during certain seasons. By altering their resource choices according to local availability, they are able to support themselves thanks to this mobility, also known as radiating mobility. These cultures' collective claim to the resources found inside their borders is one of their distinguishing traits. They emphasise their close ties to their land and its resources by maintaining harmonious relationships with other tribes via commerce and matrimonial ties.

The importance they placed on families and familial connections was one of the characteristics of hunting and gathering communities. Although there were no centralised codified rules, each tribe had a headman who served as a leader but had no authority to enforce submission. Since each group had its own set of behavioural rules, this decentralised structure allowed for some degree of autonomy inside each one. In these communities, dependence on natural resources—particularly food—was crucial. They relied on hunting, fishing, and obtaining food from their local environs rather than practising agriculture. This reliance on the natural world encouraged a strong bond with the land and its resources. These communities relied heavily on trade, exchanging food and other resources mostly via gift-giving systems as opposed to monetary exchanges. This commerce network promoted harmony and collaboration amongst many communities [1], [2].

In hunting and gathering cultures, males were normally in charge of hunting while women were in charge of gathering. But both sexes contributed to their means of subsistence, and elderly people often had various roles in the society. In terms of economic activity, these cultures produced tools, clothes, and other goods in addition to purchasing food. But harvesting food was their main means of life. Hunting and gathering cultures were known for their capacity to adapt to local conditions as they travelled to locations with an abundance of resources and changed their food sources appropriately. They were able to survive despite resource variations because to this mobility, also known as radiating mobility. Land and resource ownership were essentially communal, with each tribe having access to certain resources. With the help of marital ties and commerce, this system promoted amicable connections. These civilizations placed a strong emphasis on sharing resources, maintaining strong family relationships, and showing respect for leaders like the headman. The sociocultural dynamics supported individual autonomy and teamwork for the common good. Hunting and gathering cultures' political systems ranged from simple, egalitarian arrangements to more complicated ones, with dominating rulers sometimes present. Conflicts did occur, often as a result of resource rivalry, but owing to the societies' poor political effectiveness, they seldom ever turned into protracted warfare.

Since the beginning of time, humans have endured many different kinds of communities. The six main types of societies that have been studied from the beginning are often mentioned by scholars. The usage of technology in these civilizations is distinctive. The hunting and gathering society is one such group. Hunting, fishing, or gathering seeds and other plant products are major sources of food for people who live in hunting and gathering communities. Anthropologists refer to this group of people as hunters and gatherers since they rely mostly on natural resources for subsistence. These communities were totally reliant on their own natural environment. Collectively, hunters and gatherers work to secure a hunt. They would distribute their effort evenly among the group's members and preserve a portion of their search for use during emergencies. Animals and fruits and vegetables from the forest are both part of the hunt. The distribution of employment between genders is another characteristic of these cultures. While the female members would collect herbs, hunt small animals, and perform domestic duties like child raising, the male members would often travel farther distances for a great hunt. Female tribal members would also assist in defending their

group from intruders. Hunter and gatherer societies are sometimes referred to as tribal groupings since their members have hereditary customs. They will do everything, even sacrifice their uniqueness, to protect their culture. Tribal nomads who go from place to place in pursuit of animals are known as hunters and gatherers. They establish groups and dwell in caves or make their homes out of the branches and leaves of large trees while hunting.

They establish down where they believe the surrounding area will provide them with enough food. They would use natural resources like stone, wood, bone, etc. to make tools, and the process was straightforward. Hunters and gatherers were knowledgeable individuals because they were able to comprehend both the behaviour of animals and the growth of plants. They would develop an exchange connection with other cultures by trading their natural extracts with them, such as pastoralists and farmers.

Hunting And Gathering Societies' Characters

We may infer the following traits of hunting and gathering civilizations from the debate described above:

Family as the Basic Unit

Hunting and gathering cultures do not have any centralised formal laws. However, each hunting and gathering group has a collectively chosen headman who serves as their leader and is often a pair of individuals. In general, headmen have greater authority than ordinary men. However, a headman cannot compel band members to carry out his orders. Each group in the broader hunting and gathering community has its own set of behavioural norms, some of which sometimes apply to all the groups. Using natural resources as a food source. When interacting with hunting and gathering tribes, the topic of food dominates the conversation since it affects their way of life. The natural environment in which hunters and gatherers hunt or gather is their primary source of sustenance. These civilizations do not grow or produce it. Although certain hunters and gatherers may be found in nations other India who also participate in crop farming, their main means of livelihood is still hunting and gathering.

DISCUSSION

There is a limit to how much food supplies can be preserved in hunting and gathering communities. Each hunting and gathering tribe simultaneously has access to a certain kind of natural resource, which they use to prepare meals. They trade the food they have greater access to with other tribes who have access to various resources in order to obtain additional sorts of food. Gifts are used as the primary medium of trade in this system. This kind of trading connection is noteworthy since it is more of a commodity in exchange of commodity exchange rather than an exchange for money. The distribution of work among hunters and gatherers is gendered, or between the sexes rather than within one sex. However, the uneven distribution of effort among individuals may sometimes be attributed to ageing as well. Adult guys in different units perform almost the same. Adult women accomplish the same tasks across all units in a similar manner. However, male and female adults' function in different ways. Typically, women are involved in collecting plants for food. They take good care of and raise their kids. In contrast, men take on the responsibility of hunting large creatures in the wild. There are older guys as well, who often don't work [3], [4].

Aspects of Hunting and Gathering Societies' Economy

Hunting, gathering, collecting weeds, fishing, and other forms of sustenance are the main economic activities of hunting and gathering communities. Hunters and gatherers also depend

on rivers and the sea for food, in addition to the forest products they eat and sell for economic gain. They have no authority over these resources, however.

Strategies for surviving used by hunters and gatherers. The methods used by hunting and gathering tribes to get their food are often used to identify them. The characteristic that distinguishes these communities is their method of sustenance. The criteria used to categorise hunting and gathering groups also influences how they do business. However, their economic means are not limited to those needed for survival. Hunters and gatherers also take part in other economic activities such creating tools, handicrafts, baskets, clothing, and weaponry. People who live in hunting and gathering cultures often participate in a variety of economic activities that may be broadly divided into three categories: obtaining food resources; transforming and preserving food resources; and producing other commodities used in everyday life. In the prehistoric era, hunters and gatherers participated in all three of these economic activities, but their survival strategy focused mainly on gathering food among these three economic activities.

Hunting and gathering societies' tools

Regional adaptability

In general, hunters and gatherers move from one area to another based on the availability of resources. The least amount of food supplies are depleted due to this regional mobility across different geographic areas. Following the exhaustion of resources at either of the locations, they migrate seasonally from high-altitude areas to low-altitude ones. This kind of movement, known as radiating mobility, is brought on by a lack of resources. But as a type of compensation for the loss in resources, the depletion of one kind of resource forces people to hunt for others. Hunters and gatherers have to change their choices for food resources when they rely on other sources. For instance, a lack of forest foods can make them more dependent on hunting. However, they also participate in crop collecting, which is a scarce resource. Hunters and gatherers with a variety of subsistence methods exhibit this kind of mobility [5], [6].

Hunting and gathering societies are often small groups of individuals having a communal claim to the resources present within the area they occupy. It is forbidden for members of other hunting and gathering societies to hunt or harvest wild crops in areas that are already inhabited by others. However, they trade presents instead of goods with other hunting and gathering communities in order to swap their products. As a result, they have amicable connections with the citizens of bordering civilizations. Hunters and gatherers are keenly aware of the right to exploit the resources of the land since they depend so greatly on it for their life. However, since the resources are often dispersed across a large area of land, various hunting and gathering communities typically have access to either a single kind of resource or a variety of resources, but there is always a dominant. For instance, due to their control of an area, if one tribe has more access to fishing, another band will most likely have less access to fishing.

They could have easier access to additional resources, including untamed flora and animals, inside their own domain. Through the trade of products and the establishment of marriage bonds, such a circulation of access to resources guarantees amicable relations among diverse groups.

However, there are other situations when only hunters and gatherers possess the resources. When resources are plentiful, this feature of rights over them becomes obvious.

Hunting And Gathering Societies Socialisation

Through their familial relationships and resource-sharing patterns, hunters and gatherers' social structure may be identified. Below is a discussion of them: Hunting and gathering cultures often have very basic social structures and are able to meet their needs for sustenance. Sahlins refers to hunters and gatherers as the "original affluent society" because of this characteristic. A specific hunting and gathering community divide its many units into categories based on family relationships, particularly those identified via paternal lines, but kinship may also sometimes be created through female lineages. The main characteristic of these civilizations and a significant source of social organisation are kinship relationships. Due of their shared survival methods, hunting and gathering communities depend heavily on familial bonds. These societies don't assign any individual members any jobs that might help them financially. As a result, certain members participate in activities like crafting arrows or other hobbies, but these activities serve the interests of the group as a whole. Hunting and gathering are their main economic activities. The gendered division of work, which dictates that males go hunting and women gather forested plants, is the second justification for a specialised function. In addition to this, women also do a kind of specialised job that involves sewing clothing for musicians. Men and women both often contribute to their means of sustenance [7], [8].

Food-sharing customs

Hunters and gatherers also generously share food and other resources with individuals in their kinship group as well as with others they are cordial with. Marriage connections, which are the foundation of kinship relationships, allow hunters and gatherers to create strong attachments. When natural resources are depleted and hunters are forced to return home empty-handed, these connections may sometimes be used as a method of livelihood. In such dire circumstances, other group members who have enough resources to live on are inclined to share them with others who have nothing. There are other urgent situations as well when none of the band members can go hunting. In these situations, they ask other groups' members to hunt for them and give them permission to take resources from their region. Hunting and gathering organisations that are political. The foundations of political systems in hunter-gatherer tribes have ranged from being fairly basic to extremely sophisticated social organisations. Here, we've discussed how the two aspects vary from one another.

A headman is regarded as an authoritative figure in a band in hunting and gathering cultures. One who is the most experienced and charismatic among a band's members is the headman. In hunting and gathering communities, the headman must persuade his company instead of giving instructions. In general, choices are made fairly equally. When there is a disagreement, both parties' opinions are fairly heard. However, it is untrue to say that all hunting and gathering communities have a straightforward political structure. Salmon fishing is practised by several hunting and gathering communities along the Northwest Coast. They conserve fish that is readily accessible to them.

These civilizations are governed by commanding rulers; therefore, their political structure is complex. When there is no leader, conflicts between groups and within groups may be lethal. Some academics contend that even politically basic and complicated hunting and gathering communities have had killings as a consequence of disagreements.

Although these civilizations are seen as peaceful, a high murder rate is a consequence of disagreements with the ruling elite. Inter-familial conflicts often result in the division of bigger groupings, which then form their own smaller groups [9], [10].

Issues With Ties Between Cultures or Bands

The familial connections that define hunting and gathering cultures keep them contained within a certain region. There is no representative body overseeing this inter-band connection. Every nearby band has a headman who protects the group as a whole, enforces a set of regulations, or punishes members who break the rules. However, there were disputes between various hunting and gathering tribes, most of which were resource-based. There was rivalry between several tribes on the kind of resources they used to hunt or collect in the wild. The competition, for instance, included numerous hunting clubs. Who could hunt larger animals or who could gather vast quantities of high-quality foodstuffs from the forest was the centre of rivalry. Because of this rivalry, academics have often noted that there was some inter-band fighting among hunters and gatherers. There is a lot of this conflict-driven rivalry for resources among neighbours who are not members of their family group. However, the confrontations would not endure long due to low political efficacy. In hunting and gathering communities, non-kinship bands did not get along with one another, but this did not impact their trading interactions with non-kinship bands.

Dynamics Of Socio-Culture Among Hunters and Gatherers

Societies based on hunting and gathering are extraordinarily peaceful. The most of the time, they encourage personal independence, but they sometimes play for the full band or help out adjacent bands as well. When there are disputes between bands or inside bands, they do not adhere to any rigid sentencing guidelines. Extreme demands to support individual hunting and gathering activities are made by hunters and gatherers. They raise their kids in a way that teaches them to respect the headman, who is the strong leader in a band. This socialisation style is particularly beneficial to the way of life of hunters and gatherers.

Smaller hunting and gathering communities exist concurrently, but they do not specialise in any specific activity. They get knowledge via specific cultural practises that they keep as culture, such as engraving designs on stones or cutting pictures on bones. Due to a lack of interest in the preservation of culture, this creative workmanship, which only a select few band members chance to learn, gets lost over time. The hunting and gathering communities of Tasmania, who eventually took their culture from Australian hunters and gatherers but progressively lost it, are a frequent example of this kind of cultural neglect.

Any hunting and gathering group's members acquire cultural qualities via social learning, which entails both copying senior members and elders as well as practising through experiments. The cultural influence on the kind of political organisation they have results from their political limitations. In compared to performance features, material culture may be least impacted by environmental and global situations since it contains a bigger quantity of creative information.

CONCLUSION

In conclusion, this thorough examination provides information about the fundamental traits of hunting and gathering communities. We learn more about these early human groups and their pervasive relevance in the study of human history and anthropology by looking at their coping mechanisms, economic endeavours, political systems, and social dynamics. The study of hunting and gathering tribes offers an intriguing window into the early stages of human civilization, to sum up. These communities had a distinctive style of life that was influenced by their social, economic, and political institutions and was primarily reliant on natural resources for existence. Hunting and gathering cultures provide light on the evolution of human society and the variety of environmental adaptations made by early human groups.

These cultures, which are distinguished by their ingenuity, social relationships, and flexibility, have played a vital role in the development of human civilization and are still a source of interest and investigation in the discipline of anthropology.

REFERENCES:

- [1] T. Richter, A. Arranz-Otaegui, L. Yeomans, and E. Boaretto, “High Resolution AMS Dates from Shubayqa 1, northeast Jordan Reveal Complex Origins of Late Epipalaeolithic Natufian in the Levant,” *Sci. Rep.*, 2017.
- [2] M. Apostolou, “Is Homosexuality more Prevalent in Agropastoral than in Hunting and Gathering Societies? Evidence from the Standard Cross-Cultural Sample,” *Adapt. Hum. Behav. Physiol.*, 2017.
- [3] T. C. Akujobi and J. T. C. B. Jack, “Social Change and Social Problems,” *Major themes Sociol. An Introd. text*, 2017.
- [4] I. Habib, “Book Review: K. Paddayya and Sushama G. Deo, Prehistory of South Asia (The Lower Palaeolithic or Formative Era of Hunting-Gathering),” *Stud. People’s Hist.*, 2017.
- [5] C. Baker and P. Phongpaichit, “Early modern Siam as a mainly urban society,” *Modern Asian Studies*. 2017.
- [6] M. Apostolou, “Implications of the neolithic revolution for male-male competition and violent conflict,” *Mankind Q.*, 2017.
- [7] N. Howell, *Demography of the Dobe !Kung, second edition*. 2017.
- [8] M. D. Sahlins, “Culture and environment: The study of cultural ecology,” in *Anthropological Theory: A Sourcebook*, 2017.
- [9] R. B. Lanc *et al.*, “Catastrophic decline of world’s largest primate: 80% loss of grauer’s gorilla (*Gorilla beringei graueri*) population justifies critically endangered status,” *PLoS One*, 2017.
- [10] L. Zou, “The Balance History of Human Development,” in *China’s Logic*, 2017.

CHAPTER 7

INDIA'S PASTORAL AND HORTICULTURAL TRADITIONS: CHALLENGES AND INSIGHTS

Roma Khanna, Assistant Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- romakhanna11@gmail.com

ABSTRACT:

In India, horticulturists and pastoralists play a significant role in the economy. Horticulture includes domesticating plants used for a variety of reasons, while pastoralism is focused with the domestication of livestock like animals. There are two sections to this unit. The first section discusses pastoralists and the pastoralist profession. In addition to providing information on the two primary types of pastoralism practised in India's Himalayan area and Western India, it also provides a distribution of pastoralist communities in that country. Pastoralists are experiencing a variety of issues with their livestock and seasonal migrations as a result of government interference via its different agencies. This lesson offers insight into the issues facing the pastoralists in the two Indian areas. This unit's second section covers horticultural techniques. Horticulture is a crucial component of the global and Indian food systems. The horticultural societies that exist in India are briefly discussed in this article. According to how the horticultural products are used, it proposes a categorization of horticulture into three key types. The lesson also covers the two different approaches to horticulture that depend on the usage of technology byproducts like agricultural equipment.

KEYWORDS:

Agriculture, Animal, Cultural, Economic, Horticultural.

INTRODUCTION

Numerous pastoral communities live in India, including the Kuruba, Dhangar, and Raika in Karnataka, the Kuruma, Golla, and Bharwad in Gujarat, as well as the Gujjars, Bakerwals, and Gaddi along the Himalayas. Along the drylands of western India and the Himalayan range in northern India, there is pastoralism. These areas are populated by nomads who own a variety of animals, including sheep, goats, buffalo, camels, yaks, and others. Western India's drylands are home to pastoralists. Western India's pastoralists are landless individuals who engage in pastoral activities including raising domesticated animals and selling animal products. Along the Aravalli hills, one may find these pastoralists. Since the western drylands get a lot of rain each year, pastoralism is regarded as the best economic approach in this region.

The pastoralists that live in western India came from nearby nations including Pakistan, Afghanistan, and Baluchistan. Although they belong to different caste divisions and share a shared culture with their counterparts in the north, raising cattle is their traditionally inherited profession. Most pastoralists domesticate only one kind of animal, which they see as their heavenly calling. Examples of these particular types of pastoralists are the Raika who domesticates camels and the Charan who domesticates cattle. Pastoralists take better care of their animals since taming is seen to be a hereditary profession. Few pastoral tribes prohibited the slaughter or sale of domestic animals. Although certain castes are associated with the pastoral lifestyle, other pastoral tribes, like the Ahirs of Junagarh, have transitioned from

pastoralism to farming. In the meanwhile, some farmers have shifted from raising crops to raising livestock since the latter produces strong economic returns. Non-traditional pastoralism is the term used to describe a group of pastoralists who do something different from conventional pastoralism. While pastoralists mostly live in western India and the Himalayan mountain region, there are other types of pastoralism that we shall cover in the next section [1], [2].

Phrases Of Parishism

Although there are many other types of pastoralism, transhumant pastoralism and nomadic pastoralism are the most prevalent.

Pastoral nomadism

Nomads are nomadic groups that move from one site to another and make stops wherever the local environment allows. However, movement is not the only aspect of nomadism. These communities relocate in order to pursue the economics, which is essential to pastoralism. Although the movements of pastoralists and their animals are erratic, they follow a predetermined itinerary and stop at certain locations along the way.

These pre-selected locations are the result of their prior experiences with pasture, market accessibility, rainfall, borders, and other factors. Pastoral nomads often move to a new location when the weather suddenly changes, such as when it rains. Gujjars from Himachal Pradesh, Gharwal, Uttaranchal, and Changpas from Ladakh go from one location to another with their families and animals. They depend greatly on non-pastoralists for items that are grown via the wide interchange of commodities since they are non-cultivators. There are more semi-nomadic pastoralists who also engage in land cultivation. They include the Bhuttias and Monpas of Sikkim and Arunachal Pradesh, as well as the Bhotias and Gaddis of the northwestern Himalayan range, who move to pastoral regions for a while before returning for agricultural work. This dual involvement in agriculture and livestock occurs only during certain seasons. Along with raising cattle, nomadic pastoralists also participate in other activities like basket making and hunting, forging a symbolic bond with non-pastoralists [3], [4].

Pastoral Transhumanism

Pastoralists all around the world, but particularly in Europe, Africa, Asia, and South America, engage in the grazing practise known as transhumance. Transhumant pastoralism often entails the migration of pastoralists and their cattle between the seasonal pastures. Regardless of whether the migration is long-term or brief, the cattle is often moved by men who have been paid for the job, but owners themselves sometimes go along, either with or without the rest of the family. These kinds of pastoralists often live in permanent communities along low-altitude terrain. They go from highlands in the summer to lowlands in the winter, following the same patterns of movement while travelling with their animals.

DISCUSSION

During the summer, transhumant pastoralists cultivate the soil in a variety of locales, although they only participate in subsistence agriculture. Additionally, they swap the animal products they generate for cereals and other necessities for their survival that they do not farm or produce. There are two forms of transhumant pastoralism: vertical transhumance and horizontal transhumance. In mountainous areas, a practise known as vertical transhumance is used when animals travel from higher pastures in the summer to lower pastures in the winter. The herders, who are well-known around the Himalayan Mountain ranges, transport the

animals to pastoral areas. Along the Himalayan range, Niti Valley, Nanda Devi, Western Ghat, and Buffer Zone, vertical transhumant pastoralists are common. On the other side, horizontal transhumant pastoralists go from summer pastoral locations distant from their homes to winter pastoral sites close to their homes with their herds. Changes in the weather or the state of the economy might quickly disrupt this kind of transhumant pastoralism. Whether or whether they participate in agriculture, transhumant pastoralists benefit from the higher pastures that are accessible to them. They have their living accommodations at both of the seasonal locations even though they shift their livestock seasonally from one pasture to another. Each pastoralist family raises its own flock of animals, and as the number of animals in the flock grows, so does their economy.

Important Problems for Pastorals

Pastoralists mostly struggle with resource-related issues, but they also deal with political and social issues. Since practically all pastoralist communities experience these issues, they do not need to be categorised individually. But because of their distinct geographical distribution the Himalayan area and Western India we shall address pastoralists' issues separately in order to better comprehend them.

The Himalayan range

Because they have historically utilised these pastures for grazing their cattle, pastoralists see themselves as the owners of the land. They are able to manage and disperse the resources thanks to their customs and other regulations about pasture allocation. They claim ancestral ownership of the pastures as a result. But since this bequest is unrecorded, the authorities are unaware of it. As a result, they are ineligible to own or control land resources. The distribution of pastoralist land to landless people in Himachal Pradesh is one instance of this debarment.

Existence is under danger

The livelihood of pastoralists may be threatened on two different fronts. One is the shrinkage of the meadows. The number of pastures available to pastoralists decreased as a consequence of misguided preservation measures and the denial of rights to grazing lands. The winter pastures have been reduced due to the growing population, which is the reason for a rise in the usage of pastoral land at lower Himalayan altitudes. Construction of highways, agricultural methods, afforestation, and the building of military camps are among the causes that contribute to this decline in pastoral land. Examples of summer pastures that threaten the pastoralists' way of life are Changthang in Ladakh, Lachung in Sikkim, and Tawang in Arunachal Pradesh, which are all located in the high Himalayan range. The obstruction of migratory pathways is the other. Himalayan nations have seen rapid development in terms of tourist inflation, the building of electricity projects, and the construction of other infrastructure. As a result, when pastoralists move their cattle from summer to winter pastures or vice versa, they must alter their routes and risk losing their animals in theft or traffic accidents [5], [6].

Sedentarization

Due to their unwelcoming migration, pastoralists in Himachal Pradesh and Uttar Pradesh have often tried to establish permanent residences in areas that are antagonistic to the pastoral movement that occurs along Himalayan regions. Government policies also have a significant influence in decreasing pastoralism by culturally marginalising pastoralists and isolating them from decision-making. This has made pastoralists less likely to practise their profession.

Legal protections for pastoralists' land rights are lacking, which has once again repressed pastoralists in Himalayan areas. Additionally, the economy has transitioned from an agro-pastoral economy to one centred on agriculture or horticulture. The Forest Department's closure of winter pastures is one of the causes of this economic upheaval. As a consequence, pastoralists saw agriculture or horticulture as a secure career that will allow them to feed their animals and provide for their future generations. The pastoralists in the western area, like those in the Himalayan region, confront a number of serious issues, as will be mentioned below.

Deteriorating pastures

The lack of grazing rights is among the most dangerous challenges confronting pastoralists in the western area. This loss has a number of causes, including the enclosure of forests, the expansion of irrigation-based agriculture, the division of village institutions, and the deterioration of pastureland. In the Aravalli, there has been a significant enclosure of the forest, making it impossible for sheep, camels, and other animals to graze. Irrigation-based agriculture, particularly in the state of Rajasthan, has limited pastureland for grazing by expanding cultivation on it via rotating crop farming. Parallel to this, there has been a movement among village institutions to separate themselves from the formerly traditionally managed common pastoral area in villages and move towards the present-day panchayat instructions that make this common grazing ground open to anyone. Due to the increase in cattle, pastoral land has deteriorated, and certain pastures, including those in Barmer, Jaisalmer, and Bikaner in Rajasthan, as well as the Bani grasslands, have disappeared. Another challenge for pastoralists is the expense of animal medication and animal healthcare. Pastoralists have already seen their cattle die. Because of this, they avoid vaccination campaigns intended for their animals to stop more cattle losses. Instead, they treat and protect the sick creatures using age-old techniques. But pastoralists also employ contemporary medicine to treat serious illnesses that have a significant negative economic effect. However, since pastoralists are unfamiliar of how to use contemporary medications, there is an improper use of medications in which animals are either given overdoses for a speedy cure or half dosages to save a little amount of money. The veterinary issue faced by pastoralists is exacerbated at the same time by the sale of counterfeit medications at exorbitant prices.

Reliance on external parties while transacting

Animals or animal products are not directly traded by pastoralists. They rely more on outside sources for their marketing. This has a direct impact on how they make money and leaves little room for profit margin. Usually, these third parties are individuals who are not pastoralists, but sometimes, these middlemen or third parties in commerce are also pastoralists. Pastoralists saw themselves as marginalised as a consequence of this practise via intermediaries.

An Overview of Horticulturists

Horticulture is a kind of agriculture in which humans grow plants for a variety of uses, including food, adornment, medicine, and other things. Horticulturists are persons who work in the gardening industry and are involved in this activity. Although gardening has been practised by humans for a much longer than horticulture, the profession only became recognised in the 18th century. Horticulturalists domesticate plants so they may utilise them for livelihood, in contrast to pastoralist communities where they domesticate livestock, particularly animals. Horticultural communities, however, cannot be categorised as agricultural society. They are distinct from agricultural communities in that farmers who practise horticulture do not utilise animals or ploughs to tilt their land. Gardeners that

practise horticulture do not employ the same heavy equipment that farmers use to till their land over greater distances, such as tractors or ploughs. Agriculture practises utilised by farmers include raising farm birds like chicks for commercial purposes as well as domesticating plants for their own usage as food. They sometimes engage in trading by selling their goods in order to get the goods they could not otherwise make on their own. To meet their dietary needs, horticulturists sometimes go out and hunt wild animals or gather wild seasonal flora. Horticulturalist communities are bigger than other sorts of civilizations like pastoralists because of their enormous trading possibilities [7], [8].

India Horticultural Societies

Horticulture's origins in earlier hunting and gathering tribes may be used to pinpoint when it first appeared in India. Growing fruits, gardening, and domesticating decorations were the three primary horticultural activities that horticulturists preferred to participate in in the past. Horticulture was started in India in the early 19th century by William Carey. However, Mughal kings in India engaged in horticulture prior to his establishment. In order to provide a variety of horticultural goods to the market, William Carey took the initiative to grow and promote the agro-horticulturalist community in India. Horticultural items and their derivatives were in little supply in Indian marketplaces before the development of horticulture; but, after its introduction, these products were widely accessible to everyone.

India gradually rose to prominence in horticulture by making a larger economic contribution to the country. This does not mean that India has reached the point of maturity in the horticulture industry. The promise of the profession of horticulture can never be fully realised. Seasonal availability applies to horticulture items such as fruits, vegetables, similar roots, mushrooms, etc. These goods' market prices are constantly fluctuating. The majority of horticultural product consumers are found in metropolitan regions, where people eat more fruits and vegetables and are more engaged in agricultural activities, reducing their dependence on market-available horticulture output. Horticulture, which has its origins in agriculture, encompasses caring for plants that provide food in the main, but it also involves growing other kinds of plants used only for art, adornment, or medicinal purposes.

Area Of Horticulture Divisions

Horticulturists participate in a variety of tasks, but the main ones that meet customer demands are technical, scientific, and production-related. The three different categories of horticultural products are ornamental, olericulture, and pomology. This classification is based on how horticulture crops are divided. This section also takes into account how horticulture products are used. Otherwise, under any circumstance, no taxonomy of horticulture would be appropriate.

Pomology

Planting, harvesting, and selling of fruits and nuts are all part of pomology. Fruits are divided into two categories by horticulturists: fruits from trees and fruits from bushes. Large fruits are often ones grown on the former, whilst little fruits are usually produced on bushes. These two varieties of fruits come from evergreen trees. But horticulturists distinguish between authentic and fake fruits when classifying fruits.

True fruits, also known as simple fruits, are those that have grown entirely from the tissues of a single ovary. Peach, orange, plum, and other fruits fall within the category of real fruits. Strawberries, apples, pears, and other fake fruits are among them. These fictitious fruits are made up of ovary and tissues.

Olericulture

Olericulture is the branch of horticulture that deals with the growth of vegetables and other food crops. It is a line of work that entails growing crops like maize, beans and tomatoes for market. In essence, olericulture involves two kinds of product, both of which come under the herbaceous classification; the distinction between the two, however, is in how they are used by humans. The first group of crops comprises those that must be cooked before eating, whereas the other group does not. Olericulture is not only the old-fashioned way of growing things in little gardens. It is now being grown over a very large area of land and is utilised for business.

Ornamental

Plants used for artistic reasons are grown by horticulturists. This kind of horticulture uses green plants, which is why it is often referred to as the "green industry." Any plant that is considered attractive is employed for its aesthetic value because it satisfies the need for beauty. Even while every plant that is planted has aesthetic value, such as apple or mango trees that are utilised as fruit trees, they are not used as ornaments. Other factors impact their aesthetic worth. Ornamental horticulture has two different subtypes. The first is floriculture, which uses floral items like flowers and potted plants. The other is landscape horticulture, which is cultivating decorative plants for exterior ornamentation. Oaks, honeysuckle, maples, and other plants are examples of landscape ornaments.

Horticulture Based on Technology

In order to carry out their horticultural practises, horticulturists use a variety of tools. Horticulture may be split into two primary categories, basic and sophisticated, based on how tools are used.

Simple traditional horticulture

Traditional simple horticulturists depended on a variety of pre-modern technology advancements that may be divided into mechanical, biological, chemical, and managerial categories. Mechanical is one of them that is quite important in conventional horticulture practises. Palaeolithic tools, such as stone-made axes for gathering firewood from the woods and spades and sticks for digging, were used by horticulturists to produce maize, sugarcane, and other horticultural plants and crops. Horticulturists utilised ploughs to cultivate their grounds as they gradually tamed animals. Due to its cheap cost, this allowed for the spread of agriculture, and it also helped to foster relationships between the workers and landlords. The plough brought about the most significant improvements on the socioeconomic front of all the mechanical methods of gardening. This advancement in mechanical tools clarifies the horticulture technology that was previously accessible. The way horticulturists used tools changed throughout time, and these innovations carried over from one generation to the next, improving horticultural technology and giving rise to sophisticated horticulture.

Sophisticated horticulture

Utilising sophisticated crop producing techniques is a part of advanced horticulture practises. Increased seed production, pest management, the use of high-quality fertilisers, the use of contemporary tilling methods like tractors, and other factors all contribute to the complexity of crop production. These contemporary technology advancements preserve the essential elements of horticulture practises while also resulting in cost, time, and energy savings. Crop cultivation is made possible and definitely rapid and simple by the use of mechanical energy. Knowledge of modern tools, their use, the storage of horticultural products, and the presence of a market for trade all have a significant impact on horticulture practises and increase

horticulturists' profits via increased productivity. Because of the high demand for horticultural goods on the market, horticulture as an industry has seen constant growth. This has inspired tool designers to create new, user-friendly tools that are portable. Examples of such technical advancements include lawn mowing, cutting of maize, wheat, paddy, and sugarcane, as well as other applications in agriculture. Other equipment that are primarily utilised in decorative gardening may be powered or used manually.

CONCLUSION

In conclusion, India is home to a variety of pastoral groups, each with its own customs and traditions, including the Kuruba, Dhangar, Raika, Kuruma, Golla, Bharwad, Gujjars, Bakerwals, and Gaddi. In the drylands of western India and the Himalayan areas, where nomadic and transhumant pastoralism are common, pastoralism plays a crucial economic role. In the agricultural discipline of horticulture, plants are grown for a variety of reasons, such as food, decoration, and medicine. With roots in the Mughal monarchs and continued growth in the 19th century, horticulturists now play a key part in India's economy. Pomology (fruits and nuts), olericulture (vegetables and food crops), and ornamental (plants grown for aesthetic purposes) are the three primary subcategories of horticulture. To improve crop output and boost profitability, horticulturists use a variety of tools and technology, from conventional instruments like spades and ploughs to contemporary equipment like tractors and machines. In conclusion, India's pastoral and horticultural groups provide a major economic and cultural contribution to the nation. Both, however, confront difficulties with regard to land rights, the availability of resources, and economic changes, emphasising the need of legislative assistance and sustainable practises to maintain these essential livelihoods and traditions.

REFERENCES:

- [1] S. D. Yumkham, L. Chakpram, S. Salam, M. K. Bhattacharya, and P. K. Singh, "Edible ferns and fern-allies of North East India: a study on potential wild vegetables," *Genet. Resour. Crop Evol.*, 2017.
- [2] J. Boileau, *Chinese Market Gardening in Australia and New Zealand*. 2017.
- [3] E. Seitz, "The Language of Fruit: Literature and Horticulture in the Long Eighteenth Century," *Restor. Eighteenth-Century Theatr. Res.*, 2017.
- [4] H. Prasad, Y. S. Parmar, P. Sajwan, M. Kumari, and S. Solanki, "Effect of Organic Manures and Biofertilizer on Plant Growth, Yield and Quality of Horticultural Crop: A Review," ~ 217 ~ *Int. J. Chem. Stud.*, 2017.
- [5] Z. Sedlacekova, "Food Packaging Materials: Comparison of Materials Used for Packaging Purposes," *Helsinki Metrop. Univ. Appl. Sci.*, 2017.
- [6] S. V. Morarita, "Observations About the Behavior of Certain Varieties of Apple Grafted in Dormant Eyes," *Ann. "Valahia" Univ. Targoviste - Agric.*, 2017.
- [7] H. R. Kwak *et al.*, "First report of broad bean wilt virus 2 in gynura procumbens in Korea," *Plant Dis.*, 2017.
- [8] P. Singh, A. A. Wani, and H.-C. Langowski, *Food Packaging Materials*. 2017.

CHAPTER 8

UNDERSTANDING THE TRANSITION: EXPLORING THE DOMESTIC MODE OF PRODUCTION

Anshu Chauhan, Assistant Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- anshuchauhan1411@gmail.com

ABSTRACT:

This summary gives a general overview of how society has changed as a result of various economic trends, with a particular emphasis on domestic production. It examines the idea of mode of production and its different manifestations, such as Asian, feudal, and capitalist systems. The domestic mode of production characterized by kinship-based social relationships is carefully investigated, showing key ways in which, it differs from capitalist production particularly in terms of consumption and distribution. A kinship-based production system known as the domestic mode of production is distinguished by labour relations. It is a kind of communal subsistence production. Although other forms of production that have been briefly described have existed in our cultures, this section focuses only on the domestic mode of production. There are means, forces, and relations of production in every method of production. This section provides information on the production forces and relationships that dominated in the domestic mode of production. It supports some of the most significant criticisms that the domestic method of production faced. The unit also provides information on the political ramifications of local manufacturing.

KEYWORDS:

Domestic, Development, Production, Social.

INTRODUCTION

The domestic mode of production stands out as a distinctive system that is founded on kinship-based social ties. The domestic mode emphasises community sustenance, where the production and consumption of products are intricately linked and controlled by familial relationships, in contrast to capitalist systems that are characterised by inequality. Within this framework, we see gender-based labour divisions, with family members allocating their responsibilities according to age and gender and enhancing the welfare of the group as a whole. The validity of the domestic mode of production has been questioned by some, who have questioned its presence and uniqueness, but this research has shown that it is real and plays a significant role in influencing societies. Historical circumstances and a social revolution that altered society structures and production relations were the driving forces behind the transition from lineage-based production to the domestic mode.

Understanding the development of productive forces in forming socio-economic interactions is crucial, as shown by the study of production forces, technological breakthroughs, and their effects on societies. Production forces often result in disputes and class divides as they develop, showing the complex interaction between technology development and societal change. A major issue is the role of patriarchy in domestic production, which highlights how changes in gender relations and power dynamics have affected economic institutions. Significant cultural changes resulted with the switch from male dominance in domestic civilizations to female dominance in hunting and gathering societies. The political aspects of

domestic production, highlighting the significance of political leadership and power in shaping production and distribution. Headmen and leaders are essential in organising and speeding up the industrial process, which often results in resource concentration [1], [2].

As society evolved, it underwent significant changes that may be explained by the way it switched from one economic pattern to another as it transitioned from one method of sustenance to another. Domestic production is one such way. The fundamental ideas of mode of production and its different forms will be clarified by this unit. The focus of the unit will switch from an overview of the modalities of production to domestic production. It provides numerous elements of the domestic mode of production, including social relations, forces, and means of production in addition to production relations. It lists some of the criticisms that the domestic method of production has encountered along with each one's defence. The political aspects of the domestic method of production are also discussed in this section.

Structures Of Production

One of the basic concepts in economic sociology is the concept of the "mode of production," which describes how labour produced by humans is transformed into energy utilising a variety of long-established technologies. Tools, skills, knowledge, people, and other technologies are only a few of the technologies used in the many modes of production. Marx held that the means and forces of production, rather than the products they generate, define the successive phases of human society. This suggests that how societies generate as well as the methods of generating material items determine the different phases of a society's growth. Every community has a variety of manufacturing methods. There may be two or more production modes operating concurrently. The dominant method of production, however, dictates the society's overall economic structure. Here, we'll quickly go through Marx's four distinct forms of production.

Asian manufacturing methods

In contrast to other pre-capitalist modes of production that were marked by slavery, the Asian method of production is expressly an original form of production that was present in human communities. There was an Asian form of production in the prehistoric settlements where everyone shared ownership of the land and all the products was distributed equally. In this system of production, social relationships were based on kinship and the society had no classes. According to academics, this method of manufacturing does not aid in comprehending Indian society's past.

Dated method of manufacturing

Capitalist form of production comes before ancient mode of production. Unlike the Asian style of production, this mode is distinguished by slavery, where the master owns the slave and takes possession of all the tangible products created by the slaves' work. Slaves were denied the ability to procreate. Their ability to reproduce relies on how well-equipped the civilization is to acquire more slaves. The total number of newer slaves is thus used to calculate the growth rate of the slave population. The growing rate of slaves is never based on the pace of output. Additionally, they are disallowed from having children since they are seen as foreigners.

Mode of production that is feudal

A feudal mode of production is one in which the ruling class appropriates the products of work and is mainly concerned with the "existence" of labour. Similar to capitalism, this form of production includes landlords, or feudalists, exploiting tenants. Tenants had no property

rights in this manner of production. They could not produce the necessary quantity of goods for their livelihood because they were compelled to sell both their work and the results of their labour. Additionally, they were compelled to provide the feudal landlord with work or money in order to satisfy his demands. They furthermore had to pay taxes on the possessions of their family. An essential component of the feudal system of production is rent payment. The feudal system of production introduced the trading of agricultural goods and other goods in marketplaces. According to Marx, this characteristic of feudal society set the stage for the capitalist method of production.

Capitalist Production Method

The term "capitalist mode of production" describes a production method that includes selling the products in order to generate revenue. The capitalist ruling class has ownership in this kind of production. In return for money in the form of pay, work force is exchanged. Employers recruit labourers on a contract basis, and they pay them for their work. The capitalists are in charge of all the material products that the workers have so far created. Marx views the capitalist mode of production as a historical phase in the development of society that will eventually give way to socialism. In the next units, you will study more about capitalism [3], [4].

National Structure of Production

The production system is one of the most important ideas in economic sociology. The fundamental idea behind the domestic mode of production is that it can be traced back through the phases of social development. One such stage in the emergence of a society marked by social relationships, particularly kinship, was the domestic mode of production. Collectively, members of these cultures employ human labour, knowledge, skills, and the use of tools to transform natural energy into household goods. The degree of productivity and the quantity of consumption among family members are governed by their needs, and production and consumption are constantly constrained.

DISCUSSION

Domestic production includes not only production but also consumption and distribution of the goods produced. Domestic method of production is significantly different from the capitalist mode of production, which is distinguished by inequality between the dominant and the subordinated. The degree of consumption is of utmost significance in domestic modes of production and serves as the foundation for any discrimination that may be in place. The domestic mode of production differs from the capitalist mode of production in that the former involves wages or payments for both consumption and production, whereas the latter entails no paid production but rather maintenance. This is because the domestic mode of production is based on kinship, and as a result, kinship ties are maintained through levels of both production and consumption. It implies that the production and consumption of products are interconnected, and that the movement of things is independent of the exchange of money. Additionally, the choice and consumption of products are independent of their worth. Circulation of things is also a method of manufacturing. Since kinship is the primary determinant of domestic mode of production, commodities are primarily circulated among male kins and are often regulated by inheritance laws.

Mode of production was created by Eric Wolf, an anthropologist who was influenced by Karl Marx. However, Meillassoux's 1981 book "Maidens, Meal and Money: Capitalism and the Domestic Community" is when domestic forms of production first appeared. Family and lineage serve as the main units of domestic production and reproduction. When producing for

one's own support, social interactions are controlled via the means of reproduction rather than through the means of production. Marx emphasised the fact that labor-related activities shape human consciousness. There is no dominance or power relationship in the domestic mode of production since work is organised based on familial relationships. Due of this, kinship-based production is another name for domestic method of production. Subsistence producers, such as farmers who grow for their own needs rather than to sell the products for profit, are a frequent example of this kind of production. For instance, under this production system, the male family members work the harder jobs on the farm, such cleaning the fields. Other family members participate in planting the seedlings. Children guard the fields from theft. Men separate the uncultivated plants from the crop plants so they may grow and be harvested. Women conserve the product for future use by drying it. This is an example of how families organise employment and the manufacturing process based mostly on gender and age.

For production forces

The methods used to produce goods from natural resources are referred to as forces of production. It alludes to how much human influence there is on nature. The availability of human force and their talents, in addition to other equipment, are necessary for controlling nature. As a result, as the forces of production advance, we have more influence over nature; conversely, as the forces of production decline, we have less control over nature. All production-related tools, including machinery, labour, skills, and other technological advancements, are included in these methods of production. Additionally, fresh energy, working knowledge, evolving labourpractises, and technical innovation are all seen as factors of production. Some academics include geographical locations in the category of forces of production. The manufacturing process will be impacted by any changes to these forces of production modes.

The existing social order causes constant changes in the production forces in societies that use domestic modes of production. Natural factors including soil erosion, deforestation, river drying, and other phenomena are to blame for these changes. Changes, however, may sometimes take place as a result of technical development opening the door for new forces of production in the shape of new instruments. But this development reveals the degree to which people struggle to use work to transform natural resources into sources of sustenance. Through the advancement of production forces, which further improves their quality of life, people are attempting to overcome the lack of resources [5], [6].

The forces of production also influence how humans learn to improve the availability of natural resources. The social interactions are more developed the more the productive forces grow. Conflict between the social relations and the forces of production begins at some point throughout this evolution because of the inability of the social relations to exert control over the forces of production. This leads to a class conflict between the trained and unskilled classes, with the former better suited to the current economic climate. Therefore, what sheds light on the history of socio-economic connections is the evolution of the forces of production. In actuality, the ability of society to extract greater value from the natural resources corresponds to the forces of production.

Production Connection

The development of patriarchy as the foundation of a class-based society, a revolution that is still going on today, is the source of the domestic mode of production. The societal structure is transformed into the forces of production through this social revolution. According to scholars, the female predominance that existed in hunting and gathering communities has been replaced by male supremacy in the economic system. The concept of communism and

community rights over natural property are therefore destroyed. The notion that male members must protect natural riches by circulating on patrilineal relationships rather than matrilineal ties supported this shift. Because of this, men began to dominate females. Work became a type of slavery as a result of the appropriation of the female right. Further classifying men and women into non-market social relationships under the direction of ideology and authority that appropriates the work of women was the result of this. Some academics contend that the change from female to male dominance preserves productivity in the forms of production. There is a violent fight for female work as they strive to take it. On the other side, the effectiveness of male labour led to modifications in the laws governing marriage, which supported patrilocal unions for the purpose of trading women and increased exploitation of their work. In the home forms of production when men were the dominant class, women ended up becoming a new class.

Economic components of women's subordination are not provided by the domestic form of production. Additionally, it excludes other strategies for oppressing women, such as sexual assault. In the home mode of production, there are several additional, diverse kinds of violence against women that aim to appropriate their work. Women's work also includes caring for children. However, females restrict the number of births in order to avoid this form of labour. However, males only have power over birth restrictions if abortions are outlawed. Furthermore, it is incorrect to characterise class differences in the domestic mode of production as solely gender-based. Ideologically, certain men were barred from the newly classified ruling class under the patrilineal system of production since class ties were also determined by ideology. When they performed labor-intensive tasks other than those performed by women, they were regarded as slaves. In actuality, the dichotomous class paradigm is not without its flaws. However, it still holds true for societal dichotomies like male and female, kid and adolescent, old and adult, and so forth. The social interactions that may be divided into two main categories are the relations of production. The first are the technical relationships, and the second are the economic relationship. While the latter are focused on property ownership, the former are important in the manufacturing processes. Relations of production should not be confused with relationships between the employer and worker classes. In the domestic mode of production, social interactions take place amongst members of a specific community who work together to produce goods and services. From the perspective of the relations of production, the work process encompasses the appropriation of goods, a procedure that involves the members of a certain group. A stranger or a member of another group cannot, so to speak, take the goods. However, if there is a stranger who is not a member of that group, he may only take the goods if he is a member of that group's production relations. However, only members of the familial group may often be said to be in the domestic mode of production's relations of production [7], [8].

Conclusion Regarding Domestic Mode of Production and The Actions

The domestic form of production has come under harsh criticism from the sociological field. Here are a few significant ones and their defences. There has never been a domestic manner of production. Some academics contend that Marx and Engels could only identify the capitalist mode of production, proving the absence of the domestic form of production. Marx and Engels belonged to a time that was dominated by capitalism, and this age was distinguished by the exploitation of women and children, which had its origins in the domestic mode of production. Others contend that even though Marx and Engels identified the domestic mode of production, they were unable to classify it as a distinct mode since it shares several characteristics with the capitalist form.

In a patriarchal household, the forces, ties, and means of production were absent. Marx and Engels contended that the patriarchal family lacked the forces, tools, and relations of production. Neo-Marxists assert, however, that it is simple to identify the different forces of production in the domestic mode of production. Tools, labour, resources, and others are a few of the essential categories of forces of production mentioned in the preceding section.

It is difficult to identify the change from lineage to domestic method of production. To refute this idea, it is said that various barriers that prevented the growth of production forces are to blame for the shift from lineage mode of production to domestic mode of production. However, the social revolution removed all social interactions' barriers. Throughout the society, there was equitable distribution and consumption. New production forces that were starting to develop were the cause of the expanding excess. The preexisting social structures prevented any one lineage group from amassing the expanding excess. The patriarchal households were given the excess by the male seniors in the existing relationships. As a consequence, the male family members gained authority of the formerly shared means of production, together with the excess.

Men were never the producers' heirs. Men acquired control over the diverse tools and forces of production, and as a result, they rose to power in their individual civilizations. This development is partly due to the elimination of sex-specific roles, which prohibited women from doing particular tasks because of their gender. Only women typically took on domestic tasks. The phrase "natural division of labour" refers to this kind of gendered job allocation. Nevertheless, in hunting and gathering cultures, both sexes contributed equally to societal production. There was no work pool that was divided by gender. The home system included the whole community, and both men and women participated in the production process necessary for the community's subsistence [9], [10].

Domestic Mode of Production of Politics

A system of production that is egalitarian in nature is the domestic mode of production. However, this form of production is reproduced by patriarchal ideas that are based on ideology and power. One option to close the gap in the analysis of the oppression of women is to reconstruct the historical foundation of the domestic mode of production. The significance of this historicity rests in overcoming the obstacles to furthering familial relationships, which strengthens the powers of production. A political power must exist that can raise domestic production above the level of consumption. Although the kinship-based social bonds persisted in early cultures, there were headmen who were more persuasive in encouraging the production of excess for use in times of need. The trade of products between them, especially from people to headmen, was concealed by a kind of reciprocity that existed between the headmen and the people. But unlike how individuals might individually think about their families, the headman's attitude to society is always communal and welfaristic.

The manufacturing process is accelerated by a variety of political pressures in several ways. Men function as dominant characters who take advantage of their own groups in certain countries where domestic production is the norm. In their large groupings, they reorganise the product in an effort to achieve political position.

There are lineage group leaders in various regions of the world who are in charge of managing the resources that have been gathered collectively. Due to their political clout, these headmen planned feasts using the community's resources, taking advantage of others' labour in interpersonal relationships. Thus, the domestic mode of production continued to be a secondary form of production, with the availability of free labour serving as its key distinguishing characteristic.

CONCLUSION

In conclusion, this study of the home mode of production and its historical background illuminates the intricate interactions among economic systems, interpersonal relationships, and political processes in human civilizations. As civilizations have developed through time, they have switched between several production modes, each of which is distinguished by certain labour relations, production methods, and factors that shape the economy. These paradigms have influenced the development of human history, starting with Asian community practises and progressing through feudalism and capitalism. In conclusion, the domestic mode of production may be used as a useful lens to understand the complex web of political, social, and economic forces that have created human civilizations throughout history. We may obtain insights into the difficulties and possibilities that various forms of production encounter, as well as their consequences for modern society, by knowing the specifics of these systems. In-depth analysis of the home mode of production is provided in this research, allowing for a better understanding of its relevance in relation to the larger picture of human economic and social progress.

REFERENCES:

- [1] R. Twine, "A practice theory framework for understanding vegan transition.," *Anim. Stud. J.*, 2017.
- [2] A. D. Benner, A. E. Boyle, and F. Bakhtiari, "Understanding Students' Transition to High School: Demographic Variation and the Role of Supportive Relationships," *J. Youth Adolesc.*, 2017.
- [3] K. C. Jones, "Understanding Transition Experiences of Combat Veterans Attending Community College," *Community Coll. J. Res. Pract.*, 2017.
- [4] S. Ecochard and J. Fotheringham, "International Students' Unique Challenges – Why Understanding International Transitions to Higher Education Matters," *J. Perspect. Appl. Acad. Pract.*, 2017.
- [5] M. Maclean, C. Harvey, and L. Stringfellow, "Narrative, metaphor and the subjective understanding of historic identity transition," *Bus. Hist.*, 2017.
- [6] W. Heywood, "Understanding transition to support the journey to registration," *British Journal of Nursing*. 2017.
- [7] Å. Johannessen and C. Wamsler, "What does resilience mean for urban water services?," *Ecology and Society*. 2017.
- [8] K. Tahri, T. Ouahrani, and J. Pilmé, "Understanding phase transition in the ZnSiP₂ chalcopyrite, a quantum chemical topology study," *Theor. Chem. Acc.*, 2017.
- [9] M. B. Johnson and C. A. Walsh, "Cerebral cortical neuron diversity and development at single-cell resolution," *Current Opinion in Neurobiology*. 2017.
- [10] P. K. Nayak, "Fisher communities in transition: understanding change from a livelihood perspective in Chilika Lagoon, India," *Marit. Stud.*, 2017.

CHAPTER 9

PEASANT SOCIETIES AND THE EVOLUTION OF RURAL ECONOMIES IN INDIA

Amit Kansal, Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- amit.kansalmrt@gmail.com

ABSTRACT:

The main concepts of peasants and their way of economics were covered in this unit. We also spoke about how Indian peasants were organised. Both the economics and the culture of the peasantry may be comprehended. This chapter provides information on the features of peasantry that affect how it might be understood as an economy and a culture. It covers the political elements of peasant economics and derives the traits of the peasant economy. It also provides information on the numerous peasant movements that have occurred in India and may be divided into three phases. The fundamental facets of peasant economics are explored throughout the whole course. There have always been rural communities with agriculture as their main economic activity. With a special emphasis on Indian peasant communities, this abstract examines the core ideas of peasants and their economy. It explores the Maliks, Kisans, and Mazdoors, the three main peasant groups in India, explaining their agricultural methods. This analysis sheds light on the characteristics of peasant economics by emphasising how peasants behave both economically and culturally. The abstract goes on to cover four important aspects of peasantry: domestic labour, capital, land usage for revenue, and subsistence. Various agitations against political exploitation of peasants occurred as a result of this exploitation as the capitalist economy grew. This book divides these peasant movements in India into three stages to better our knowledge of them. The essential characteristics of peasant economies, such as family-based production, restrictions on family size, and gender-based labour division, are discussed in the section that follows. It draws attention to how fixed peasants are compared to nomadic tribes and how resistant they are to social and economic change.

KEYWORDS:

Agriculture, Economic, Labour, Societies.

INTRODUCTION

Around the world, there have been peasant societies. Agriculture is their main economic activity. We will talk about the fundamental ideas of peasants and the peasant economy in this section. The peasant societies that existed in India are also discussed in this subject. It focuses on the three primary forms: the Maliks, the Kisans, and the Mazdoors of the Indian peasantry's agricultural organisation. The unit gets the features of peasant economics from this thorough examination. It clarifies how peasantry may function as both an economic and cultural form. As a result, four components of peasantry are discussed: the use of the land as a source of income, domestic labour, capital, and sustenance. Peasants were politically abused by outside powers when the capitalist economy emerged. There were widespread agitations the whole time to oppose this exploitation. To help us better comprehend the numerous peasant movements in India, the unit explores peasant movements and divides them into three phases.

Rural People and the Rural Economy

Since ancient times, peasants have been subjected to oppression and various sorts of compulsion. However, their socioeconomic situation has caused a significant change in society. Due to their manner of production, peasants in the 18th century were isolated from the rest of society. Land distribution, income distribution, and market interaction patterns were all uneven in the latter centuries. Between the working and non-working peasants, this disparity was glaringly prevalent. The former was seen as the working class's ally, whilst the latter was the capitalists' ally. These revolutionary forms of assistance to the working class and capitalist class were what gave rise to their interplay of power and class.

On the other hand, the term "peasant economy" refers to a certain kind of rural economy. The home serves as the fundamental unit of production and is made up of a variety of agricultural groupings. The primary determinant of productivity, consumption, and excess is the size of the household. Agriculture, where family members invest their own effort, is the primary source of revenue in household economies. The peasant economy has been modified such that it addresses a wide range of issues affecting peasants' way of life, including cultural, social, and physical issues [1], [2].

Indian farmers and farmer structures

The bulk of people in India are rural dwellers who rely mostly on agriculture for their livelihood. Caste, ethnicity, religion, language, and other factors all have a role in Indian peasant structure. Thorner utilised three-point equations to differentiate between distinct agrarian class structures when researching the Indian agrarian class structure and the characteristics of Indian agriculture. The three criteria are the kind of money derived from the land, the nature of the rights, and the quantity of field labour completed. According to Thorner, this criteria aids in the recognition of the presence of three basic groups of Indian agricultural classes. These three groups in India are the Maliks, Kisans, and Mazdoors. Thorner classified Maliks as enormous, wealthy landlords since they are essentially landlords. The term "Kisans" refers to farmers who either own their property outright or work it as tenants. There are two subgroups of Kisans: "small landowners" and "substantial tenants." The Mazdoors, which consist of three subcategories of peasants, are included in India's third classification of the agricultural class. They are "landless labourers," "poor peasants," and "sharecroppers."

The principal source of revenue for landlords, according to Daniel Thorner, is their property right on the land. In order to get greater interest rates, Maliks constantly lease the land at exorbitant rents, which lowers the pay of the Mazdoors. Big landowners don't perform any farming or manage the land in a way that would increase its fertility. The owners of a sizable quantity of land, particularly in their immediate surroundings, make up the second type of Maliks, as was previously indicated. These wealthy landowners don't undertake any farming at all. They only supervise the workers while they cultivate the land and take care of management concerns. Kisans have the option of having legal rights over the land or customary land rights. They are not comparable to the Maliks, however. There are minor landowners who also carry out agricultural operations among the Kisan subcategories. Except for when it's harvest season, they don't use outside labourers. The significant tenants, on the other hand, have a stake on the vast area of land that is beyond their means of subsistence. Additionally, as tenants, they are guaranteed certain rights to the property, and these rights are well-protected. The third classification of Indian peasants, known as Mazdoors, earn their livelihood as workers on other people's properties. The tenancy claims of the destitute Mazdoor villagers are less reliable. They have modest land holdings that are sufficient for

their everyday needs. They make more money selling their work than they do from their property. The second subgroup of Mazdoors, the sharecroppers, works agriculturally on land for the benefit of others. Landless labourers make up Mazdoors' last subgroup. For money, they sell their labour. They do all labor-intensive tasks on other people's property in exchange for payment that they use to support themselves.

Aspects of the Peasant Economy

The following traits of peasants and the peasant economy may be inferred from the discussion above:

1. Regardless of size, the family is the fundamental unit of output in the peasant economy.
2. In a peasant economy, the size of a family is regulated by both the technical and financial needs of a specific household.
3. Large extended families with a maximum of three generations and a nuclear family made up of a father, a mother, and any unmarried children are the typical family sizes among peasants.
4. The models of inheritance have a significant impact on the level of engagement necessary in agricultural practises.
5. Peasants are more stationary than non-nomadic tribes because they are intense agriculturalists who devote themselves entirely to farm labour for cultivation. Because of this, they may be distinguished from other types of economic systems that before the peasant method of production.
6. Peasant communities are often tiny, its members place a greater emphasis on tradition, and they are resistant to change in both their domestic and economic spheres.
7. As opposed to other segments of society, peasants who live in rural hinterlands are viewed as inferior folk communities. Their seclusion from metropolitan civilization is the cause. They are impoverished and uneducated as a result of their inferiority. Some academics believe that peasant poverty is the primary cause of their enduring dependence and that peasants are inherently dependent.
8. The division of work based on gender and the power relationships among members, which are also influenced by gender, are the main features of the peasant economy [3], [4].

The Economy and Culture of Peasantry

It is challenging to analyse the peasantry or peasant economies as a whole since they are complicated and may take many different forms. This is due to the fact that each kind of peasant economy has a unique set of characteristics. These characteristics have some similarities with those of pre-peasant communities. There are several aspects to understanding peasants' lifestyles and economic systems, nevertheless. Social, cultural, and physical elements are among them. Due to the peasantry's predominance in rural regions, their relationship with the government determines how wealthy and powerful they are. Some academics who researched peasantry looked at its many characteristics and placed focus on the value of peasants' sociopolitical circumstances and economic models. Others, however, saw peasants as using a unique set of cultural and economic characteristics, as will be explored later.

DISCUSSION

Due to their involvement in agricultural operations, peasant communities depend largely on the resources provided by their farms. Their ability to survive relies on the resources that may

be found on the ground. Their dependence on agricultural resources sets them apart from workers who do not own any land. The allocation of land for agriculture does not rely on the standards established for market economies, which is one of the key characteristics of peasant economies. The majority of peasant groups have unquestionable customary rights to their land. Land is seldom transferred outside of the family system in peasant communities, however. A source of productivity in a society of peasants is land. Every piece of land has a value, which guarantees the livelihood of peasants.

Family work

Its reliance on family work, which sets peasant life apart from capitalist culture, is one of its core economic characteristics. The mainstay of the peasants' subsistence strategy is family work. Each household's members work on the farms to generate goods for their personal use or for monetary gain. However, on occasion, paid work is used to complement family effort, particularly when harvesting is taking place and more manpower is needed. When farming is conducted for profit, hired labour is particularly necessary. Family work is often used by peasants to sustain their level of self-consumption. Capitalist production is characterised largely by the need for and accumulation of capital. However, it might be difficult to define capital in the form of profit for production in peasant cultures since people in the peasantry work more for survival than for profit. Thus, there is a substantial difference between profit and return on investment. Certain types of capital are purchased by families for both production and consumption needs. Ploughing the ground, using a water pump for irrigation, or refining grain are all examples of production reasons. Transportation, carrying firewood, and other uses are all considered consumption. Another characteristic that sets the peasants apart from capitalist society is the absence of a fixed rate of return.

Production for consumption or subsistence. Socio-economists have noted that one noteworthy aspect of peasant cultures is their manner of sustenance. The quantity of food produced on the land and eaten by a household is referred to as subsistence. They do not sell their goods to make money. Due of this, many people also refer to peasants as subsistence farmers. They are only partially integrated into the market economy as a result of their level of subsistence. Even if families who farm their land are highly trained and create things for sale rather than for own use, they are nevertheless referred to as peasants everywhere. All of the commerce they do is reciprocal, and most of the transactions involve two or more homes. A cultural transaction known as reciprocity is typified by the exchange of unrelated products or services. Additionally, the transactions do not occur in accordance with the market pricing of the commodities and services, which gives them a cultural significance.

Rural Political Economic Style

The peasants' political economy leads to their political exploitation by outside parties, particularly the more extensive market economic system. Peasants fight to protect their land rather than give in to outside forces in order to reject this political exploitation or submit to the politics of the market. They don't really embrace their ideals or make long-term financial agreements with the market. Instead, they are highly thoughtful in how they do their everyday business. Since peasant leaders are often impartial, they refrain from involving themselves in various political matters that affect the peasant economy. Typically, the partition of peasant societies into families, which make up the cohesive group of rural peasants, determines the political form of such communities. Landlords and wealthy peasants hold the top positions in the peasant hierarchy and hence are more powerful than the peasants at the bottom of the hierarchy, who are the impoverished landless peasants. There is no indication of cohesiveness among the latter group; they are not integrated. This is as a result of the fact that landlords

control them. A revolution in the peasant economic system and the subsequent start of a movement might be brought about by those who hold the top positions in the peasant hierarchical structure.

Political economics is the premise that resources can be controlled, and that control leads to resource redistribution. The rights of peasants to the land do not imply a complete transfer of ownership. Their legal ownership may really belong to them, to the whole peasant community, to the landlord, or to other historic rights to the use of the land. The frequency of power relationships between peasant communities and political organisations has a significant impact on how well the peasant economic system functions. Regardless of ownership, land and power are interdependent, which implies that power derives from land and that land is converted into power. Landowners are not the only ones that exploit peasants. There are other parties involved in the political economy of this mode of production, such as mediators. These middlemen stand between the strong and the weak classes, and they always lean towards exploiting the peasants [5], [6].

Affordable Movements

Peasant movements in India may be traced back to the early 19th century in East Bengal, when zamindars started exploiting the farmers by employing force in order to obtain their land. Farmers did, however, put up a fierce fight against being exploited. The farmers banded together to oppose the use of force and defend their property rights. The result of this farmers' opposition campaign was the passage of the Tenant Act in 1885. As a result, the three phases of peasant movements may be comprehended. During the early stage, when peasants lacked leadership, such movements emerged sporadically. In the second stage, farmers began to recognise their own class, and they worked together to draw attention to the issues facing kisans. In the third phase, the government's efforts to address the issue of peasants fell flat. We will now go through each of these peasant movement phases individually.

The First Phase (1857–1921)

During this time, there were several uprisings around the nation as a consequence of the British exploiting Kisans and driving up land prices. Famines and economic collapse were also prevalent during this period, which encouraged the peasants to step up their uprisings. The Santhal uprising against the British, the Deccan riots, the Bengal tenants' revolt, the Oudh insurrection, the Punjab fight, etc. Are only a few of the well-known movements from this period. There were two further significant movements that erupted in the later half of this era, both led by Mahatma Gandhi. These include the peasant Satyagraha movements in Kheda and the Champaran struggle in Bihar. But before these two movements gained traction, the congress's actions were geared towards defending landowners' interests. However, the British's high charges on land income were the cause of these later two revolutions. They were not intended to protest zamindar abuse.

A Second Phase From 1923 To 1946

Even after gaining independence in 1947, the government was unable to alleviate the issues facing Kisan farmers. However, it was successful in pushing the agricultural capitalists farther, which encouraged the Kisans to step up their fight. The agricultural policies implemented after independence did not provide anything for the Kisans; rather, they made their suffering worse. As a result, there were several peasant uprisings throughout the nation, including the Indigo movement, Moplah insurrection, Tebhaga movement, Telangana movement, and others. The Congress-led Andhra Provincial Kisan Sabha in Andhra Pradesh attempted to put an end to the movement but was unsuccessful since it served the zamindars'

interests solely. However, the Communist party remained silent in order to unify and advance the interests of low-wage workers and Kenyans. However, the general welfare programmes directed towards the peasant structure's bottom strata were often insufficient. Three components make up capitalism as an economic system: labour, private property ownership, and the production of things for trade and profit. The capitalist class, often known as the bourgeoisie, is the group of individuals who possess the means of production. The working class known as proletariat, on the other hand, are individuals who sell their labour for pay. Karl Marx categorised the bourgeoisie and proletariat as social classes. Making a profit is one of capitalism's core principles. This suggests that capitalism is just the practise of investing money in order to generate more income. The making of money process is at the heart of capitalism. For instance, the owners' goal while increasing work force size is to increase profit. In this case, the benefit is monetary. As a result, we may claim that money serves as capital since the invested money resulted in additional money. Capital accumulation is the process through which an economy grows as a consequence of an increase in money. It should not be assumed that transferring money results in the creation of more of it; rather, the manufacturing process determines the profit in monetary terms. The profit will increase with more output. Consequently, the transaction entails trading products for cash. And the capacity for production and labour are essential for capital accumulation. This means that there is no magic trick to turn money into more money; instead, it takes a lot of work [7], [8].

Between work and money, there is perpetual animosity. Labourers are employed by capitalists for lower wages, for longer hours, and at a quicker rate. The workers make hidden or overt attempts to oppose these capitalist goals. The former entails taking pauses in the midst of the task at hand, stopping to speak with coworkers, finishing up early, and so on. Without the involvement of capitalists, everything occurs. The latter entails organising collective strikes, slowing down production in protest, and other actions. Class struggle is what happens as a consequence, causing conflict between the working and non-working classes. The oppression of the working class by the producers is a component of class conflict. The labouring class is protesting the owner tyranny in this conflict. Marx's theory of class society is where the concepts of class conflict originate. Marxist jargon refers to this conflict as one between the proletariat and the bourgeoisie. In this classification, the bourgeoisie are the non-powerful labour class, while the proletariat are the powerful class.

Capitalism's Dimensions

The following aspects serve as the foundation for the whole concept of capitalism:

Private ownership of property

Property includes a person's right to life and freedom in addition to ownership of material possessions. Private property ownership also refers to the worker class's ownership rights over the products they generate via their efforts. Individual property should not be confused with private property. It might be held by a group or by an individual. While not unique to capitalism, the concept of private property is crucial to its efficient operation. Private property ownership raises industrial societies even higher, insures reciprocity, and promotes honesty and trust. The possessions that people own are worth more to them. The best interests of the individual owners as well as the greater community to which they belong are served by these products.

Competition

Another important aspect of capitalism is competition. The proponents of capitalism are mostly ignorant of how competition works. Many people regard the ability to continuously

develop, adapt, and innovate as the competition's biggest advantages. For the buildup of capital, competition is crucial. Competition in a free market means giving clients better services than the rivals. Although the rivalry is based on consumer values and output, the rivals themselves are not the enemy. The rivals place a greater emphasis on things like pricing, new ideas, techniques, creativity, quality, and quantity. Instead of competing on other fronts, the goal is to compete economically. The fundamental goal of competition is to encourage manufacturers to enhance their production standards by ensuring the quality of necessities while lowering the cost of items.

The price mechanism

A pricing mechanism is a system that uses supply and demand to determine a product's price. Therefore, both the producer and the consumer of commodities are fully dependent on the pricing system. In other words, it relies on both the customer and the seller of the items. In a free market, the quality and quantity of output are shaped by the fluctuating prices. However, there are occasions when the government regulates the market instead of the buyers and sellers of products to provide necessities to the underprivileged at fair pricing. When there is a shortage of an item, the demand for that good rises while the supply of that good declines in a free market. In these circumstances, the cost of the items increases. As a consequence of lower demand due to increased prices, resources are further preserved. The shifting pricing send conflicting messages to both the manufacturers of the commodities and the buyers of those goods. When prices rise, it advises customers to lessen their desires and leave the market. Additionally, it advises manufacturers to join a market where there is rivalry between different producers. On the other side, the price cut discourages producers from leaving the market and encourages customers to enter the market.

CONCLUSION

The importance of the family as the unit of production, the impact of inheritance patterns, and the dependence on family labour for survival were highlighted as key characteristics of the peasant economy. Peasant communities were seen as being inferior to urban populations because they were often portrayed as being tiny, traditional, and resistant to change. In addition, the specific features of the peasant economy were highlighted, highlighting their dependence on agricultural resources, familial labour, and subsistence production rather than capitalism's profit-driven model. The dynamics of power and class conflict within peasant life were investigated, emphasising the role of landlords and the difficulties encountered by peasants who did not own land. In conclusion, studying peasant cultures and their economy offers important insights into the intricate interactions between politics, economics, culture, and tradition. It acts as a reminder of the many ways in which societies organise their economic activity and emphasises the tenacity and struggles of these communities in the face of outside forces.

REFERENCES:

- [1] P. Laha and B. Chakraborty, "Energy model – A tool for preventing energy dysfunction," *Renewable and Sustainable Energy Reviews*. 2017.
- [2] D. Palit and K. R. Bandyopadhyay, "Rural electricity access in India in retrospect: A critical rumination," *Energy Policy*, 2017.
- [3] A. Kavita, "Case Study: Effectiveness of CRM Strategies in Global Era (with Special Reference to Retail Markets of India)," *Adv. Manag.*, 2017.
- [4] R. Jayanthi, "Fast Moving Consumer Goods (FMCG) Sector in India: A study," 2017.

- [5] B. SyamRoy, "Family Welfare Approaches in the Five Year Plans," in *India's Journey Towards Sustainable Population*, 2017.
- [6] A. Demirgüç-Kunt, K. Leora, S. Dorothe, A. Saniya, and H. Jake, "The global finindex database: Measuring financial inclusion and the fintech revolution," 2017.
- [7] G. Jungmeier, "The Biorefinery Fact Sheet," *Int. J. Life Cycle Assess.*, 2017.
- [8] B. P. Helms *et al.*, "Water Supply Schemes in Vidarbha," *Econ. Polit. Wkly.*, 2017.

CHAPTER 10

DIVISION OF LABOR AND ITS IMPACT ON PRODUCTION, ECONOMIC INEQUALITY, AND VARIATIONS IN SOCIALISM

Gurleen Kaur, Assistant Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- gurleenkaur234gk@gmail.com

ABSTRACT:

By embracing a broad variety of skills depending on the workforce's capabilities, the division of labour advances knowledge. It promotes skill development and ensures that experienced people teach less experienced ones to increase overall productivity. Additionally, it promotes learning among the workers, increasing industrial efficiency. Due to the knowledge obtained via the division of labour, the use of machines in manufacturing becomes feasible, resulting in economic progress. With capitalists owning the means of production and employees exchanging their labour for pay, capitalism's division of labour also results in economic inequality. This exacerbates societal differences by increasing both stock inequality (wealth disparity) and flow inequality (income inequality). State capitalism, in which the government controls the market economy of private capitalism, and mixed capitalism, in which both the public and private sectors jointly control the means of production and distribution, are two examples of capitalism's variants. The socioeconomic environment is shaped by these variances, which have an effect on elements like ownership, control, and distribution. The abstract also analyses the evolution of socialism in India, highlighting its rise throughout the country's independence fight. During the Gandhian era, socialism in India rose to prominence, concentrating on moral and reformist ideas to overcome economic problems. The foundational tenets of socialism are described, with a focus on the elimination of capitalism, elevating society above the individual, equality, and collective control of the means of production. Socialism emphasises fair resource allocation while attempting to do away with private property ownership.

KEYWORDS:

Economic, Inequality, Labor, Production, Socialism.

INTRODUCTION

A basic idea in both economics and sociology, the division of labour has a significant impact on how things are produced, how people are treated economically, and how various types of socialism are developed. The various impacts of the division of labour on learning, skill advancement, and the use of automation in the manufacturing process are explored in this abstract. It explores the many forms of capitalism, such as state capitalism, private capitalism, and mixed capitalism, as well as how capitalism maintains economic inequality.

Division of labour and the production of labour

The division of labour is the practise of allocating labour tasks to employees in accordance with their abilities. People's survival and wellbeing are dependent on the supplies given to them. The work force, which is split according to the talents of the labourers, is what produces these things. Because of the skills and knowledge that the employees have acquired, the division of labour leads to an increase in output and improves productivity. Labourers' expertise is further increased throughout the manufacturing process, leading to the

development of specialist and sub-specialised kinds of work. Following are some of the purposes of division of labour:

Increases knowledge

Depending on the abilities of the workforce, the manufacturing process incorporates a broad range of expertise. For instance, the creators of diverse items, such as those created by industrial and non-industrial people, have a variety of knowledge in their respective fields of expertise. To generate commodities, workers collaborate in industries. The production of vegetables is a typical illustration that shows how the division of labour improves knowledge. Farmers enlist the assistance of several people while growing vegetables. They look for assistance from those who can plough their land, tilt it, irrigate it, need fertiliser for high-yield crops, need labour for harvesting, and so on. These specialty occupations include a variety of persons. As a result, the manufacturing process requires more information than a single individual or a family could ever possess. In contemporary civilizations, information may also come from other sources, such as the more effective mechanical methods of carrying out various tasks related to agricultural production, such as the use of tractors, the use of chemical fertilisers, and so forth [1], [2].

Skill improvement

The division of labour includes skill development with the assistance of qualified and experienced workers or employees. People may be forced to labour and create for themselves in a particular economic system if there is no division of labour, with the skilled producing better things than the unskilled. In contrast, the division of labour makes sure that the more knowing and competent individuals spend their time leading and mentoring the less knowledgeable in order to improve the output of commodities. Every individual who works in the labour force produces more as a result. Thus, the division of labour not only improves the knowledge of the unskilled but also makes it possible to use that information in order to use the skilled in order to fulfil the criteria established by the economic society. Through the expertise of highly trained individuals, this also allows others with less understanding to participate in the manufacturing process. Later generations experience the same process, which steadily raises the degree of output.

Learning improves manufacturing effectiveness

Through the processes of learning from and getting information from the knowledgeable, division of labour promotes the efficiency of the workforce. Depending on the amount of time invested in that kind of work, those who gain skills for a certain job use them more often throughout the production process. As time goes on and they continue to use that knowledge in their job, they develop into knowledgeable and talented professionals. Because they do not have to wait for the skilled individuals to instruct and lead them in the manufacturing process, this enhances the pace of output. Additionally, information and skills are transformed into specialisations and used by persons who are most suited to these specialisations. The efficiency of the manufacturing process is increased by incorporating knowledge into the division of labour.

Using machinery in the manufacturing process

The division of work makes it possible to utilise machines in the manufacturing processes. As was already noted, the division of labour improves worker expertise, making it feasible to employ machines in the manufacturing process. The use of machinery, which leads to the wide production of commodities and the growth in the economy, makes the division of

labour necessary. Otherwise, increasing the economy just by hiring labour would be challenging. Even the creation of machines needs the assistance and expertise of specialists. The capitalists would benefit from this since employing robots instead of paying salaries for human work would increase their profits. The use of machines in the manufacturing process eliminates the need for unskilled labour and replaces them with just those who are skilled and specialised and can operate equipment on a regular basis. The ability to employ machines to boost productivity is made feasible by the separation of work into specialist areas.

Capitalism's Economic Inequality

Since humanity began creating surplus economies, there have been inequalities among people. Human solidarity is weakened by inequality, which also separates the powerful from the powerless, for example on the basis of gender. Inequalities are expected under capitalism. The gap between those who possess the means of production and those who employ workers in the production process is the primary cause of inequality. This indicates that there are two layers of inequality under capitalism. The first is wealth disparity, and the second is income inequality. These inequities are referred to as stock inequality and flow inequality, respectively, by certain academics. These disparities arise across numerous types of players participating in the production system, including the owners and employees, the employees themselves, and even different owners [3], [4].

The greatest social class in capitalist society is the working class. Although they do not own any producing property, their work force is the foundation of all productive assets. Capitalists own the work force and the means of production. The capitalist class and the working class must collaborate to generate things. Their shared belief in the acquisition economy serves as the foundation for their togetherness. While workers earn money by exchanging their labour for pay, capitalists control all the generated property, which serves as their main source of revenue. Whoever owns the property determines the disparity in income between the two groups. People who receive salaries in return for their work power are likely to have lower incomes than property owners and labour power owners. The disparities between the two groups are based on these two types of transactions.

DISCUSSION

Economic disparities are unavoidable due to competition among different capitalists and organisations. Economic disparities occur not only between capitalists and employees or between different capitalists, but also between workers and the labour market, which includes men and women, experienced and unskilled workers, permanent and temporary employees, locals and immigrants, and so on. These are the fundamental injustices of capitalism. Due to the antagonism that capitalism fosters between the capitalists and working class, there exist disparities in capitalism. According to Marx, social class creation in a capitalist economic system is a function of inequality. This means that inequality must unavoidably exist under capitalism and must exist at its conclusion as well. In reality, many people refer to inequality as a fundamental feature of capitalism.

Different Formats of Capitalism

There are two main forms of capitalism: state capitalism and private or corporate capitalism. This division is based on the kind of ownership and control over distribution and capital. Private capitalism is a kind of capitalism in which those who spend money to build up economies control and own the means and distribution of production. While the state does not own or control the means of production, state capitalism involves the regulation of the private capitalists' market economy. Another kind of capitalism involves the private and

public sectors sharing control and ownership of the means of production and distribution. Here are some details on these three forms of capitalism:

Individual capitalism

Private capitalism is a kind of capitalism in which bureaucratic firms and the capitalist system's hierarchical structures jointly control the means of production and the total profit from that output. This kind of capitalism is used to refer to the capitalist market in sociology and economics. Since corporations dominate the market and do not serve people's interests, many academics, particularly those who specialise in sociology, contend that private capitalism violates democratic ideals. The concept of equitable power relations among the participants in a particular community is rejected by private capitalism. It promotes a nation's private firms' best interests.

Government capitalism

One of the major forms of capitalism is state capitalism, which perpetuates the false perception that the state owns the capital. The situation is, however, in contrast. State capitalism refers to the state assuming control of the key elements of private capitalism. The market does not govern the means of production and distribution under state capitalism. Under state capitalism, the government meddles in matters pertaining to labour and commercial freedom. Therefore, via both the old and new norms of the economic market, the state is responsible for the control and growth of production. The state is seen as a potent weapon of the ruling class in the utilitarian conception of state capitalism. Those who don't belong in this group face oppression and dominance [5], [6].

Capitalism with a mix

Private capitalism and state capitalism are combined to create mixed capitalism. In this kind of capitalism, the capital is controlled by both the public and private sectors of the economy. The market economy and the planned economy are the two types of economies that define mixed capitalism. The market economy is based on the dynamics of supply and demand, and the pricing mechanism determines how resources are distributed. Individuals have freedom of choice in this form of economy. They make their own choices about where to work, who to work for, what to create, and other issues. In this sort of economy, the state is not involved. The planned economy, on the other hand, involves the management of resources and output by a single person or group. The government distributes the products that are produced via the collaboration of many sectors. The reason planned economies are often known as command economies is because the ruling body establishes clear rules that are obligatory on everyone. Because everything required by humans is created and everyone's requirements are met, this system is known as a planned economy.

The socio-economic philosophy is the source of the idea of socialism. In the West, Saint Simon first used the phrase in the early 19th century. Although the characteristics associated with socialism—such as social collaboration, upliftment of society's weakest segments, battle for social justice, and so forth—existed before the 19th century, experts contend that the term's modern meaning only emerged during this period. The word "socialism" is often used in two separate but related meanings. The first is that socialism is associated with morals, ethics, and other elements of this kind of thinking. Socialism in this sense is typified by concepts like classlessness, collaboration, plenty, liberty, equality, fraternity, social justice, and peace, among others. The second is that it represents the operational features of sociopolitical institutions, which also represent the socialist tenets. By introducing a change from capitalist forms of ownership and control of the production to public or community ownership of the

production system, socialism contrasts the capitalist mode of economy at the institutional level. Socialists and others active in welfare movements have taken notice of this transition, which is founded on the ideas of social justice and equality, but socialism is more than simply these two ideas. The word "socialism" has many different connotations, but in this lesson, we'll concentrate on it in terms of its economics and the wellbeing of people.

It is necessary to comprehend socialism via the definitions provided from time to time by different social science academics before moving on to analyse the related concerns of socialism. 'System of social reconstruction' is how Narayan described socialism. His definition of socialism is the reorganisation of economic and social life via socialisation. To do this, the means of production must be reorganised, and community ownership must be encouraged in order to eliminate private ownership. Socialism, according to Russell, is "the support of communal ownership of land and capital." By community ownership, we mean the democratic form of state ownership that serves the interests of everyone. M.K. Gandhi described socialism as a "society where members are equal none low, none high." Thus, the emphasis of all definitions is on the concepts of equality, control, and who benefits. Socialism is often defined as the creation of things to meet human needs rather than exchange for profit, which is a characteristic of capitalism. As a result, there is a change from rivalry to collaboration. Through this change, discrepancies that previously existed in a society are eradicated and everyone is given the same possibilities.

The Development of Socialism in India

Like other nations in Asia, the socialist philosophy emerged in India during the liberation fight. In the social and political environment that existed throughout the first and second world wars, Indian socialism developed. However, socialism did not have a smooth start during the early stages of its development in India owing to British animosity as well as violent shifts in the International Communist Party's stances regarding the country's liberation fight. Indian nationalists were drawn to Karl Marx's radical ideas because they wanted to call attention to the economic problems that the British had caused by draining the nation of its resources. They aimed to expose the faults of the British by doing this.

During the Gandhian period of the Satyagraha movement, socialism gained the greatest traction. During this time, a number of other significant Indian figures, like Swami Dayanand, advocated for the advancement of equality in the country. While most socialists dealt with the idea of equality from an economic perspective, others, like Bankim Chandra, concentrated more on advancing social equality. The ethical and reformative principles form the foundation of the Gandhian concept of socialism. Gandhi promoted non-violence and said that since Indians lacked actual freedom, western democracy and communism were repugnant to them.

Without undermining socialist ideas, the contributions of nationalist philosophers underlined the economic problems that existed in India. However, the economic crisis promoted the development of a socialism-based ideology in India [7], [8].

Essentials of Socialism

The fundamental tenet of socialism is the abolition of capitalism's practises and the creation of a society based on principles like fairness, justice, collaboration, good for all, and altruism. The exploitation of workers by capitalists is another goal of socialism. As the name implies, a socialist society may be created by a group of people acting collectively and in accordance with their wants and requirements. There are several requirements for achieving this, which I will go over here:

Focus on Society

In a socialist economy, society as a whole is prioritised above the individual. Socialism supports the interests of society as a whole rather than an individual's interests. This indicates that socialism places a high value on a society's citizens cooperating with one another and promoting their common interests. According to socialism, things must be created in conformity with societal demands. Individuals have the freedom to manufacture commodities in accordance with their requirements under a socialist economic system. It makes sure that individuals produce the goods they believe will be of interest to them. All of the individuals were given an equal chance while building this socioeconomic hierarchy.

Capitalism is eradicated by socialism. Many people see capitalism as the opponent of socialism due to the subordination, repression, class strife, uneven distribution, and other barriers that existed in a capitalist society. All of these things work against the notion of social justice. Socialists opposed the ideas of capitalism in an effort to eradicate such disparities from society. Instead, they advocated for concepts like social justice, equality, freedom, group interests, individual liberty, collaboration, and so forth. It did away with the forms of ownership that the wealthy had in a capitalist society, such as controlling the means of production and seeking to dominate the working class. Equality is a result of socialism. Since there have historically been a variety of inequalities in the capitalist society, including those relating to income, wealth, rights, profit, and so on, socialism strives to do away with these disparities, which are the foundation of capitalism. The concept of affluent versus poor does not exist under socialism since there is neither rivalry nor subordination. There is a reciprocal reliance between the means of production and the work force since this connection is governed by the collective and shared economic interests of everyone. The production system is jointly owned and governed by the people and is focused on the needs of everyone. Therefore, it will be accurate to say that socialism, unlike capitalism, is based on the principle of equality.

Private property ownership is prohibited under socialism. In a capitalist society, property ownership has always been one of the most important problems. Depending on the class they belong to, only a select few have been given the opportunity to possess the property. The emergence of a communist society, however, has done away with private property ownership. It has changed who owns the means of production and distribution from being owned by capitalists to being owned by society. As a result, the sort of ownership that exists in the communist society has undergone a substantial shift. Regardless of class, all members have acquired property ownership, which has opened the road for their wealthy lives and produced an egalitarian style of production.

Socialism In Its Variations

As we have seen from the debate above, the essential characteristic of socialism is the organised society's control over the means of production. However, there are additional aspects of socialism that many people believe are important to the concept of socialism. This shows that socialism may take many different shapes. An effort will be made to discuss the different socialisms in this section. As a result, socialism may come in many forms. However, we will focus on four key types of socialism here: state socialism, military socialism, Christian socialism, and planned socialism.

National Socialism

The idea of a state socialist refers to the state's participation in the abolition of the unfair practises that existed under capitalism, such as low salaries and inequities. The welfare state

concept is promoted by state socialism. It refers to a certain kind of collectivist form of societal economic and political organisation. Some academics contend that state socialism is more of a moral and welfare movement centred on the concepts of justice and equality than merely an economic theory. State socialists contend that the state must intervene in the production system by legislative measures that will serve the interests of the oppressed in order to eradicate exploitation in the production system and support social welfare. To ensure an equitable distribution of output among the workers, this calls for the nationalisation of the means of production. The state serves as a vehicle for promoting equality, equitable resource distribution, and moral obligations. It also works to improve the lot of society's less fortunate groups [9], [10].

Socialist Militarism

The phrase "military socialism" is used to describe the military's overarching goal during a conflict. In military socialism, a person's social standing and financial value are based on their membership in an armed force. There is no assertion of private ownership of the producing equipment. No one can have personal objectives during a war since doing so would diminish the significance of the conflict. Typically, military personnel reside in communal settings called camps. They all engage in activities that offer purpose to their lives, including dealing with family issues.

Socialist Christianity

A kind of system known as Christian socialism works to advance the welfare of the populace by fusing socialism with the divine. Since it is a kind of state socialism, experts contend that it is hard to distinguish between state and Christian socialism. They add that it is impossible to determine if a socialist personally adheres to state socialism or Christian socialism. Christian socialism is based on the tenet that, in an economic system, the pursuit of profit, which advances people's material interests, does not obstruct the efficient operation of the system. In order to meet people's requirements, prices and salaries are distributed fairly and equally according to what the public demands.

Scheduled Socialism

As was already established, socialism evolves via the destruction of the capitalist social system. The study of socialism in science is still in its infancy. The science of socialism has not yet advanced to a new level thanks to socialist scientists. They have failed to understand the operation of many economic institutions marked by the division of work and private property ownership, as well as the operation of the economic system as a whole. Marx's theory of socialism is known as scientific socialism since it is based on historical research. Marx's socialism, often known as scientific socialism, is divided into three main categories: philosophy, politics, and economics. Marx introduced the concept of surplus value via the value of labour theory in the field of economics.

In the political sphere, Marx and Engels comprehended and examined the concepts of class conflict that were present in capitalism in order to establish a new kind of society known as socialist society under the proletariats' one-party rule. Marx used Hegel's idea of dialectics in philosophy to create dialectical materialism, which is today referred to as the theory of dialectical materialism.

From the three categories mentioned above, four fundamental elements of the Marxian notion of socialism may be deduced. These include historical materialism, surplus value theory, dialectical materialism, and proletariat dictatorship. These are covered in the following:

Materialism in dialogue

An approach known as dialectical materialism was developed from the writings of Karl Marx and Friedrich Engels. For them, the term "materialism" refers to the objectively actual material universe. This impersonal reality is independent of both spiritual and mental activities. Ideas might manifest, according to Marx and Engels, but only in a materialist way. In contrast to the ideas of idealism, they both recognized materialisms. As a result, there is a discrepancy in how a theory may think of material as separate from mind and spirit or the possibility of mind and spirit existing independently of material. As a result, they made the case that merging the two might be confusing and ambiguous when seen from a materialist perspective. Hegel's concept of dialectic has been influenced by Marx's dialectic materialism approach. The components of ultimate reality in these two dialectical forms are different from one another. According to Marx, the ultimate reality is matter in motion, but according to Hegel it is spirit or reason. Thus, dialectical materialism is aiming towards an organised society devoid of class in which there would be no class-based exploitation.

Materialism of the past

According to the idea of historical materialism, the structure and advancement of the modes of production are governed by their physical surroundings. This indicates that society is impacted by the methods used to manufacture things, and over time, society evolves as a result. In actuality, it is a technique for analysing a society's economic history. The foundation of historical materialism is the notion that different institutions, including those in the cultural, legal, political, and so forth, provide the basis of economic activity. The theory is based on the straightforward notion that a man must create in order to exist. The most crucial element of all operations in this situation is production. All sociopolitical changes that occur in a socialist society are caused by the production system. The fundamental tenet of historical materialism is that humankind should prioritise meeting its basic necessities above pursuing endeavours in science, art, religion, politics, and other fields. Basic necessities include things like food, water, clothes, and shelter. According to this theory, just as slavery was replaced by feudalism and capitalism by feudalism, so too would capitalism be replaced by a socialist society. The private ownership rights of capitalists over the means of production will be replaced by social ownership, which is a kind of common ownership, as society transitions from capitalism to socialism. The authority, advantages, and exploitation of the ruling class will likewise vanish as a result of this.

Surplus Value Theory

Karl Marx explains the surplus value theory in his work *Das Kapital*. According to this theory, there are two social classes: the proletariat, which includes workers, and the capitalist class, which includes property owners. Marx claimed that since these two classes' goals are different, there would be a class war between them, which will finally lead to the abolition of the capitalist class. The result of the workers' unpaid effort is the surplus value, which the capitalists turn into profit.

This means that the other class suffers a loss due to the profit of the first class. Labourers are kept engaged in their labour for capitalists by the low earnings that capitalists give them for all of their labour.

The difference between the value of commodities and the wages paid to the workers who produced those items is known as surplus value in this sense. The capitalist system is oppressive because of how surplus value is seized. Marx developed this idea as a framework to demonstrate how exploitative capitalism is.

Democracy of the Proletariats

The basic tenet of the proletariats' dictatorship is the transfer of power from the bourgeoisie to the proletariats in order to create a socialist society. The class struggle between the two classes results in the working-class gaining control as capitalism is transformed into a socialist society. Until it succeeds in assuming control of the other classes, the working class will continue to exert its power. After achieving this goal, the proletariats' power begins to wane as the class structure is abolished. The foundation of proletarian dictatorship lies in a few key areas. The first is that it is seen as a revolutionary tool. The goal of revolution is to create a classless society. The proletariats' dictatorship makes this conceivable. The proletariats can overthrow bourgeois control by revolution. The proletariats' rule is the only method to make way for socialism in this situation. The bourgeoisie's democracy is the second. Understanding bourgeois democracy helps comprehension of proletariats' democracy. The latter emphasises equality and the removal of oppression, whereas the former bases its claims on the concept of inequality. The latter is the third feature of proletarian dictatorship.

CONCLUSION

In conclusion, the division of labour has profound effects on the production process, economic inequality, and the development of various capitalism and socialist systems. For one to understand the intricate interactions that take place in contemporary economies and societies, one must have a firm grasp of these dynamics. In summary, the division of labour is a key factor in the development of our economies and communities. It improves learning, knowledge, and skill acquisition, which boosts output and efficiency. It is crucial to the functioning of contemporary capitalism since it makes it possible to employ machines and expand economies. It's crucial to recognise that capitalism does have drawbacks, notably in terms of economic inequality. Due to the nature of capitalism, there are often inequalities in wealth and income, with those who control the means of production typically benefitting the most. One of capitalism's core characteristics is the separation between the capitalist class and the working class. In conclusion, capitalism and the division of labour have had a tremendous impact on the development of our contemporary economy, while socialism offers an alternative framework for establishing a just and equitable society. International economic and political discourse is still influenced by the continuous conflict between these two systems.

REFERENCES:

- [1] M. W. Kraus, J. W. Park, and J. J. X. Tan, "Signs of Social Class: The Experience of Economic Inequality in Everyday Life," *Perspect. Psychol. Sci.*, 2017.
- [2] A. Diržytė, O. G. Rakauskienė, and V. Servetkienė, "Evaluation of resilience impact on socio-economic inequality," *Entrep. Sustain. Issues*, 2017.
- [3] E. W. F. Peterson, "The role of population in economic growth," *SAGE Open*, 2017.
- [4] E. W. F. Peterson, "Is economic inequality really a problem? A review of the arguments," *Social Sciences*. 2017.
- [5] A. Grisold and H. Theine, "How come we know? The media coverage of economic inequality," *Int. J. Commun.*, 2017.
- [6] L. McCall, D. Burk, M. Laperrière, and J. A. Richeson, "Exposure to rising inequality shapes Americans' opportunity beliefs and policy support," *Proc. Natl. Acad. Sci. U. S. A.*, 2017.

- [7] K. L. Schlozman, H. E. Brady, and S. Verba, “Growing economic inequality and its (partially) political roots,” *Religions*, 2017.
- [8] J. Jetten, Z. Wang, N. K. Steffens, F. Mols, K. Peters, and M. Verkuyten, “A social identity analysis of responses to economic inequality,” *Current Opinion in Psychology*. 2017.
- [9] J. Bank, “Economic inequality in the German quality press: Framing concerns about inequality and redistribution,” *Int. J. Commun.*, 2017.
- [10] G. Alfani and F. Ammannati, “Long-term trends in economic inequality: the case of the Florentine state, c. 1300–1800,” *Econ. Hist. Rev.*, 2017.

CHAPTER 11

ANALYZING THE DEVELOPMENT PROCESS: FROM DISTINCT NOTIONS TO EVOLVING STRATEGIES

Ashish Juneja, Assistant Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India

Email Id- ashishjunejahr@gmail.com

ABSTRACT:

Development is a far larger term than economic growth, as this section has taught. It covers a person's social, economic, moral, educational, physical, and mental growth. The dominant viewpoints on social development were addressed. The five social development philosophies were then evaluated. In the conclusion, we discussed India's current "mixed" route of growth, which combines capitalism and socialism. This abstract gives a general summary of the complicated idea of development, noting how it differs from social change and how it is value-laden. With an emphasis on the sociological viewpoint of social development, it emphasises the significance of seeing development as an intentional and planned process. Additionally, the idea of independence as a crucial sign of progress and the background of rich countries' effect on developing countries are examined. The "three worlds of development" and other models of development, such as the capitalist and socialist paradigms, are then covered in detail in the abstract. The topic of socio-cultural factors is also covered in detail, highlighting the need for a comprehensive approach to development. The tactics for social development are described, including top-down and bottom-up approaches, sectoral and regional growth, and target group development. The abstract also briefly discusses India's growth trajectory since achieving independence, emphasising its approach to a mixed economy and the continuing discussion over the capitalist and socialist components of its economic system. The abstract offers a thorough analysis of the complex idea of development and how it has changed through time, emphasising the sociological facets of social development and the variety of tactics used to achieve development objectives.

KEYWORDS:

Agriculture, Development, Economic, Education, Social.

INTRODUCTION

Though connected, development is a wide notion that is distinct from social change. Development is a value-laden notion, while change is a value-neutral one. In other terms, the idea of development refers to the process of intended change. Not all instances of change signify progress. Development can only be characterised as intended and deliberate changes. It is crucial to remember the distinctive nature of the idea of development as a result. Second, it's important to differentiate between social and economic concepts of development. As you read this unit, this point will become more apparent. We place a strong focus on the sociological understanding of the development process while discussing social development. Social development, as a broad notion, refers to the general change of people and society that may allow everyone to attain moral, social, physical, and material well-being. Egalitarian growth is a desirable objective, although it is still simply an "ideal." The gaps in numerous aspects of development across civilizations, regions, and groups continue to grow despite development attempts. When we compare different locations or nations, variations are seen.

Out of these comparisons, the notions of underdevelopment have mostly arisen in terms of the economy, including per capita income, gross domestic product, level of living standards, and degree of technical advances. There are several "over" and "under" development criteria. The ratio of industrial capacity to social benefit is the simplest of them. In other words, nations that are unable to create enough commodities to satisfy the needs of their people may be seen as underdeveloped, while those that produce more than is necessary may be regarded as overdeveloped. America and many other wealthy nations may be categorised as overdeveloped, whereas many developing nations in Asia and Africa might be categorised as undeveloped [1], [2].

However, it is debatable whether underdevelopment and overdevelopment can be linked to a certain nation. Furthermore, several of the less developed economies, like India, do not embrace the term "underdevelopment." These nations see their social and cultural development as being extremely advanced. They would rather be classified as 'developing' nations than 'underdeveloped' nations. The notion that developed and emerging nations may be distinguished by the former serving as a "model" for the latter is a significant one. The economic and technical systems of rich nations may be emulated or adopted by emerging nations.

In terms of the conceptual meaning of development, the fact that the developing nations relied on the developed nations for technology, skills, and financial assistance is more significant than any other aspect of this categorization. The latter made an effort to abuse the former. The dependence hypothesis of development is what this is. The emerging nations made an effort to be economically independent after realising the industrialised nations' tendency towards exploitation. Therefore, self-reliance began to replace economic dependency as a key sign of development. Higher degrees of development are correlated with greater levels of independence. Self-reliance efforts led to import substitution by forgoing the purchase of items from industrialised nations in favour of domestic production.

Present Concepts of Social Development

We might start by detailing some of the ideas based on historical events, on the socio-cultural components of development, in order to analyse the current sociological concerns about it. But before we look at these prevalent development-related problems, it would be helpful to provide a quick overview of the "three worlds of development" as they were before the fall of the Soviet Union. Since the middle of the 20th century, this has played a significant role in the vocabulary of social scientists. Before, the globe was bipolar, with the capitalist block of the United States of America (USA) and the communist block of the Soviet Union, respectively, on each side. The "Cold War" has come to an end as a result of the dissolution of the Soviet Union, and the USA has emerged as the world's superpower.

Three Dimensions of Development

North America, Western Europe, and Southern Europe are all part of the First World. The nations seemed to be developing mostly along capitalist lines. The Soviet Union and the East European region, which included countries like Poland, East Germany, Hungary, etc., together comprised the Second World. These nations are no longer considered to be a communist bloc because of the many sociopolitical changes that have taken place in them. They were linked to the socialist theory of growth. The less developed or developing civilizations of Asia, Africa, and Latin America are collectively referred to as the Third World, and to some degree this is still the case today. The majority of these nations just gained political independence from colonial domination in the middle of the 20th century. Most third world nations are marked by high rates of infant mortality, illiteracy, and poor per

capita income. These economies were mostly focused on agriculture, and the population tended to have short life spans, little social mobility, and a strong sense of tradition (Estes, R.J., p. 92). Despite being influenced by the former First and Second World nations, the countries have developed their own national development plans. The development models used in the First and Second Worlds prioritised economic expansion.

The First World's Capitalist Development Model

The following are the major characteristics of the capitalist development model:

1. The establishment of private property and production methods,
 2. Encouraging economic activity via private businesses; and
 3. The least amount of governmental oversight and regulation of private businesses.
- Thus, a free economy governed by competition is a defining feature of the capitalist model.

The Second World's Socialist Model of Development

The Second World's socialist development strategy was seen as being in opposition to or in dichotomy with the capitalist strategy. The former is distinguished from the latter by governmental ownership of real estate and industrial equipment, public businesses, and total state control of economic activity. Consequently, the socialist paradigm alludes to a controlled economy. The fundamental criticism of the capitalist model is that since it allows for a minimal level of government control, its economic system turns into one that exploits the working class (proletariat) by not giving them their fair share. The capitalists benefit greatly from the country's riches. So it adds to inequality, making the bulk of people relatively impoverished while a small number are very wealthy [3], [4].

Therefore, it is claimed that the capitalist paradigm is exploitative and non-egalitarian. The socialist paradigm, on the other hand, was idealised as egalitarian and non-exploitative. Private ownership and a lack of government control were seen as significant tools for the exploitation of the weaker groups and, hence, as the root causes of economic inequality. There was a strong notion that exploitation and inequality had no place in the communist state since it forbade private property ownership. History disproved this notion, however, since the Soviet Union was unable to endure for very long. The communist political and economic system was destroyed during the "Glasnost" and "perestroika" era, which Gorbachev, the former Russian Prime Minister, oversaw in the 1980s. The socialist worldview was replaced by capitalism impulses once the Soviet Union split up into numerous little nations. China still operates under a communist sociopolitical system, nonetheless.

DISCUSSION

The two models' views on development were likewise different. The capitalist model, however, places more emphasis on economic expansion than on the equitable distribution of the benefits of such growth. The socialist paradigm attempted to alter the social structure so that more social justice could be secured by placing equal emphasis on resource creation and equitable income distribution. In practise, the communist paradigm did not provide much room for free will or consumerist wants. The debate that came before suggests yet another distinction between these models. The interests of the two classes—workers and capitalists—do not significantly clash, according to the capitalist model. Both classes are seen as complimentary to one another and as operationally interdependent by it. The foundation of society's norms should be consensus, especially those pertaining to property ownership and income distribution.

As a result, this model suggests that the economic structure need not alter. The socialist paradigm, on the other hand, recognised a natural antagonism between the interests of workers and capitalists. It holds that regulations are imposed on the weaker segment by the stronger one rather than being based on agreement. This causes the powerful to take advantage of the weak, which will probably lead to disputes and a revolution by those who have been taken advantage of and who demand a fundamental overhaul of the system. As a result, the capitalist model is sometimes referred to as functionalist or consensual, whereas the socialist model is described as a conflict, radical, or revolutionary paradigm. Some academics have noted that these two theories have started to merge in real life. For instance, in the USA, official regulation of private commercial firms has expanded recently. Russia has loosened up on its grants to private businesses. In both Worlds, one might see wealth disparities and a propensity to oppose changes to political and economic structures.

Societal Advancement

A new idea of the "fourth world" of development has recently emerged, as originally noted by Manuel and Posluns (1974) and Hamalian and Karl. They described "a community of the powerless, the oppressed, and the dispossessed" using this idea. They contend that individuals from the Fourth world of development are also found in all other "worlds of development," i.e., the First, Second, and Third. Currently, the First World is referred to as the "developed Market Economies" (dmes), the Second World is referred to as the "Eastern Trading Area" (etas), and the Third World is referred to as the "Developing Countries." "Least Developing Countries" (ldcs) are the nations that make up the Fourth World. (Quoted from Worlds of Development by Richard J. Estes, available at www.google.com).

Development in the Third World

The development model that the majority of people use is difficult to define. Third World nations differ from one another due mostly to their historical and socio-cultural contexts. They seem to have the following things in common:

1. In compared to the nations of the so-called developed world, they are less advanced economically and technologically.
2. A crucial component of their growth process is social planning. Their goals for development take into account issues with nation-building, national culture, and social reform in addition to economic ones, particularly the elimination of poverty.

Over time, the idea of development has expanded to include a variety of aspects. One of the widely held beliefs that economic growth was a sufficient and essential prerequisite to promote the development of all societal segments has been disproven. A class of people's economic development has not and does not spread to the whole population. Similar to this, some industrialised nations' achievement of rapid economic development did not aid in the resolution of all of their pressing issues. In actuality, prosperity has spawned new and worse societal issues. Therefore, it is generally understood that economic expansion or capital accumulation cannot lead to the enhancement of everyone's quality of life in society, which is development's ultimate goal [5], [6]. Now, according to sociologists, it is important to emphasise the socio-cultural aspects of development. To be more specific, social development comprises:

- a. Ensuring that fundamental requirements including those for food, housing, and clothes are met.
- b. The accessibility of necessities including water, power, transportation, and communication.

- c. Good physical and mental health, which may be measured by factors like improved life expectancy, the elimination of environmental pollutants, a wholesome diet, access to healthcare, etc.
- d. Affordability of a good standard of life and work possibilities in the economy.
- e. Human development, including improved literacy, career preparation, moral development, and development of the creative spirit.
- f. Social integration, or the creation and upkeep of strong social institutions. This refers to people's engagement and participation in social, political, and economic activities.

Reducing inequalities in access to resources and opportunities, including those that are economic, social, and political. When discussing the "holistic" approach to development, some sociologists have placed a specific focus on the psychological, social, and moral elements. Development, in their eyes, is an increase in all aspects of quality of life—physical, psychological, social, and cultural. They underscore how intricately entwined these aspects are. For instance, a rise in psychological well-being implies the notion of life pleasure, which includes good mental health. This calls for a healthy and effective balance between societal ideals that are intrinsic and instrumental, as well as between people's material and non-material life objectives.

The social quality of life is intimately correlated with this subjective component. An enhancement in social quality translates into stronger social solidarity, interpersonal ties, and family stability. An increase in the moral dimensions is indicated by an improvement in cultural quality of life. The foundation of social morality is empathy. They have argued that there hasn't been actual progress since many industrialised civilizations are more concerned with "self than for others".

Because of this, the sociological perspective on development sees changes in the development process as having an impact on the whole socio-cultural matrix of society. Modern definitions of development include the planned, encouraged movement of the whole system towards the overarching desired objectives of a particular civilization. Today, there is a "Sociology of Development" that is regarded to be expanding in two directions: in the direction of internal structure analysis and in the direction of historical linkage analysis. We may learn about the following strategies for social development by looking at the research in this area.

Various Methods for Social Development

The two criteria of (i) centralization vs decentralisation of development plans and resources and (ii) unit of development, i.e., the focus of development (person, group, village, etc.), may be used to distinguish between approaches to development. Two strategies—growth from the top and development from the bottom—are a result of the first requirement. The three approaches—sectoral development, area development, and target group development—are derived from the second criteria. Now let's quickly go through the five strategies.

Development starting at the top

The "development from the top" strategy calls for the central or "apex" administrative organisations to design and carry out development initiatives. In other words, the central organisations create initiatives, establish their type and direction, and then force them on the populace. For instance, when seated in the capital, ministers and top officials create plans for rural residents' development without completely understanding their issues.

This strategy makes the implicit premise that those in need of development are unable to comprehend their requirements, come up with development plans, and carry those plans out on their own. Thus, the necessity for specialists and outside organisations. In actuality, this presumption is unfounded. The privileged at the top have a personal stake in holding such beliefs. Their main objective is to maintain control over resources and use them for their own gain. Because they lack enough resources of their own and any ability to manage the resources of the community, the people accept the growth plans. As a consequence, the majority of top-down directives fail to provide the expected outcomes [7], [8].

The majority of the time, this occurs. The specialists and executive employees deputed or engaged by the sponsors of the project, whether they the own government or any foreign organisation, gobble up a significant portion of the revenues in one way or another. This method's primary flaw is that the development process does not include the intended beneficiaries. Instead, it makes people feel isolated from one another. These factors have led to a greater level of centralization and bureaucratization in this method.

Growth starting from the bottom

On the other hand, proponents of the second method to development from the bottom hold the goals and capacities of those in need of development in high regard. They are given the chance to describe their issues and potential solutions. They get training, are empowered, and are equipped to assist themselves. The decision to use resources for development initiatives is made by the parties involved, either directly or via local representatives. As a result, there is a greater decentralisation of plans and a larger level of public engagement. While planners acknowledge the value of development from the bottom up and pretend to use this strategy, in actuality they often do the opposite. The outcome is that the development strategies are ineffectual.

Sectoral expansion

Three strategies sectoral development, area development, and target group development are contemplated based on the 'unit' of development, as previously noted. The term "sectoral development approach" refers to the creation and implementation of plans for the growth of a certain economic sector, such as agriculture or industry. For instance, immediately after Independence, Indian planners considered the development of industry. They thus devised strategies to create technology or acquire it from other nations. Education in technology was emphasised. Numerous universities and schools were founded, either on their own or in cooperation with other nations like the United States of America, Russia, and England. On the other hand, money was made available for large businesses like cement, steel, and textiles. Later, when the nation had a food crisis in the early 1960s, the planners considered expanding the agricultural industry. Numerous agricultural institutions were established as a consequence, aiding in the development of high yielding crop types, insecticides, herbicides, and farm equipment like threshers. Loans were extended to farmers rather generously, and extension services were made available to educate and encourage farmers to use modern agricultural technologies. The green revolution is one example of how these efforts have paid off. The nation is now almost food self-sufficient.

Regional growth

Not every area is similarly developed. Some people are wealthier than others. Regions that are underdeveloped often have issues with flooding and drought as well as a lack of infrastructure development, including roads, railroads, and electricity. We refer to plans developed for a region's or area's infrastructure development as area development

approaches. This strategy is shown by the Command Area Development Scheme, which was implemented in India in 1974 for the development of irrigation resources in certain districts.

Development of the target group

A target group method focuses on a certain group of individuals, such as Women, women farmers, and agricultural workers. Programmes like Small Farmers SFDA) and the holding of reserved seats in schools and universities, and in hiring scheduled castes, serve as examples of the target group strategy. There is a different method of growth that focuses on the overall Development of the community, whether it be a village or a town this is well-known as a strategy for community development. This strategy emphasises the Construction of educational, medical, economic, and social infrastructure, and Various amenities for infrastructure.

The Development of India Since Independence

In practically all aspects of development, there have been blueprints and plans. Socioeconomic factors including population control, industry, health, and education, agriculture, irrigation, and transportation. It is also impossible to provide here is a list of all the development plans, although you are not required to be familiar with them. They are all. Consequently, our primary goal is to offer a comprehensive picture of the development programmes were implemented in india after independence with the intention of demonstrate some of the development strategies that were mentioned earlier section. India did not adopt either the first or second world after its independence; instead, it neither the socialist nor the capitalist (north american) model of development. It followed a development path that was halfway between the two types, which is referred to as "mixed economy." India supported private business on the one hand. And industry provided significant business houses, such the Birlas and Tatas and other small- and medium-sized business owners. Nevertheless, it has almost total command, at least in theory, over all commercial and entrepreneurial activities.

An economy with a mixed socialist path

In the establishment of large businesses like the production of steel and power, the state also assumes the role of an entrepreneur. Banks have been made public. The railway and postal services are entirely under governmental control. These actions serve as examples of a socialist growth path. On the other side, certain sectors are only open to small and big private business owners. Both state-run and private businesses have been permitted to operate in certain sectors, such cement and textiles. Both commercial and public organisations operate in a variety of other fields as well, including transportation, health care, and education [9], [10].

It is true that India chose a "mixed" route for growth, but experts have different ideas about how the economy really runs. One opinion is that India's growth is on a capitalist route. Given that heavy industries had a lengthy gestation time, large startup costs, and low profit margins, the state's entry into these sectors was really intended to help private industry. As a result, they failed to draw in private entrepreneurs, despite the fact that fundamental industries are necessary for industrial growth. Similar claims have been made about the dominance of large corporations over smaller ones and the industrial sector over agriculture. Economic power is also concentrated in a small number of large corporate entities. The opposing argument is that, as shown by realities like the nationalisation of banks, our inclination towards a socialist model has been growing. These are contentious issues that cannot be resolved here. India continues to follow a "mixed" path of growth, despite this.

CONCLUSION

The idea of development is separate from the idea of social change and is intricate and multidimensional. Changes that are planned and purposeful and aimed at enhancing the welfare of people and society as a whole define development. Change itself is value-neutral, but this idea is value-laden. Understanding the distinctive features of growth and separating it from simple social changes are crucial. Separating the notions of social and economic growth is also essential. Moral, social, physical, and material well-being are only a few of the components that make up social development. It is ideal to achieve equal progress, however despite development attempts, differences still exist across various civilizations, areas, and groups. When comparing economic discrepancies between countries based on factors like per capita income, GDP, living standards, and technical advances, the words "underdevelopment" and "overdevelopment" are often employed. These labels, however, might be debatable since some countries desire to be seen as "developing" as opposed to "underdeveloped." In conclusion, development is a complex and dynamic idea that extends beyond just economic progress. It includes social, cultural, and moral components and is affected by different development approaches. India's growth trajectory offers as an illustration of how countries may modify and mix various ways to achieve their own development objectives.

REFERENCES:

- [1] A. Randhawa and A. Kumar, "Exploring sustainability of smart development initiatives in India," *International Journal of Sustainable Built Environment*. 2017.
- [2] B. Hill, "Exploring the development and identity of advanced practice nursing in the UK," *Nurs. Manage.*, 2017.
- [3] M. Kunc and F. A. O'Brien, "Exploring the development of a methodology for scenario use: Combining scenario and resource mapping approaches," *Technol. Forecast. Soc. Change*, 2017.
- [4] D. Herro and C. Quigley, "Exploring teachers' perceptions of STEAM teaching through professional development: implications for teacher educators," *Prof. Dev. Educ.*, 2017.
- [5] C. F. Lockhart and K. Woods, "Exploring the development of critical incident response teams," *Int. J. Sch. Educ. Psychol.*, 2017.
- [6] N. Schönherr, F. Findler, and A. Martinuzzi, "Exploring the interface of CSR and the sustainable development goals," *Transnational Corporations*. 2017.
- [7] E. K. (Cindy) Choi and H. W. Joung, "Employee job satisfaction and customer-oriented behavior: A study of frontline employees in the foodservice industry," *J. Hum. Resour. Hosp. Tour.*, 2017.
- [8] E. G. Guerrero, K. Fenwick, and Y. Kong, "Advancing theory development: Exploring the leadership-climate relationship as a mechanism of the implementation of cultural competence," *Implement. Sci.*, 2017.
- [9] Y. C. Lee and P. W. Kwok, "The historical development of vaccine technology: exploring the relationship between science and technology," *J. Biol. Educ.*, 2017.
- [10] M. Coldwell, "Exploring the influence of professional development on teacher careers: A path model approach," *Teach. Teach. Educ.*, 2017.

CHAPTER 12

AN OVERVIEW OF THE GLOBALIZATION: IMPACT AND EVOLUTION IN THE MODERN WORLD

Chanchal Chawla, Professor
Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- chanchalchawla0@gmail.com

ABSTRACT:

India's experience with globalisation has had a profound impact on all aspects of its economy, but especially on the agricultural, industrial, service, and financial industries. Technology advancement, better production techniques, and higher quality standards in agriculture have all been influenced by globalisation. Additionally, it has drawn international companies into industries like BPO and pharmaceuticals, encouraging the growth of technology and the creation of jobs. However, technology has also produced difficulties, such as the loss of jobs in several sectors. Additionally, globalisation has aided Indian companies' international development, increasing worldwide competition. There has been a huge increase in foreign investment as a result of the easing of investment restrictions and the creation of Special Economic Zones (SEZs). Especially in the banking industry, competition and innovation have grown due to the greater accessibility to the global market. The expansion of business process outsourcing (BPO) and IT outsourcing services, which fosters technical development and job possibilities, has been one of the major forces behind globalisation in India. Despite its benefits, globalisation is not without its disadvantages, which include the spread of contagious illnesses, worries about the influence of international businesses, job outsourcing, and environmental challenges. To sum up, globalisation is a constant, unstoppable force that is transforming the economies, communities, and cultures of the globe. It continues to be a widely accepted method for assuring ongoing economic success on a global scale, despite the fact that it comes with both benefits and problems.

KEYWORDS:

Commerce, Development, Economic, Globalization, Tarde.

INTRODUCTION

Globalization's trajectory has been markedly influenced by rapid advancements in communication and transportation technologies, tearing down the boundaries of time and distance. Technological innovations, such as jet aircraft, satellite communications, fiber-optic cables, and the Internet, have revolutionized international diplomacy and expanded the horizons of global commerce. Institutions like the World Trade Organization (WTO) have played a pivotal role in promoting trade freedom and reducing barriers between nations. Additionally, globalization has been shaped by ideas advocating free trade, private entrepreneurship, and competitive markets as drivers of economic growth and productivity. The impacts of globalization on society are extensive and touch upon everyday decisions in the realms of politics, economics, and personal life. It has spurred international collaboration on various non-economic issues, including immigration, environmental concerns, and legal matters. Simultaneously, it has led to macroeconomic liberalization, deregulation of labor, product, and financial markets, and a significant surge in exports.

One of the most notable effects of globalization is the diminishing significance of nation-states in the political landscape, replaced by trade blocs and supranational organizations. Non-governmental organizations (NGOs) have gained prominence in addressing humanitarian needs and development initiatives. India's experience with globalization showcases its far-reaching impacts across sectors. From agriculture and manufacturing to services and finance, globalization has driven technological advancements, improved production methods, and boosted economic growth. It has also attracted foreign businesses, leading to job creation and technological transfer. However, challenges like job displacement in certain industries and increased competition have arisen. While globalization presents a range of advantages, including greater access to international markets, capital flows, and cultural exchange, it is not devoid of drawbacks. Concerns include the spread of communicable diseases, the concentration of power among multinational corporations, job outsourcing, and environmental issues. In analyzing globalization's determinants, debates persist about its benefits and drawbacks. While it has the potential to increase wealth through trade and spread knowledge, it also faces criticisms for contributing to the exploitation of the poor and threatening traditional cultures [1], [2].

Globalisation is the unrestricted, seamless, and integrated movement of people, products, and services throughout the globe. The opening up of the world economy and the resulting rise in international commerce may be seen as the causes of globalisation. In other words, the world's economies become more linked and integrated as nations that were previously closed to trade and international investment open up their economies and grow global. The process of globalisation is fueled by the opening up of trade, investment, and money flows, technical advancements, and pressure to conform to international norms. By lowering barriers between nations, it has increased economic competitiveness, spread modern management techniques and fresh organisational models, and promoted the use of universally recognised labour standards.

In relation to India, this entails facilitating foreign companies' investments in a variety of economic sectors, removing entry barriers for multinational corporations, enabling Indian businesses to collaborate internationally and encouraging them to establish joint ventures abroad, and implementing extensive import liberalisation programmes by shifting from quantitative restrictions. Nearly all facets of contemporary life have been touched by globalisation, which is also having an ever-increasing effect on the world economy. Although globalisation has certain disadvantages, most economists agree that it is an inexorable force that is ultimately good for the global economy. There have always been times of nationalism and protectionism, but globalisation is still the most universally acknowledged strategy to guarantee steady economic progress on a global scale.

Globalisation has emerged as a powerful and ubiquitous force that is reshaping economies, governments, cultures, and communities all across the globe. This in-depth analysis focuses on the fundamental elements, historical history, and wide-ranging implications of globalisation as it explores its many facets. Globalisation is essentially the integration of world markets for goods, services, capital, labour, and technology. This procedure has reduced a state's power to influence macroeconomic policy, allowing national economies to respond to pressures from the global market. The increasing flexibility in the movement of commodities, money, and information has had an effect on political, cultural, social, and environmental sectors in addition to economic ones. Rapid developments in communication and transportation technology, which have eliminated obstacles related to time, space, and knowledge, have characterised the growth of globalisation. Global connectedness has been aided by the development of the internet, satellite communications, and fiber-optic cables,

allowing people all over the globe to easily interact and exchange information. In addition, organisations like the World Trade Organisation (WTO) have been crucial in advancing free trade and lowering barriers between states [3], [4].

Globalisation is not only a result of technology development; it is also influenced by ideologies that emphasise free trade, private enterprise, and competitive markets as key factors in productivity and economic success. Developing countries started removing trade restrictions and embracing international commerce as a result of their economies doing poorly under protectionist policies, which accelerated the globalisation process. Globalisation has an extensive and pervasive influence on society, which shows itself in the political, economic, and personal arenas. Due to the creation of trade blocs and the growth of supranational organisations like the European Union and the World Trade Organisation, nation-states have become less important. In fields like development and humanitarian help, non-governmental organisations (NGOs) have grown in importance.

DISCUSSION

Over the last several decades, many facets of global growth have been defined under the word "globalisation." The integration of global markets for commodities, services, technology, money, and labour is at its core. This fundamentally entails a loss in the state's ability to influence macroeconomic policy and an opening up of national economies to pressures of the global market.

Simply simply, different nations are becoming more and more integrated into the global economy. It is primarily the outcome of increased freedom in the flow of goods, money, and information, which impacts not just the economic but also the political, cultural, social, and environmental spheres. As a consequence of globalisation, there has been a rise in international commerce, access to markets where the products are sold, and supportive government policies.

The Globalization's Horizon

Globalisation is an ongoing process. However, previously this process moved at such a sluggish rate that we hardly paid attention to it. The globe has become much smaller as a result of the development of information technology and novel forms of communication. The influence of globalisation has increased significantly due to the penetration and integration of the changes brought about by the process as well as its speed. This technique has united all markets in the globe into one. In the 1980s, the word "globalisation" started to be used more often to represent technology advancements that made international commerce and financial movements simpler and faster. The progress of globalisation has been impacted by a number of important variables, including:

The boundaries of time, distance, and ignorance are still being broken down by rapidly evolving communications and transportation technology. The jet aircraft, satellite communications, fiber-optic cables, and the Internet were some of the most significant technical advancements that altered diplomacy in the 20th century. More individuals from other nations are able to communicate because to the internet and mobile technologies. Trade freedom is promoted by institutions like the World Trade Organisation (WTO), which helps to lower trade barriers between nations. Skills and labour availability – nations like India have both high skill levels and reduced labour prices. Clothing and other labor-intensive businesses may benefit from lower labour costs and less regulatory limitations in LEDCs. Globalisation is influenced by ideas as well, notably the widely held notion that free trade, private entrepreneurship, and competitive markets enhance productivity and economic

expansion. Due to poor economic performance under protectionist policies and several economic crises in the late 1980s, many developing nations started to remove their trade barriers. Former Eastern Bloc nations joined the global trading system in large numbers, while emerging Asia one of the trade-shy areas in the 1980s gradually removed trade restrictions. The 1990s saw a change in the global economic order, and as a result of intense pressure from wealthy nations like the United States, Japan, and Europe that dominated the World Trade Organisation (WTO), which was founded in 1995 and has 135 members, as well as the International Monetary Fund and the World Bank (which finance international development), developing and underdeveloped nations all over the world were compelled to open their markets to foreign trade and allow foreigners to enter their home markets. With the increased use of information and communication technologies (ICT), the process of globalisation has accelerated. International commerce and competition have become more accessible due to increased market awareness and understanding of capital resources [5], [6].

Globalization's Impact

The effects of globalisation on society are many and all-encompassing. The wide impact of globalisation is immediately seen in everyday decisions made in the fields of politics, economics, and personal life. A framework for international collaboration on a variety of non-economic concerns, including immigration, the environment, and legal matters, may be established through globalisation. There is a tendency towards more economic liberalisation on a macroeconomic level. Trade is more open, and the labour, products, and financial markets are more deregulated as a result. Exports of commodities and services where different countries excel have significantly increased.

Reducing the significance of nation states is one of the main effects of globalisation on politics. Many people have formed trade blocs among themselves. In order to promote international agreement, supranational organisations such as the European Union, the World Trade Organisation, the International Criminal Court, etc., supplanted or expanded state roles. The rising influence of non-governmental organisations (NGOs) in humanitarian help, development initiatives, etc. is another significant effect of globalisation. The first step towards liberalising the Indian economy was the approval of the structural adjustment programme in 1991. Privatisation, Globalisation, Modernization, Improving Productive Efficiency, and Growth Rate are the cornerstones of the New Economy Policy (NEP). Decontrol and deregulation; freedom of entry for foreign investments and goods; adoption of market-friendly fiscal, exchange, trade, and credit policies; reduction of public expenditure; restriction of fiscal deficit to low levels; adoption of cutting-edge technologies; and concentration of government investment in infrastructure, health, and similar sectors. Withdrawal of all forms of assistance under the exit policy.

Indian Economy's Different Sectors

India's economy is agricultural; therefore, globalisation has impacted every facet of agriculture, including technology development, enhanced production methods, and quality-based improvement. Agriculture's three main industries—farming, marketing, and industrial support—have all advanced significantly. The entire mechanisation of farms has been brought about by globalisation in agriculture. For the production and development of seeds, several novel methods are being applied. The introduction of hybrid and organic seed types has rejuvenated the whole industry. New irrigation strategies and techniques have also been used. Globalisation has assisted farmers in finding new markets for their products. As a result, agricultural exports have increased. Large foreign merchants' introduction offers them favourable procurement rates and a steady market for the product. E-commerce has also aided

with post-production tasks like selling. Due to the development of highly advanced agricultural equipment, fertiliser, and other products as a direct result of globalisation, industrial growth has also occurred. In addition, the food processing sector is expanding as a result of rising consumption. On the other hand, there are problems like GM crops, price competitiveness, WTO compliance challenges, etc. that restrict the assistance that governments may provide to farmers.

Numerous foreign businesses have established enterprises in India, particularly in the pharmaceutical, BPO, petroleum, manufacturing, and chemical sectors, which has helped to provide jobs for numerous citizens of the nation. Additionally, the foreign businesses brought cutting-edge technology with them, which boosted the competitiveness and technical advancement of the Indian industry. However, when new technologies emerged, the need for labour shrank, which led to job losses. The pharmaceutical, chemical, industrial, and cement sectors were the key areas where this occurred. Additionally, the presence of MNCs has increased market competitiveness and put too much pressure on local enterprises to increase both quality and productivity in order to survive.

Numerous Indian businesses have made investments overseas and engaged in a variety of business transactions, including mergers & acquisitions and joint ventures. Thus, they are now more competitive on a worldwide scale. Huge quantities of foreign investment have been drawn in, particularly in services, telecommunications, electrical equipment, etc., as a result of the relaxation of investment restrictions and licencing. The establishment of several Special Economic Zones (SEZs) is contributing to an increase in the export-orientation. The government is promoting the small-scale industrial sector vigorously. Loans, microfinance, and even other simple credit options are widely accessible.

The local market is now more accessible to international investors thanks to globalisation. As a result, competition has increased as innovation has emerged as the new standard. To survive in this era of intense competition, domestic financial intermediaries have taken on increasingly risk-intensive activities. Due to the fierce rivalry between the customer-focused and effective private banks, banking structures and products have grown more streamlined and efficient.

One of the main drivers of globalisation in India has been the expansion of business process outsourcing (BPO) and IT outsourcing services. In recent years, both domestic and international businesses have hired more competent individuals in India to serve clients, particularly those in the US and Europe. International businesses have been able to lower their cost bases by establishing outsourced knowledge-worker operations in India by taking advantage of the country's educated, English-speaking, and lower cost labour force. These operations have also made use of global communications technologies like voice-over IP (VOIP), email, and the internet. India's Experience with Globalisation The effects of globalisation include: Raising living standards, reducing poverty, ensuring food security, creating a thriving market for the development of industry and services, and significantly boosting national economic growth are all made possible by globalization [7], [8].

Determinants of Globalisation

There are discussions concerning the advantages and disadvantages of globalisation. While many people believe that globalisation has the potential to increase societies' wealth through trade and to spread knowledge and information to people all over the world, many others believe that it contributes to the exploitation of the poor by the rich and poses a threat to traditional cultures because it transforms societies. The following are some advantages of globalisation: There is an international market for businesses, and consumers have access to a

greater selection of goods. An increase in the movement of capital from industrialised to developing nations, which may be utilised to support economic recovery. Foreign direct investment ("FDI") tends to develop far faster than global commerce, which supports knowledge transfer, industrial restructuring, and the expansion of multinational corporations. Cultural barriers have been removed thanks to an increased and quicker flow of information across nations (through TV and the Internet) and increasing cross-cultural engagement. Reverse brain drain has occurred in emerging nations as a consequence of technological advancement [9], [10].

Economies of scale: Although this may affect many small firms seeking to compete locally, globalisation helps major enterprises to realise economies of scale that lower costs and prices. This in turn fosters further economic development. The following are some of the drawbacks of globalisation: There is a greater risk of the spread of communicable diseases; There is an underlying threat of multinational corporations with immense power ruling the world; Outsourcing of jobs to developing countries has led to the loss of jobs in developed countries as a result; now these countries are adopting protectionism measures, for example, the USA is restricting BPO. It could inadvertently result in a covert type of colonisation for smaller developing countries on the receiving end.

CONCLUSION

In conclusion, the concept of globalization has undergone significant evolution over the past several decades, reshaping the global landscape across various dimensions. It is a complex and multifaceted phenomenon driven by the integration of global markets encompassing commodities, services, technology, money, and labor. This integration has ushered in an era of increased freedom in the flow of goods, capital, and information, leaving a profound impact not only on the economic sphere but also on politics, culture, society, and the environment. In the end, globalization is an unstoppable force that continues to reshape the world's economies, societies, and cultures. While challenges persist, most economists concur that it ultimately serves as a universally recognized strategy for achieving sustained economic progress on a global scale, fostering interconnectedness and interdependence among nations. As we navigate the evolving landscape of globalization, it becomes imperative to address its complexities, reap its benefits, and mitigate its challenges for the collective well-being of our global society.

REFERENCES:

- [1] J. E. Stiglitz, "The overselling of globalization," *Bus. Econ.*, 2017.
- [2] H. H. Khondker, "Globalization and inequality," *International Sociology*. 2017.
- [3] T. Hopper, P. Lassou, and T. Soobaroyen, "Globalisation, accounting and developing countries," *Crit. Perspect. Account.*, 2017.
- [4] F. Jovane, G. Seliger, and T. Stock, "Competitive Sustainable Globalization General Considerations and Perspectives," *Procedia Manuf.*, 2017.
- [5] R. Baldwin, "The great convergence: Information technology and the New Globalization," *Ekonomicheskaya Sotsiologiya*. 2017.
- [6] K. E. Meyer, "International business in an era of anti-globalization," *Multinatl. Bus. Rev.*, 2017.
- [7] A. Rudolph and L. Figge, "Determinants of Ecological Footprints: What is the role of globalization?," *Ecol. Indic.*, 2017.

- [8] L. Figge, K. Oebels, and A. Offermans, “The effects of globalization on Ecological Footprints: an empirical analysis,” *Environ. Dev. Sustain.*, 2017.
- [9] P. G. Cerny and A. Prichard, “The new anarchy: Globalisation and fragmentation in world politics,” *J. Int. Polit. Theory*, 2017.
- [10] G. Gozgor and P. Ranjan, “Globalisation, inequality and redistribution: Theory and evidence,” *World Econ.*, 2017.

CHAPTER 13

ECONOMIC SOCIOLOGY: UNDERSTANDING THE COMPLEXITIES OF THE MODERN ECONOMY AND RURAL DEVELOPMENT IN INDIA

Vipin Jain, Professor

Teerthanker Mahaveer Institute of Management and Technology, Teerthanker Mahaveer University,
Moradabad, Uttar Pradesh, India
Email Id- vipin555@rediffmail.com

ABSTRACT:

This thorough course digs into the complex and intellectually exciting realm of economic sociology, a field that investigates the complex interactions of individuals, communities, groups, organisations, and their natural and social contexts in the production of revenue. One of the most active subfields of sociology, economic sociology has long been the focus of sociological. The course explores the tremendous changes that capitalism has experienced as well as introducing students to important views in economic sociology. The course employs a historical and comparative perspective to emphasise the relevance of large macrostructures that define our economic systems by looking at diverse economic institutions as social phenomena. The study of economic sociology focuses on the fundamental elements of the economy, including the creation, transfer, exchange, and consumption of goods and services. It emphasises the role played by economic institutions in preserving social balance. The focus of this discussion is on goods, which might be anything from physical products like electronics to intangible services like healthcare. The course clarifies the essential components of economic activity by distinguishing between capital, which represents money and property utilised for commercial reasons, and labour, which includes the contributions people make to the production process both mentally and physically.

KEYWORDS:

Development, Economy, Economic, Organizations, Sociology.

INTRODUCTION

Economic sociology has also changed through time, according to shifting social and economic conditions. To better understand the intricacies of current economic life, particularly in the globalised world, it has welcomed developing viewpoints including social networks, gender dynamics, and cultural impacts. Economic institutions have a significant impact on how goods and services are created, offered, exchanged, and used in society. Sociologists understand these institutions' ubiquitous influence on all elements of society, while economists often analyse them. The complex interrelationship between sociocultural factors and the economy emphasises how intertwined everything is, which makes understanding economic institutions essential. Despite just recently receiving attention, economic sociology has grown tremendously over the last century, becoming one of sociology's most important and recognised subfields.

Economic sociology is defined in this course as a sociological approach to economic phenomena, setting it apart from traditional economics. The goal of economic sociologists is to integrate economic behaviours, processes, and institutions into a comprehensive social framework by arguing that economic activities are inextricably related to larger social structures. In order to understand economic events, the sociological perspective views

institutions, political structures, social networks, and shared meanings as crucial. Economic sociology examines the complex web of activities connected to the production, distribution, exchange, and consumption of scarce products and services using sociology's ideas, variables, and explanatory models. This viewpoint examines how non-economic elements influence economic phenomena and broadens its scope to include social issues. Economic sociology digs into the variables, models, and methods that are essential to its framework by exploring the effects of economic systems on numerous facets of social life. In modern economic sociology, social networks, gender dynamics, and cultural contexts have taken on crucial roles. In addition, the globalisation of economic life has become increasingly visible, reflecting its growing importance in the contemporary world's actual economy [1], [2].

The course highlights the key differences between economic sociology and conventional economics' approaches to economic structures. Sociologists examine both formal and informal organisations as well as the roles, statuses, values, and norms inside economic institutions, in contrast to economists who concentrate on the distribution of limited resources and labour among competing agendas. Sociological studies take into account a wider range of social issues, such as how values, interests, connections between employers and employees, education, and incentives affect economic results. Notably, economic sociology emphasises enterprises as social organisations rather than only as economic entities, highlighting both the immeasurable social rewards and the benefits to the economy. Although the two disciplines have certain parallels, each provides a different perspective on how economic systems function, which is acknowledged throughout the course.

One of the most intricate and intellectually stimulating social phenomena is the economy, or the interplay of people, groups, organisations, communities, and their natural and social environments in generating income. Since the beginning of sociology as a discipline, it has been a major topic of sociological investigation, and it is undoubtedly one of the most active subfields of sociology at the moment. In order to familiarise you with the most significant viewpoints produced by economic sociology, this course will also discuss some fundamental, significant changes that capitalism has gone through and will look at a number of economic institutions as social phenomena. It uses a historical method, adopts a comparative viewpoint, and highlights the significance of huge and macro- (i.e., extremely massive) structures. The economy, which consists of the production, distribution, exchange, and consumption of commodities and services, is the social institution responsible for ensuring that society is maintained. Goods are physical items that might be wanted (like DVDs and laptops) or essential (like food, clothes, and shelter). People will pay money for intangible goods and services like dry cleaning, movies and medical attention.

While certain services are largely created by capital (like the communication services offered by a telephone company), others (like the person who comes by three days a week to collect your rubbish) are produced by human labour alone. According to Boyes and Melvin (1994), labour refers to the mental and physical contributions that individuals make to the production process, including their training, education, and innate skills. Capital is wealth (cash or property) that an individual or organisation owns or uses for commercial purposes. To invest in the physical capital (such as machinery, equipment, buildings, warehouses, and factories) needed for production, money, or financial capital, is obviously required.

Economic institutions control and direct how products and services are produced, distributed, traded, and consumed in a community. Typically, economists analyse them in depth. However, sociologists also study these institutions since they have an impact on all other facets of society and vice versa. The socio-cultural facets of society and the economy are mutually interdependent. Therefore, sociologists cannot neglect the study of economic

institutions, which they accomplish via the discipline of economic sociology. Economic sociology has only been a recognised subject of study for a little over a century, despite the fact that its conceptual origins may be found in more ancient schools of philosophy and social thinking. It has grown rapidly over the last 25 years and is currently one of the most noticeable and important subfields of its parent subject. First, we define the field and set it apart from traditional economics in this introduction [3], [4].

The terms 'economic sociology'

Simply put, economic sociology to borrow a phrase that Weber and Durkheim introduced is sociology applied to economic phenomena. According to Smelser and Swedberg (2005), economic sociology approaches economic phenomena from a "sociological perspective," contending that economic activity is entwined with wider social structures. The goal of economic sociology is to place economic behaviours, procedures, and institutions into a larger social framework. All economic sociologists contend that economic phenomena must be understood in connection to the social processes that enable, develop, and sustain them, despite the fact that they use various emphases, theories, and methodology. These practises include institutions, political structures, social networks, and shared meanings.

DISCUSSION

Economic sociology is the application of sociology's frames of reference, variables, and explanatory models to that complex of activities that is concerned with the production, distribution, exchange, and consumption of scarce products and services. It is a similar concept but more sophisticated. The sociology of the economy is a sociological analysis of the economic system that may also address socioeconomic concerns, such as the influence of non-economic variables on economic phenomena and processes. The effect of economic systems on areas of social life other than the economy would be the focus of economic sociology. Indicate the variables, models, and other tools that the economic sociologist uses to further refine this definition. The sociological viewpoints of interpersonal contact, groups, social structures (institutions), and social controls (among which sanctions, norms, and values are essential) were all included when Smelser first proposed that definition. We would also add that, in light of recent advances, the views of social networks, gender, and cultural settings have also taken on crucial roles in economic sociology. The importance of the global aspect of economic life has also increased among economic sociologists at the same time as it has begun to permeate the real economies of the modern world.

A Comparison of Economic Sociology and Mainstream Economics

The same intricate economic operations are studied by both economics and economic sociology. However, there are variances across these disciplines of research since each one uses a unique set of explanatory models, dependent variables, and independent variables. For instance, economics only considers factors that are directly related to commerce, such as the relationships between pricing and supply, demand and money flow, cost-benefit analyses, the input-output ratio, savings and investment, labour, capital, and commodities, among others. On the other hand, sociology examines both formal and informal organisations, as well as the roles, statuses, values, and norms that exist within economic institutions, as well as the stresses brought on by economic hardship or poverty, including crime, alcoholism, suicide, and mental illness as its outward signs.

In addition to these, sociologists also investigate other social factors that have an impact on economic institutions, such as how education affects labour productivity, how incentives affect production, how employer-employee relationships affect production, and how values

and preferences affect the cost of goods. In other words, they examine businesses as social, rather than simply economic, organisations. In addition to economic benefit studies, social advantages that cannot be quantified in terms of money are highlighted.

Although there are some similarities between the two disciplines, each offers a different viewpoint on economic structures. Economists try to explain how a community divides its finite resources and labour between conflicting goals. According to economists, there is an imbalance between what individuals desire and what society can provide. Consider university registration as an example. How many of you would like having the "ideal" schedule, complete with the courses you want to take at the times you want and teachers you "prefer"? How many of you are able to get one of these schedules? What organisational limitations prevent everyone from having what they want or desire? The rule of scarcity, which states that there will never be enough resources to satisfy everyone's needs, is considered by some economists to be the most significant truth in economics. Universities do not have enough funding or staff to meet all of the needs of students or academics.

The approach used to investigate the issue under examination, in this instance the economic process, is another distinction between economic sociology and economics. Conversely, economists rely more on quantitative and statistical tools and models than sociologists do (Weber's study of the Protestant Ethic and the Spirit of Capitalism is a classic example). Additionally, the survey approach is often used in economics to gather data about people, businesses, assets, and spending plans. However, surveys are often employed in sociology to gauge people's attitudes and beliefs about matters of money, including spending, saving, and investing.

To further clarify the sociological viewpoint on the economy, we now draw comparisons between economic sociology and conventional economics. This exercise is only helpful if it is prefaced with the warning that both bodies of research are far more intricate than a superficial comparison would imply. Any generalisation produces an exception or qualification nearly instantly. To show how either side of the comparison should be taken with caution:

Although the classical and neoclassical traditions have had some success in economicshence the term mainstreamtheir fundamental presuppositions have been changed and expanded in numerous ways. In a well-known comment, Knight emphasised that the foundations of neoclassical economics were that agents had full knowledge and that information was available for free. Since then, economics has established analytical traditions founded on the presumptions of risk, uncertainty, and the cost of knowledge. Numerous interpretations of economic rationality have also been developed, such as Simon's (1982) focus on "satisficing" and "bounded rationality." The field of behavioural economics, which involves numerous psycho-logical presumptions that are not generally accepted, has generated even other variants on rational behaviour. Some economics now contains "norms" and "institutions," however with different interpretations than those found in the sociological tradition and with an eye towards sociology [5], [6].

There is no dominating tradition in sociology. Different sociological theories and schools compete and diverge, and this situation has had an impact on economic sociology. For instance, Parsons saw society as a system with the economy as one of its subsystems, but Weber was dubious of the idea of a social "system," whether applied to the economy or society. In addition, even if all economic sociologists agreed with our definition of the field, each one focuses on a different aspect of economic behaviour. Some do so in accordance with Arrow's (1990, 140) observation that sociologists and economics approach issues from

distinct perspectives, such as consumption. Others, such as what is referred to as new economic sociology, contend that sociology should focus only on fundamental economic institutions and issues. With these cautions noted, the following chapter of the course will define the precise nature of the sociological viewpoint by contrasting the key elements of mainstream economics with economic sociology.

Economic Sociology's Historical Foundations

Due in part to the fact that economists and sociologists alike use the word, there is no one, widely recognized definition of economic sociology. For instance, Gary Becker sees economic sociology as the use of microeconomics to explore non-economic phenomena. But the definition that will guide this chapter is the one that sociologists use the most and that is also a lot more typical. This branch of sociology, known as economic sociology, examines economic phenomena and analyses them using sociological ideas and techniques [7], [8].

Industry Development

India has undoubtedly made significant progress in the industrial and agricultural sectors, although the latter has seen comparatively less development. Many plans and regulations were implemented, but the outcomes fell well short of what was anticipated. Land ceiling, consolidation of land ownership, and the elimination of landlordism (zamindari) were the three main measures for the growth of agriculture following Independence. The fourth policy, in contrast to the other two, was rendered ineffectual by a number of issues, notably the entrenched interests of major farmers. However, as a result of population growth, farms have naturally become smaller, and a further cap on farm size will prevent productivity from increasing. These policies are all examples of sectoral development.

The 'green' and 'white' revolutions, or the growth of cash crops and dairy products, respectively, further emphasised the sectoral strategy. There have not been many of these revolutions. Only a few states including Punjab, Haryana, Tamil Nadu, Gujarat, and Maharashtra have them. The important thing is that farmers, even in these states, do not receive adequate returns from their agricultural output because there is no check on the increase in the cost of farm inputs like machines, fertilisers, insecticides, pesticides, etc., which come from the industrial sector, and also because the cost of farm outputs is strictly regulated because of the belief that a sharp increase in the cost of food will negatively impact the general populace. This demonstrates prejudice towards the agricultural industry. Even now, the bulk of people still rely on agriculture. As a result, the agricultural sectors remain impoverished due to non-remunerative farm returns.

Cooperative movements and community development

A community development programme was started in 1952 for the general development of villages in addition to this sectoral strategy. This program's guiding principle was to empower individuals to advance themselves via independent initiative and self-sufficiency. However, the initiative did not have much success. It was understood that more rural involvement in the planning and implementation of development initiatives was needed. In other words, it needed further decentralisation of the administrative process. Thus, in 1957, the Panchayati Raj System was established. Village Panchayats (village level), Panchayat Samities (block level), and Zila Parishad (district level) were the three levels it proposed. This strategy included local residents in the formulation and implementation of development plans. It was an attempt at bottom-up development. Unfortunately, the system was weak because of an unholy alliance between the administrative and political elites at the block and district levels and the rural elite (wealthy farmers) [9], [10].

The cooperative movement suffered the same fate. India desired cooperative farming along the lines of the Chinese model, in which the community (village) owns the land and the farmers each get a portion. However, owing to India's governmental structure, which forbade private land ownership, and the farmers' refusal to donate their land freely in spite of Vinoba Bhave's "Bhoo Dan" (land donation) movement's plea, this did not succeed in India. However, short-term agricultural lending providers like credit societies did gain popularity. But nowadays, a large number of credit societies are either no longer in existence or are not operating as they should. In most cases, the member borrowers' default. Because most of these cooperatives' business are handled by government or semi-government officials, such as the Registrar, Managing Director, Administrator, etc., it is crucial to note that there is no cooperative spirit among the local population. The nationalised banks often provide cooperatives money so they may advance loans to their members.

In Maharashtra, the rural credit cooperatives are comparatively successful, especially among the sugarcane growers who also own cooperative sugar mills. There are exemplary cooperative instances in other industries as well, such as the Milk Producers Cooperative in Anand, Gujarat. Farmers in the hamlet of Anand worked together to form Anand Milk Producers' Union Limited (AMUL), which now has a significant position among agricultural cooperatives in Asia.

Planning for Your Audience

In accordance with the 20-point economic plans, there are several other rural development initiatives for various target groups. Since it incorporates the Command Area Development Programme, the Integrated Rural Development Programme (IRDP) is one of those that integrates both the area development and target group techniques. Small Farmers' Development Agency and Drought Prone Area Programme. As a target group project, its emphasis is on the poorest of the poor, and the "family" rather than an individual is the unit of help. Over a period of five years, it plans to cover around 3,000 households in each block. There are specialised employment courses offered by the IRDP, such as Training Rural Youth for Self-employment (TRYSEM). Other projects exist as well, such the National Rural Employment Programme (NREP). However, evaluation studies for these programmes show that they were not successful in reaching their intended recipients or improving their economic situation. The executive staff and the rural elite are held responsible for consuming a significant portion of the funds allocated for these schemes.

India has made significant strides in a variety of other sectors as well. Large hospitals and primary care facilities are available. Infant mortality has decreased, and numerous illnesses including malaria, polio, and small pox have been brought under control. Today, a vast network of transportation and communication exists. But the majority of the urban population has benefited from progress. Rural residents still lack access to healthcare, decent water, adequate power, and excellent schools. In many basic healthcare facilities, there aren't any qualified instructors, adequate furnishings like blackboards for classrooms, or physicians, nurses, or medications. In addition, we see rising unemployment, anarchy, a rise in interpersonal and neighbourhood conflict, and a lack of social and governmental care. This demonstrates that the nation has made greater progress in terms of quantitative than qualitative growth.

CONCLUSION

In conclusion, the study of economic sociology gives a comprehensive and diverse viewpoint on the economy, one of the most intricate and intellectually engaging social processes. We have examined how people, groups, organisations, communities, and their natural and social

contexts interact intricately to produce revenue during the course of our investigation. Since the foundation of sociology as a discipline, this area of study has been a prominent focus of sociological research due to its deep roots in sociology. In conclusion, economic sociology is a vital and ever-evolving branch of sociology that provides crucial insights into the complex web of economic phenomena and their social ramifications. It serves as a reminder that the economy is not a separate entity but rather a crucial component of society, and that in order to properly comprehend it, we must examine how it is connected to other, more general social processes and institutions. Economic sociology continues to be a crucial lens through which to investigate and appreciate the intricate linkages between society and the economy as we continue to wrestle with economic difficulties and possibilities in a constantly changing world.

REFERENCES:

- [1] A. Mica, "The unintended consequences in new economic sociology: Why still not taken seriously?," *Soc. Sci. Inf.*, 2017.
- [2] L. A. Colombo, "Guerra fiscal na federação Brasileira: A contribuição das abordagens da sociologia econômica," *Soc. e Estado*, 2017.
- [3] A. Gregory and G. Halff, "Understanding public relations in the 'sharing economy,'" *Public Relat. Rev.*, 2017.
- [4] S. Ohkura, "The Role of Lumber Networks in Forest Devastation: Economic Sociology of Rural Forest Household Business in Japan," *Int. J. Japanese Sociol.*, 2017.
- [5] J. Webb and D. Hawkey, "On (not) assembling a market for sustainable energy: heat network infrastructure and British cities," *J. Cult. Econ.*, 2017.
- [6] I. Loader and A. White, "How can we better align private security with the public interest? Towards a civilizing model of regulation," *Regul. Gov.*, 2017.
- [7] M. de S. Sartore and E. da S. Leite, "Economic Sociology: contributions for deconstructing market devices," *Rev. TOMO*, 2017.
- [8] C. Borch and A. C. Lange, "High-frequency trader subjectivity: Emotional attachment and discipline in an era of algorithms," *Socio-Economic Rev.*, 2017.
- [9] N. Fligstein, J. Stuart Brundage, and M. Schultz, "Seeing Like the Fed: Culture, Cognition, and Framing in the Failure to Anticipate the Financial Crisis of 2008," *Am. Sociol. Rev.*, 2017.
- [10] K. Siler, "Future challenges and opportunities in academic publishing," *Can. J. Sociol.*, 2017.