

**Globalization: Theoretical Perspective**  
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**Lecture 56**  
**Globalisation, Class and Work in India**

Welcome back to the class. And we are in the last week, which is the 12th week; we have five more sessions to go. And in this session, as well as in the next session, we have a guest lecture by Doctor Shakti. Doctor Shakti is a postdoctoral researcher at the humanities and social sciences department at IIT Madras.

She holds a PhD from the University of Cambridge, UK, and she worked in the IT industry and the middle class in India. So, she will give you two sessions to discuss her work in particular. More broadly, she will discuss the more enormous transformations in the Indian economy with the liberalisation and the emergence of a middle class. Specifically, she uses the gender or the perspective of gender to analyse this enormous transformation. So, these are the two sessions that Doctor Shakti is presenting. So, welcome to her class.

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Doctor Shakti: Today, I will be speaking about globalisation class and work in India. In this lecture, I want to talk to you about the impact of globalisation on shaping class identities in

India. It is a vast topic if you look at class or class identities. So, it would be impossible within the scope of this lecture to address every aspect of class and how it intersects with globalisation.


And so, what I want to talk to you about is explicitly middle-class identities and their relationship with globalisation in an Indian context. And this is especially following the liberalisation of the Indian economy in the early 1990s. Throughout this lecture, we will unpack terms such as liberalisation and middle class; what does it mean to be middle class? How do we define it? These are some of the words that we will discuss.

And the impact of globalisation in India has been studied extensively from multiple angles, ranging from culture to politics and its embeddedness within class dynamics, gender dynamics, caste dynamics, etc. For this lecture, we will focus specifically on the arena of work and how to work identities in India have been shaped by globalisation.

So, we want to understand the synergy between them. And specifically, how to do these links to the new forms of work that have emerged in the last 30 years, specifically in the Indian information technology industry. And as I said, I want to focus on this specific sector and how middle-class identities and globalisation intersect.


And I hope that what this lecture will achieve is giving you some context to think through some of the theories you have learned over the last few weeks and apply them empirically. When we say empirically, we mean data with actual field studies and field research, which will better understand how these theories can be used.

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## Lecture Overview

- 'LPG' and the opening of the Indian economy.
- The 'new' middle class – how do we define it? What is its significance?
- Where does the IT industry come in? How can we look at the industry through the intersecting frameworks of globalisation and class?



So, to give you a summary of what this lecture will be about, it is structured in roughly three parts. The first one is about LPG or liberalisation, privatisation and globalisation. And we are going to discuss each of these terms and the opening of the Indian economy. As I said, this happened in the early '90s and 1991. This is not to say that there was no opening up in various ways of the economy before 1991.

Nevertheless, that particular time was quite influential in the history of the modern Indian republic and how it generally shaped the economy and society. So, we will focus on that, to begin with. This will be followed by discussing what some scholars have called the new middle class.

So, how can we even begin to define a new middle class? What do we mean by new? And there are multiple ways to determine the middle class, but we will focus on the work of some scholars who have specifically tied it to globalisation. And we want to understand the significance of the middle class in the social and political life of the modern Indian nation.

The third part of this lecture will look at where the IT industry comes into this how can we look at the industry through the intersecting frameworks of globalisation and class. So, this is drawing from my research on the Indian IT industry and the work of several other scholars and showing the strong linkages the sector has to these different aspects.

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## Reference Material

- Corbridge, Stuart and John Harriss. *Reinventing India: Liberalisation, Hindu Nationalism, and Popular Democracy*. Cambridge: Polity, 2000.
- Fernandes, Leela. *India's New Middle Class: Democratic Politics in an Era of Economic Reform*. Minneapolis; London: University of Minnesota Press, 2006.
- Upadhyaya, Carol and A. R. Vasavi. *Work Culture and Sociality in the Indian IT Industry: A Sociological Study*. Bangalore: National Institute for Advanced Studies, 2006.




The reference materials we are using for this lecture are the quotes you will see, primarily from these three books and reports. The first one is reinventing India liberalisation, Hindu nationalism and popular democracy by Stuart Corbridge and John Harriss. It is quite a modern classic in South Asian studies studying the Indian political economy.

It gives you a good bird's eye view of changes in India since independence, up to 2000. Please remember, the book was published in 2000. The other book we will rely on is Leela Fernandes, a well-known political scientist and women's studies scholar. Her book is called India's new middle-class democratic politics in an era of economic reform, published in 2006. And then finally, we will use this critical report by Carol Upadhyaya and A.R Vasavi, who were both at the national institute for advanced studies when it was published in 2006.

The report is a sociological study called work culture and sociality in the Indian IT industry. And this report especially grapples with some of the theories of globalisation that you have been encountering during this course and tries to apply them in the Indian IT context. And again, in 2006, the IT industry had been around for some time was not that old. So, this was quite a critical report, especially to give us a better sense of how it functioned.

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## LPG: Liberalisation, Privatisation, Globalisation

'It is always dangerous to venture judgements on the significance of contemporary events, but there is a strong case for believing that the economy of India was reshaped – if not entirely reinvented – by the programme of economic reforms that was put into place by... Prime Minister, Narasimha Rao, and by his Finance Minister Manmohan Singh.'

- Corbridge and Harriss

Reforms of 1991 to respond to economic crisis in the country.

The causes of the economic crisis that led to the reforms can themselves be analysed through the lens of globalisation.



Let us begin with these terms, liberalisation, privatisation, globalisation. What does each of these mean? They are all interconnected, but we should break them down one by one. Liberalisation is nothing more than changing state policies to allow more private sector and foreign investment in the economy.

So, when we talk about the state, we mean the government in power. I usually conceptualise at the national level, but it could also be at the level of individual states in the country. But when we talk about the state, this is what we mean. The state is trying to orient itself to allow more significant investment.

So, it eases investment pathways for especially the private sector. So, you can see this is heavily linked to privatisation, which is the expansion of the role of the private sector in the economy. Remember that this does not mean that the state is absent in how the economy operates or removes itself. Instead, its role changes to facilitate better the working of what might be called neoliberalism or free-market principles.

So, as I said, privatisations closely tied to this and privatisation again refer to more fabulous private sector presence in areas such as health care or education, which we usually would associate with the social welfare policies or something that the state is meant to provide. So, you will see a more significant role played by the private sector, even in these spheres.

And of course, by now you know what globalisation is. I think you have thought about it quite a lot during this course. Still, in this specific context, in the Indian economy, globalisation is simply a greater integration of the Indian economy into the global market. Again, this does not mean that the Indian economy was utterly isolated from the worldwide market before the economic reforms of 1991, and we will discuss this a bit more.


Nevertheless, that period represents a significant acceleration in these processes. So, keep that in mind, and here we have a quote from Corbridge and Harriss. I will read it out. It is always dangerous to venture judgments on the significance of contemporary events. But there is a strong case for believing that the economy of India was reshaped, if not entirely re-invented, by the programme of economic reforms that were put into place by Prime Minister Narasimha Rao. This was in 1991 and by his finance minister, Manmohan Singh.

So, they are essentially saying, and again, this book was published just after the '90s. So, they are saying it is difficult, the early to comment on how important something is when you are kind of still living through it and its immediate aftermath. Nevertheless, we can say that what happened in 1991, the reforms of 1991 to respond to the economic crisis in the country. What a massive upheaval, not just economically, but in several other ways, as they say, it, perhaps reinvented, what the government is today.


So, I think we cannot sort of overemphasising this point. The reforms of 1991 referred to a broad array of changes to the economy. This was both because of a growing fiscal deficit at the time, various financial factors, some of them due to mismanagement by previous governments and also to external factors such as the gulf war because this started to affect oil prices, as well as remittances from Indians who are living in those countries and working there at the time.

So, what this tells us is that the causes of the economic crisis, such as a gulf war that led to the reforms, can themselves be analysed through the lens of globalisation. And this, I think, underlines the point that it is not that India was isolated before 1991. The country was very much involved in different forms of globalisation. As you learned, Appadurai is called scapes, very much a part of these flows of people of money of ideas and so on, which had their local interpretations, situated interpretations. But still, as I have already said, this was a sort of watershed moment for the economy and the country, more generally, the reforms of 1991.

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- 'The new government immediately sought a stand-by loan from the International Monetary Fund and devalued the rupee. These actions were followed by Manmohan Singh's first budget, which laid out what was in the Indian context a radical strategy for stabilizing the economy and reducing the budget deficit, and by policies which promised structural adjustment.' – Corbridge and Harriss
- Mandal, Mandir, Market – tremendous social, political and economic changes in the 1990s.



Now, going back to Corbridge and Harriss, they continue to say, and they're sort of explaining what the changes were that were brought in in 1991. The new government immediately sought a standby loan from the international monetary fund as the IMF devalued the rupee. These actions were followed by Manmohan Singh's first budget, which laid out what was, in the Indian context, a radical strategy for stabilising the economy and reducing the budget deficit.

And by policies that promised structural adjustment. So, famously, when the reforms were pushed through, India just had two weeks worth of reserves for imports, the economy was in serious trouble. And so you see these sort of emergency measures that were put into place, devaluing the rupee, for example, and taking the standby loan.

The shorter measures were followed by a much broader reform of structural adjustment. Which was brought into place and, as we have looked at already, very much pushed the idea of LPG, and this is underlined by the principle of what we call neoliberalism that the state sort of believes in the power of the private sector of free markets.


It should be kept in mind that the economic reforms were not the only massive change in India in the '90s. This period has been perhaps defined by what is called Mandal, Mandir, market, tremendous social, political and economic changes in that decade. So, I think the market we have already discussed refers to the 1991 reforms. Mandal refers to the Mandal commission report,

which said there should be caste-based reservations for other backward castes or OBC's in public sector employment. Do keep in mind that some states already had this reservation before 1990.

But this report called for national-level implementation, which the government said would implement the government at that time. And this led to massive protests and violence, so it continues to frame the language of caste and caste-based reservation in India today.


And it had a profound impact on national politics. And of course, a third thing is Mandir referring to the demolition of the Babri Masjid and the calls for the construction of the idea of the Ram temple in Ayodhya. This also framed the national discourse when Hindu right-wing parties gained momentum. This is really when they first started seeing a rise in our national popularity. Now, these things Mandal and Mandir are beyond the scope of this lecture. I have just highlighted them to situate what we are talking about in a period of general change, a period of significant shifts throughout the country.

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### What is the Indian Middle Class?

- How can we define the middle class?
- Income-based classifications alone do not capture this group's complexity.
- Other factors could be: education, employment, access to social networks, fluency in English, certain consumer practices, forms of political participation, etc.



I hope at this point; you have some context for what was going on in the period of the early '90s, which is often associated with the real large-scale advent of globalisation, as we know it today in India, I hope, up to this point, this is clear. And do keep this in the back of your mind as we progress through this lecture.

Because the sort of structural context is always essential when discussing any theme. So, coming now to the Indian middle class, again, a broad area, how can we even begin to define the middle



class? What does that mean? Now, just like with the economic reforms of 1991, the middle class as we know it today did not just emerge into being in 1991.

There is a long history as with most things that we need to be aware of the economy had already started opening up in the '80s, mainly as Corbridge and Harriss have highlighted, for example. There was an increase in consumption; they note that the number of television sets in India in the 1980s rose from 2 million to 30 million. The production of cars grew nearly five times, refrigerators four times and so on.

So, keep in mind that there is a more extended history here. Nevertheless, just as with the opening of the economy and how there was this massive expansion, similarly, the middle class and class identity are more generally took on a different meaning with the economic reforms of 1991. And the sort of leads us back to the question of how we begin to define the middle class? How do we even begin to say this is? This is what we mean by the middle class.


Now, there is often not complete consensus on this among social scientists. It is generally agreed upon that income-based classifications alone do not capture this group's complexity. This means how much income they get, how much they spend, you know, consumption patterns, simply looking at financial aspects is not enough to capture what it means to be middle class in India.

This is because several other factors can and do shape class identity. These are education, employment, access to social networks, fluency in English is a big one in India. Again, this goes back to the colonial period. There was a concerted effort to create a class of people who could run administrative policies and things that an Indian group of people the British wanted to institute in India; this continues today.

Certain consumer practices, not how much someone spends, but how they spend on forms of political participation, how members of this group engage with the state, how they assert or demand political rights, and so on. So, there are various aspects here. And, if you look at these, if we apply the idea of multiple types of capital and perhaps the French sociologist, Pierre Bourdieu a best known for discussing this idea of social and cultural capital and not just economic capital, you not just how much money you have or financial capital, but something like access to social networks is sort of an example of a type of social capital. Something like fluency in English is very much a form of cultural capital. So, how does access to these other


types of capital also shape the formation or the definition of the middle class in India? So, there is quite a lot of debate on this.

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### The 'New' Middle Class

- How does globalisation fit into the story of the middle class?
- Leela Fernandes argues that there a 'new' middle class has emerged as a result of globalisation. This group includes both members of the 'traditional' middle class and newer entrants; what distinguishes it is the changes brought about by liberalisation.
- 'My central argument is that the rise of the new Indian middle class represents the political construction of a social group that operates as a proponent of economic liberalisation. This middle class is not 'new' in terms of its structural or social basis. In other words, its 'newness' does not refer to upwardly mobile segments of the population entering the middle class. Rather, its newness refers to a process of production of a distinctive social and political identity that represents and lays claim to the benefits of liberalisation.' - *Fernandes*



Now, because there is so much debate, we need to consider how to define the new middle class in the context of globalisation. Does globalisation give us a different way of conceptualising this group? And again, keep in mind here that we could even say that there is no one middle class; there are many middle classes, there could be an urban middle class or a rural middle class, for example.

And just because it is such a rich area to study, you have an inspiring scholarship in this area, going back to the '90s. To give you an example, even in the very narrow frame of, say, gender and middle-class identities, you have a scholarship by people like Purnima Mankekar, who is written on how television viewership changed in the '90s with the arrival of lots of different types of programmes, catering specifically to the middle class and how they have shaped class formation and class identities.

Meenakshi Thapan has written on the advent of magazines like Femina and what this meant for creating a specific type of womanhood, especially middle-class womanhood. Henrika Dona has written about marriage and childbirth practices in Kolkata and how women primarily practice maintaining or reinforcing their middle-class status. So, it is a vibrant area to study.

In this context, I want to focus on the work of Leela Fernandez, and I have already mentioned her book to you. Now, the 1990s, as I have already said, represented a natural period of change with the opening up of the economy; you also started to get jobs that offered higher salaries and more goods that could be purchased and consumed.

So, this did have an impact, especially on middle-class identity. Leela Fernandez argues that a new middle-class set has emerged due to globalisation. This group includes both members of the traditional middle class and an impressive entrance; what distinguishes it is the change brought about by liberalisation.

So, this is a critical point. And we will get to what her central argument is, but what she is essentially trying to say is that what defines the new middle class is their relationship to liberalisation and the opening up of the economy. So, this group is not just people who acquired middle-class status; that is the newer entrance because of globalisation.

And it also includes members of, you know, the traditional middle class, by which she means people who might have been middle class before the economic reforms. She says that their relationship to globalisation and the new forms of work brought explicitly by globalisation have shaped their new middle-class identity.

She says this is a very political formation, and it defines how this new middle class relates to the state. So, it is a fascinating argument. So, to continue what Leela Fernandez says is, my central idea is that the rise of the new Indian middle class represents the political construction of a social group that operates as a proponent of economic liberalisation. This middle class is not new, in terms of its structural or social basis, essential.


In other words, its newness does not refer to upwardly mobile segments of the population entering the middle class, which I have already said; it is not just people who have newly entered this group due to globalisation. Instead, its newness refers to the production process of a distinctive social and political identity that represents and lays claim to the benefits of liberalisation.

This is extremely important; its newness produces a distinctive social and political identity. So, it is a group that has emerged because of the changes brought by globalisation, liberalisation, and


the opening up of the economy. And this has shaped their political and social identity, how they relate to the state, what they demand from the state, and so on.

So, this is quite an interesting argument. She also points out that this group is seen as both aspirational and accessible; it is seen as more open in some sense than the traditional middle class, as she calls it. Because with the opening of the economy, there seem to be more opportunities to enter this group. And indeed, there has been research showing that the middle class's cast dynamics, for example, has changed since the 1990s. Not just because of liberalisation but because of a host of factors. So, you know, there is something, as she says, relatively new and novel about this group and its emergence.

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The growing visibility of this new Indian middle class embodies the emergence of a wider national political culture, one that has shifted from older ideologies of a state-managed economy to a middle class-based culture of consumption. While in the early years of independence, large dams and mass-based factories were the national symbols of progress and development, cell phones, washing machines, and colour televisions—goods that were not easily available during earlier decades of state-controlled markets—now seem to serve as the symbols of the liberalising Indian nation. While earlier state socialist ideologies tended to depict workers or rural villagers as the archetypal objects of development, such ideologies now compete with mainstream national political discourses that increasingly portray urban middle class consumers as the representative citizens of liberalising India.” - Fernandes



Now, Fernandez says that the growing visibility of this new Indian middle class embodies the emergence of a broader national political culture, one that has shifted from older ideologies of a state-managed economy to a middle class-based culture of consumption. And this idea of consumption is fundamental. There have been many studies on consumption and the middle class, fascinating studies on this theme.

While in the early years of independence, large dams and mass-based factories were the national symbols of progress and development, cell phones, washing machines and colour televisions, goods that were not readily available during earlier decades of state-controlled markets, now seem to serve as a symbol of the liberalising Indian nation.



So, increasingly see that the Indian nation is being represented differently. And you see this particular figure of the middle class, the new middle-class person, as Fernandes says, this person is usually urban English speaking, employed in what might be called a professional job in-office job.

So, you see, this figure featured more prominently in the national imaginary. So, while earlier state-socialist ideologies tended to depict workers or rural villagers as archetypical development objects, such doctrine now competes with mainstream national political discourses that increasingly portray urban middle-class consumers as citizens of liberalising India.


So, again, you increasingly see this new middle-class group being represented more than the country wants to be associated more with this group. Even if you look at representations of Indians internationally, you will see in the '90s and well into the 2000's several images of reality, especially women working in, say IT or service sector jobs being featured on magazine covers, representing the new India, this new India as Fernandes argues very much is informed by the new middle class at India that has come about because of globalisation. So, we have to keep that connection between globalisation and this new middle class very much at the forefront.

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Cinematic Representations




Dilwale Dulhania Le Jayenge, 1995



Monsoon Wedding, 2001

Image sources: <https://www.filmcompanion.in/readers-articles/monsoon-wedding-movie-love-in-the-time-of-marrriage-a-feminist-analysis-mira-nair-naseeruddin-shah-wine-dubed>  
<https://www.ndtv.com/entertainment/the-end-marathi-mandira-shows-dilwale-dulhania-le-jayenge-for-last-time-740769>



Now, to give you an example, and you know, visual cultures, it is an exciting and prosperous area to look at how the nation's imagining of itself shifts and changes and how it can be represented. And like to give you one small aspect of that, if you look at cinematic representations of this new middle class, in the decade, following the liberalisation of the Indian economy, you will see that there is a much greater representation of this group.

In some sense, they want to see themselves on screen, and they also want to project this image that India has encompassed this sort of new, upwardly mobile group of individuals. And this is, again, something to keep in mind that we often associate globalisation with economic processes. But as I am sure learned in this course, it is much more than that. It is also cultural and social and political, and so on.

So, the public realm of popular culture gives you a good sense of how these processes might work. I have taken just two films here. The one on the right is the Dilwale Dulhaiya Le Jayenge Hindi movie released in 1995, part of the Yash Raj group of films that were very much at the forefront of representing the new middle-class identity.

On the left is Monsoon Wedding, an English film released in 2001, meant for an international audience and explored themes. You see this, the Indian person is now hypermobile, travelling freely across countries. Excellent mobility is an essential aspect of this new middle class. The concerns their views are now increasingly represented, and they give us a good sense of the sort

of ideologies of this group. I will stop here and continue with the second part of this lecture.

Thank you.