

Caste as Social Capital: An Empirical Analysis of Tamil Nadu, India

The shift from the slogan of 'Getting price right' to 'getting social relation right' is closely connected with changes in the discourse of development economics. In particular, this shift coincides with the development economics moving away from Washington consensus to post-Washington consensus (Fine). In Washington consensus, 'getting price right' epitomized the call for change in economic policy structure from a administered, planned and regulated one, to a de-regulated, liberalised and market-centric one. The call for 'getting social relation right' symbolizes the failures of the policy structure advocated by Washington consensus. This has opened up space for the consideration of non-economic factors in economic development. Social capital is one of such non-economic factors; and it has become an explanatory factor in developmental outcomes like income, education, and health in the recent years. It is being seen as missing link in economic development.

Social capital is defined as social networks, horizontal and voluntary local associations. It is understood as resources that people have by virtue of their social relationships. Such invocation of social relations may remind us of the social relation of production of Marx's schema. However, it is not. Social relation in social capital theories is devoid of any reference to power and property relations which are the basis for Marx's notion of social relation of production. The concept of social capital rooted in the newly developed institutional and information-theoretic economics often emphasises the importance of social trust, networks, and information.

Social capital has become a powerful explanatory factor in understanding development in India. Assuming caste as social capital, some have even advocated caste-based development (Aiyar). Application of social capital analysis to caste has, in general, taken two forms. One assumes caste itself as social capital; and others claim how different caste groups achieve by means of certain social networks and voluntary clubs. Both applications do not recognise the fact that caste is as a system a *hierarchical*. The analysis assumes castes to be discrete and horizontal. If caste is seen as a vertical and relational to each others, then inclusion of some groups would mean the exclusion of others. Thus, the process of either inclusion or exclusion becomes systemic and structural. Second problem associated with caste as social capital is, for different castes, one needs to delineate how much social capital is pre-given and how is accumulated over time? This is important since the initial endowment of social capital might decide future accumulation of the same. Further, accumulated Social networks of all caste groups need not deliver equal or similar outcomes.

I propose to empirically investigate each of these questions in Thirupur- Coimbatore Model. Thirupur is the region located in western part of Tamil Nadu. The Model is being celebrated as the one that has witnessed decentralized form of capital accumulation/Accumulation without concentration/ Flexible form of accumulation/ Amoebic capitalism/ Peasant entrepreneurialism / Capitalism from below. It is argued that the success of this model lies in social net working within the Gounters an intermediate caste. I argue in this paper that the success of Gounder's is also a failure of other caste groups positioned in bottom of social hierarchy.