

Concluding Remarks: The History and Afterlives of Unpayable Debts

„It would be nice to end with a rosy image of the future of social science [and society]. But a social science worth having must be at times grim, documenting the pain of worldwide transformations”

– *Raewyn Connell* (2007)

“Instead of defending a notion of intellectual turf, the point of scholarly debate should be to extend the horizon of historical imagination”

– *Susan Buck-Morss* (2009)

The proliferation of commercial credit and other financial services targeting the working poor is portrayed as a panacea for sustainable development and poverty alleviation by governments, development banks, NGOs, and financial institutions worldwide. Ostensibly, providing access to credit helps these populations to generate income and manage risks. Critiques have contested this view, suggesting that poverty finance has primarily turned into another market in which financial capital exploits poor households through predatory lending. This book contributes to the latter perspective by investigating the chasm between benevolent rhetoric and structural violence of contemporary financial inclusion. It sought to understand why and how microfinance has expanded rapidly in India in recent decades. The research extends the explanatory power of the critical political economy literature in three significant ways.

First, it provides a novel theoretical framework called regimes of re/productive finance to reframe the study and understanding of microfinance and financial inclusion as contemporary modes of gendered and racialised class oppression and exploitation (Part II). Second, applying this framework, this research embeds the rise of microfinance and financial inclusion into a broader history of the modern world economy, including the formative phase of European colonialism (Part III). Third,

it proposed to understand the success of microfinance by uncovering the broader political, economic and social dynamics that shape the demand for credit, including borrowers' livelihoods as precarious labourers and the chronic subsistence crisis they experience (Part IV). As such, this research investigated how the rise of microfinance was contingent upon the fractured lives of India's unbanked population and how shifting modes of indebtedness further produce fractures within the social body, the labouring classes, and individual lives. This chapter summarises the key arguments of the book with a specific focus on answering the main research question, outlining significant contributions, and reflecting on the limitations. Finally, I will briefly discuss the political implications of these findings.

Microfinance and the Financialisation of Development Policy

In Part I, we reviewed the rise and transformation of microfinance as an increasingly prominent international development agenda. It was argued that within the broader shifts of the neoliberal counter-revolution, crushing the ambitions of post-colonial states for a New International Economic Order, disciplining indebted states in the global South through structural adjustment, and providing ever more room for manoeuvres for global finance and transnational capital, experiments with microcredits in the 1970s and 1980s were enthusiastically endorsed by DFIs, Western development agencies, NGOs, and neoliberal governments. Once some of these initiatives, like Grameen Bank in Bangladesh or PRODEM/Banco Sol in Bolivia, had demonstrated that borrowing microloans to the working poor (women) without collateral can be a profitable business case, the World Bank and other DFIs, corporate philanthropy, and established financial institutions pushed for scaling poverty finance as a market-driven panacea for poverty alleviation and women empowerment.

Since the global financial crisis, development discourse has moved on to a broadened notion of financial inclusion, including other financial services beyond credit. Yet, microfinance remains the backbone of the financial inclusion agenda. The latter has contributed to building broad institutional public-private alliances, like GPFI or AFI, that endorse the financial systems approach, aligning the operations of borrowing to the working poor with the rhythms of financial markets. This rather recent shift resonates with the broader trend towards market-based finance in the era of sustainable development, in which all kinds of interventions, programmes, and institutions become indexed against their bankability. Proponents of this agenda portray the proliferation of commercialised and financialised microfinance as a win-win situation. The working poor receive access to financial means, which allows for coping better with risks. At the same time, microfinance is a profitable market for (institutional) investors who foster growth and benefit from the extracted revenue.

This set of arguments focuses on how Development has been increasingly thought through the prism of financial markets and how the connections between global finance capital and local development interventions become ever more entangled. These political, economic, and ideological dynamics provide important insights into the rise of microfinance. However, they are already well-researched and have received considerable attention in the global political economy and development studies literature. Understanding microfinance as a powerful new development agenda is necessary but insufficient for a sophisticated explanation of the rise of microfinance. If employed exclusively, it produces a problematic top-down narrative in which microfinance enters the lives of the working poor as a global neoliberal project, rendering invisible the pre-history and parallel modes of financial domination and expropriation. In other words, this narrative cannot account for the fractured lives that the governance of access to credit produces and upon which profitable financial accumulation rests. Therefore, this research has focused on shedding light on these two underappreciated dimensions. To do so, it developed a novel theoretical framework which can be considered as the first major contribution to the literature.

Theorising Fractured Lives

To investigate the fractured lives and shattered story of India's unbanked population, I engaged with the method of "incorporating comparison" (McMichael 1990, 2000) and regime analysis in critical political economy. Notably, I developed the approach of regimes of re/productive finance to investigate microfinance's rise as part of a broader history of the modern world economy, and the positioning of subaltern classes (Part II). This approach allowed to periodise distinct phases of the (global) political economy, governance of access to credit and subaltern indebtedness, highlighting that together they constitute a fragmented whole. I followed Marx's methodological suggestion to understand the immediate appearance of social phenomena, i.e. the lack of money and demand for credit amongst the working poor, as a result of social and historical presuppositions. These presuppositions were traced theoretically, historically, and empirically through the regime analysis to understand and criticise this immediate appearance (demand for credit) as something different: the domination and exploitation of subaltern classes through multiple forms of indebtedness.

In developing an appropriate theoretical substance for the notion of regimes of re/productive finance, I combined three conceptual bodies of critical political economy: First, I engaged with a re-reading of Marx's understanding of money, finance, and power in capitalism to offer a more differentiated perspective on the power relations that underpin indebtedness than what contemporary credit theories of money

can offer (Chapter 5). Second, I expanded this view through social reproduction feminism, particularly the notion of financialisation of social reproduction to account for the relevance of reproductive debt in mediating between the productive and reproductive economy (Chapter 6). Finally, in broadening the analysis of finance capitalism beyond the neoliberal era, I drew on the burgeoning literature on racial (finance) capitalism to highlight how the gendered and racialised fragmentation and segmentation of labouring classes is central to the dynamics of (financial) capital accumulation (Chapter 7). Ultimately, the combination of these three strands of critical theory aimed at contributing to the project of “Marx’s open-ended critique” (Foster 2018). Instead of reiterating all major theoretical arguments, the following is confined to three central contributions.

First, in contrast to credit theories of money, which have become particularly prominent in IPE in recent years, I argued that Marx’s understanding of monetary credit allows for a more nuanced analysis of the dynamics of subaltern indebtedness. The former highlights that money is credit, and the power of money is primarily confined to commercial banks creating money out of thin air by issuing credit. As a result, credit theories of money tend to focus rather narrowly on the creditor-debtor relationship, isolating the study of finance from the broader political economy, including labour relations and conditions of social reproduction. Instead, Marx develops a multifaceted approach to understanding money as a divisive and coercive mode of socialisation and a distinct societal relation of oppression. The power of money as a general equivalent of value is contingent upon the commodification of space, which turns money into a means of existence and a condition for life. The abstraction, alienation, and objectification of value in the money form conceal how our lives are mediated and reproduced by other people’s labour and how uneven class relations of oppression and exploitation characterise this process. This perspective provided a fruitful vantage point from which the conditions and dynamics of subaltern indebtedness could be investigated.

Against this backdrop, Marx’s notion of secondary exploitation and contemporary forms of “financial expropriation” (Lapavistas 2009) add another layer to the exploitation and domination of working-class households. Importantly, the discussion of interest-bearing and fictitious capital helped to understand the distinction between credit employed as working capital and credit used as money that is spent but does not create direct revenue, such as reproductive debt. This first dimension of fictitious capital is the common ground between financial institutions offering household debt and older forms of usurer’s capital, i.e. moneylenders. However, the former generally imply alienated debts in which debt contracts are less personalised and, through securitisation, can be turned into tradable assets sold to investors. Rather than consecutive, both forms and types of predatory lending to working-class households can converge to produce multiple forms of financial expropriation by different creditors. As such, these arguments provide a power-sensitive approach

to studying money and finance and understanding the workings of microfinance and financial inclusion in the present.

Second, social reproduction feminism helped to clarify the separation between production and social reproduction as an ambiguous condition of capitalist development. Although the production of life and labour is central to the latter's existence, it is constantly devalued and taken for granted. The notion of re/productive finance highlights how household debt cuts through binary separations and how money mediates this contradictory relationship. This perspective can also help to revisit current debates on the positioning of subaltern classes. Many critical scholars have suggested that poverty finance is essentially a way of governing a growing surplus population, that is, a share of the global proletariat that cannot be usefully employed by capital and yet lacks the means of subsistence to live otherwise (Haiven 2020; Sanyal 2007; Soederberg 2015). For instance, Kalyan Sanyal (2007) has claimed that a substantial share of India's subaltern class lives in the 'need economy', struggling to make ends meet rather than the 'accumulation economy' and that this chasm between non-capital and capital characterises the specific constitution and dynamic of post-colonial capitalism. However, the analysis of precarious migrant workers in Bengaluru shows how they are a relevant, cheap, and flexible labour force that underpins the gendered and racialised dynamics of contemporary capital accumulation. From the perspective of social reproduction feminism, the distinction between the need and accumulation economy and capital and non-capital can be resolved by highlighting how they are part of a unitary system. As was argued, reproductive debt mediates between the productive and reproductive economy. As such, the governance of a surplus population through poverty finance is not a one-way road. Rather, the proliferation of market-based poverty finance draws on the chronic crisis of social reproduction amongst subaltern classes while entrenching their subordinate position in the (global) political economy, ultimately creating favourable conditions for their super-exploitation and expropriation upon which dynamic capital accumulation rests.

Finally, this book contributed to the burgeoning literature of racial capitalism by proposing to study race and caste as comparable though distinct relations of oppression which allow for the fragmentation and segmentation of the labouring classes and facilitate their exploitation, expropriation, exclusion, and – at times – extinction. This differentiation is necessary for overcoming a certain US-centrism in contemporary debates and to counter the dominant narrative that caste is primarily a cultural specificity and pre-modern inheritance of the Indian subcontinent with little relevance for understanding the workings of contemporary (financial) capital accumulation. Moreover, I engaged with the notion of racial finance capitalism to argue that the current dynamics of financialisation work through the production, exploitation, and accumulation of racialised differences that run through the social body and the working class. Notably, the predatory aspects of financial inclu-

sion are rooted in ignoring, entrenching, and profiting from racialised exclusions, the depreciation of labour(ers), and the uneven distribution of risk. Together, these three strands of theory allow us to understand the chronic indebtedness of subaltern working-class households as a gendered and racialised process of exploitation and domination. This rich theoretical framework underpinning the notion of regimes of re/productive finance was applied historically and empirically.

Three Regimes of Re/Productive Finance

To investigate the fractured lives of subaltern indebtedness in India, I proposed to study history backwards, tracing the evolution of modern regimes of re/productive finance (Part III). The guiding assumption was that substantial parts of India's subaltern working class have historically experienced a chronic subsistence crisis managed through indebtedness vis-à-vis different creditors. The analysis of modern regimes of re/productive finance discussed the continuities and changes in governing access to credit in relation to the broader (global) political economy, particularly the accumulation regimes, the associated social stratification and positioning of subaltern classes, and the crisis of social reproduction experienced amongst the latter. This regime analysis deepened our understanding of the rise of microfinance in several ways.

To begin with, the analysis of the contemporary neoliberal regime expanded the arguments of microfinance as a powerful development agenda. It showed that the neoliberal restructuring of the entire political economy enabled the rise of commercialised and financialised microfinance (Chapter 11). Beginning in the early 1990s, these shifts introduced a new highly uneven jobless growth model in which the urban and rural upper classes gain the bulk of produced wealth, while the mass of small and marginal farmers, landless agricultural labourers, and precarious urban workers face a severe subsistence crisis. Despite pooling incomes from cultivation, animal husbandry, wage labour, and business activities into the household economy, between two-thirds and three-quarters of the rural population experience a significant subsistence gap, with expenditures increasing monthly incomes. In this context, microfinance expanded rapidly by offering reproductive debt, that is, small-ticket loans used for food, housing, health care, home improvement, and other aspects related to social reproduction.

Importantly, the rise of microfinance was facilitated by what I have called India's debtfare state. At a time when priority sector lending through public banks was diluted and the provisioning of rural credit retrenched, both central and state governments scaled women's self-help groups (SHGs) as a primary vehicle for rural development. They also decentralised welfare provisioning and widened access to credit through the bank linkage programme (SHG-BLP). Though distributed

unevenly across the country, SHGs currently affect more than 140 million families, turning the programme into the single largest microfinance scheme in the world. Meanwhile, profit-oriented NGOs, foundations, and financial institutions have grown on the back of this publicly subsidised group-lending infrastructure, expanding exponentially in the 2000s. This rise was primarily driven by few corporate MFIs with tight connections to mainstream banking and institutional investors, consciously financialising the subsistence gap of subaltern working-class households. This new generation of corporate MFIs openly surpassed the narrow focus on income-generating loans and embraced the relevance of reproductive debt by providing loans for housing, health emergencies, education, sanitation, and other basic needs, including a focus on precarious urban workers.

Notably, the demand for such credit is exacerbated by the neoliberal political economy, as was shown in the case of the privatisation and financialisation of India's healthcare sector. The bulk of health expenditure in India comes from households in the form of out-of-pocket spending (OOPS), and those households experiencing a chronic subsistence gap as well as irregular incomes are hardest hit by sudden expenditures for medical treatment. Newer welfare programmes, like the national health insurance for informal sector workers, fail to address this issue because they only cover in-patient care and thereby tend to subsidise the private health industry. Against this backdrop, borrowing money for health expenses, including from corporate MFIs, turns into a necessary survival strategy. Therefore, I have characterised the neoliberal regime as one of market-based reproductive debt. While these arguments uncover the immediate conditions and channels through which microfinance expanded in the neoliberal era, the regime analysis explicitly set out to dig deeper.

The roots of this pervasive subsistence crisis and its management through monetary debts have been essentially shaped by British rule since the late eighteenth century. The colonial regime rested on an imperial political economy of plunder, which subordinated the subcontinent's wealth to the British-dominated world market. Essentially, this process entailed the violent enclosures of forests and common land, the (forced) commercialisation and export-orientation of agrarian production, and the reformation of land tax and the judicial system. These have crucially perpetuated caste-based class inequalities and driven monetised debt relations, in which most peasants and other parts of the rural population, were chronically indebted with diverse moneylenders, including traders, landlords, and wealthy farmers. I have referred to this constellation as the moneylender-state nexus to highlight that British colonial rule exacerbated the power of moneylenders through land taxation, amongst other policies, and thereby increased the need for money. At the same time, the colonial administration refrained from regulating moneylending or escalating land transfers based on indebtedness while backing creditors if they had a written debt record.

This investigation is particularly relevant to the contemporary financial inclusion discourse. The rise of informal moneylenders was facilitated by British rule, including land taxation, legal backing of creditors, and the absence of regulation (Chapter 9). This analysis challenges the deep-seated formal/informal divide in which the former is associated with modern, cheap, and inclusive financial institutions, while the latter is presented as backward and usurious, keeping people from benefitting from economic growth. Moreover, India's modern banking system was entirely dominated by European joint-stock companies, facilitating the massive drain of wealth and consciously excluding almost the entire Indian population from access to bank credit. Hence, India's vast unbanked population and its dependency on so-called informal moneylenders are a colonial legacy rooted in a modern imperial political economy of plunder.

The post-independence developmental regime has grappled with this legacy with mixed success (Chapter 10). Within only three decades, it extended the role of the state and public enterprise, facilitated economic growth and industrialisation, and overcame the worst forms of colonial famines that killed tens of millions under British rule. It considerably expanded rural credit through credit cooperatives and, later, through the nationalisation of major commercial banks, prescribing quotas for borrowing to agriculture, small and medium enterprises, and licensing bank branches in favour of rural areas. At the same time, it confronted neither the power of landed classes nor big Indian business effectively. Overall, land reforms only had a marginal effect on the skewed distribution of land ownership and associated class inequalities. As a result, the decentralised credit cooperatives essentially enabled dominant rural classes to accumulate private wealth and power while exploiting the small and marginal peasantry through forwarding credit with exorbitant interest rates and labour obligations attached.

The expansion of public banking followed the new agricultural policy (Green Revolution) adopting high-input commercialised cultivation and primarily addressed wealthy farmers and parts of the middle peasantry. This focus only began to change in the late 1970s, when the government used the public banking system to distribute targeted and subsidised loans for small and marginal farmers, artisans, and other poor households through the Integrated Rural Development Programme (IRDP). The basic idea resembled other microcredit experiments: Households below a certain income threshold received access to small loans to purchase assets, like milk animals or a sewing machine, which would eventually allow them to generate further income. Yet, since agrarian inequalities were still not addressed, there were hardly livelihood opportunities for the rural masses beyond precarious wage labour and petty commodity production. Moreover, the state invested little in the social provisioning of basic needs for subaltern classes (housing, sanitation, health, education). Consequently, most of these loans never reached their targets and aims. In-

stead, they fed into the household economy, including repaying pervasive reproductive debts with moneylenders.

Towards the end of the developmental regime, a new wave of civil society organisations increasingly fostered decentralised women's savings and credit groups, primarily focussing on the subaltern classes the credit cooperatives and public banks had poorly served. International donor agencies, government bodies, and profit-oriented financial institutions quickly endorsed these initiatives. Therefore, I have described the emergence of SHGs as one torn between state and market capture, laying the ground for the rapid expansion of commercialised and financialised MFIs.

Most importantly, the analysis of modern regimes of re/productive finance in India uncovered the continuities and changes in governing subaltern indebtedness through the “multiple form of incorporating comparison” (McMichael 1990). The general assumption that subaltern indebtedness is rooted in a chronic subsistence crisis and signifies a specific form of class oppression and exploitation was substantiated. However, the form, extent, and effects of this crisis have always been contingent upon the broader political economy, the fragmented and segmented class structure, and how access to credit is governed through all of this. As such, this analysis does not simply describe three distinct configurations of a colonial regime (ca. 1820 – 1940), a developmental regime (1940 – 1990), and a neoliberal regime (1990 – present). The formative creditor institutions of each phase, the power of moneylenders, credit cooperatives, commercial banks, SHGs, and MFIs converge in the present and constitute an ecosystem of creditor institutions with different relevance for subaltern classes (Chapter 12). Notably, class domination and exploitation work through these institutions. In this sense, market-driven financial inclusion can be understood as the latest incarnation of modern debt regimes subordinating a cheap, fragmented labour force under capital. This theme was further explored in the analysis of migrant workers in Bengaluru.

Precarious Migrant Workers and The Structural Violence of Reproductive Debt

Part IV deepened our understanding of the neoliberal regime of re/productive finance by investigating precarious migrant workers' livelihoods in Bengaluru, thereby giving subaltern indebtedness “a body, a voice, and a territory” (Cavallero and Gago 2021, 4). It departed from most contemporary analyses of financial inclusion by focusing primarily on the seeming background conditions of microfinance borrowers, highlighting their situatedness within the broader political economy. This singular form of incorporated comparison concentrated on three key moments. It built on the experiences of construction, domestic, and garment workers to understand the demand for reproductive debt, how (women) workers engage in

various strategies to manage chronic indebtedness, and how they struggle against these conditions. Three main findings stand out from this analysis.

First, these chapters substantiated empirically how the interlocking gendered and racialised processes of expropriation, exclusion, and exploitation cumulate to intensify a chronic subsistence crisis amongst subaltern working-class households through increased market-dependent social reproduction. Instead of taking a lack of money amongst the working poor for granted, I highlighted how the slow violence associated with the agrarian crisis and escalating climate change makes cultivation for smallholders increasingly unviable, exacerbates rural inequalities, and keeps the subaltern classes chronically indebted with moneylenders, landlords, and wealthy peasants. Moreover, the displacement through large-scale development projects (including mining, dams, SEZs, etc.) is associated with loss of livelihood, especially for tribal communities and others who depend on forests and other common resources. In this context, seasonal, circular, or permanent migration to Bengaluru and other cities becomes a household strategy to safeguard social reproduction and repay old debts.

All these variegated processes facilitate a cheap and flexible labour force that works, for example, as daily wage labourers in construction, part-time and live-out domestic workers, or garment workers in export-oriented factories. Most of these workers are super-exploited in the sense that they receive wages below the subsistence level, even though this income forms the primary subsistence of these households. In other words, their monthly expenditures for food and water, rent, health care, education, and other essentials are structurally higher than their incomes. The exclusion from public provisioning of decent housing, public infrastructure, and access to welfare schemes further exacerbates this problem. Even though the latter formally exist, there are multiple barriers to getting subsidised food grains or other services due to their unregistered status as migrant workers.

Against this backdrop, reproductive debt, loans used primarily for the social reproduction of households, become an essential livelihood strategy for migrant workers, who, through debt, can access safe drinking water, health treatment, decent housing, education for their children or social functions (marriages, funerals). These dynamics were understood as a systematic debt-distress cycle because they describe a regular pattern that shapes the livelihoods of most rural-urban migrant workers (Chapter 13). However, the relative importance of different dimensions of the debt-distress cycle may differ across households. Moreover, the cyclical nature of these interlocking dynamics points towards continuous and changing forms of these categories. For instance, the constant threat of urban enclosures, driven by financialised land speculation, further exacerbates the fundamental uncertainty and insecurity that mark migrant worker's livelihoods and pushes them further into super-exploitation, exclusion, and indebtedness.

Second, the analysis challenged the narrow understanding of rational household decision-making that underpins the dominant financial inclusion discourse (Chapter 14). Instead of simply focusing on cheap/expensive debt, measured by interest rates, I proposed to understand the relational rationalities of household strategies as one informed by the social barriers of accessibility, the flexibility of loan size, freedom to use loans and conditions of repayment schedules. This analysis highlighted that creditors have different strengths and weaknesses, with variegated conditions and obligations attached. It was argued that MFIs have carved out a distinct niche within the ecosystem of creditors, mimicking the moneylenders and SHGs in terms of accessibility and free usage of loans, including for reproductive purposes, while aligning borrowing with the broader circuits of (global) financial capital. Rather than providing the initial working capital to start an enterprise, MFI's business model is strategically centred around the working poor's lifecycle, offering credit as an upward cascade for those who manage repayments. The focus on women's joint-liability groups allows them to offload a part of the disciplining work and ensure the profitability of lending. Importantly, MFIs do not provide an exclusive alternative to other creditors. This is where we come to a third central insight that engages with the structural violence of contemporary microfinance.

The pervasiveness of reproductive debt creates a puzzle: If loans are not used for business activities, how can migrant workers repay them? Or, put differently, where does the revenue that sustains profit-driven poverty finance come from? Answering this question is central to understanding the success of commercialised and financialised microfinance in terms of growing loan portfolios and the growing interest of institutional investors. I discuss six interlocking mechanisms that can explain this puzzle and reveal the structural violence of reproductive debt (Chapter 16). The first is the sale of assets, like livestock, land, and gold, and is usually associated with increased agrarian inequalities and the moneylender's business model. Likewise, the second dimension, pawning future labour capacities through forms of labour attachment and debt bondage, is a frequent mechanism. As shown in the contracting system of migrant workers, this dynamic is not confined to rural areas. Chronic indebtedness facilitates a cheap and disciplined labour force in agriculture, industries, and services.

The third dimension relates to the relational rationalities of debt. Caring for these debts, that is, juggling different sources and types of loans, repayment schedules, and obligations attached, is a critical work through which women sustain the solvency of households while living through debts. This work builds on regular group meetings of SHGs and JLGs but extends beyond. The fourth and perhaps most drastic measure is compromising on the social reproduction of household members through reduced food intake or withholding from seeking medical treatment, instead using household income to service debts and acquiring new debts to maintain survival. This is particularly visible in times of severe crisis, like Demonetisation

or the COVID-19 pandemic. The fifth dimension is lengthening the workday by engaging in other jobs beyond their primary occupation to augment the household income, for example, through petty commodity production or part-time services.

Finally, accessing social security and welfare services is another critical dimension that allows precarious migrant workers to manage reproductive debts. This was demonstrated through the case of Bengaluru's garment workers' flash strike in 2016 for maintaining the Employees' Provident Fund (EPF). The latter primarily serves as a savings scheme for pensions. Instead, precarious garment workers access the EPF as an emergency fund to pay for lump sums related to reproductive needs, including the repayment of reproductive debt.

In sum, this research demonstrated how microfinance is not just a popular contemporary development policy but the latest incarnation of a class-based mode of dominating and exploiting subaltern classes on the Indian subcontinent through gendered and racialised indebtedness. The predatory nature of commercialised and financialised microfinance is thus not primarily rooted in exorbitant interest rates but in enfolded subaltern classes in permanent debt relations through cascading loans. Importantly, repayment is not premised primarily on business activities but on diverse forms of financial expropriation, including the deduction of wages below subsistence level, using different types and sources of debt to stay solvent, and other strategies outlined above. These violent dynamics are a common ground for predatory lending from moneylenders and MFIs. While the former is usually sustained by personal relationships of dependency and exploitation, the latter implies a more abstract domination, dependency and exploitation. Turning regular repayments into a tradable asset class through the securitisation of microcredit loan portfolios has increased the pressure to generate revenue by any means necessary. As such, the financialisation of microfinance has facilitated the expansion of contemporary microfinance by banking on a pervasive subsistence gap. However, this success is contingent upon the multifaceted structural violence of reproductive debt. There are limits to this business model because uncollateralised loans cannot be extended indefinitely without risking delinquency, and strict repayment schedules are necessary to work in accordance with the rhythms of banking and financial markets. Yet, considering the broader ecosystem of creditors, these limits are contingent upon the ability of households to acquire other forms of debt and obligations.

Looking Ahead: The Future of Unpayable Debts

In the epigraph, Susan Buck-Morss claims that “the point of scholarly debate should be to extend the horizon of historical imagination” (Buck-Morss 2009, 14). In this sense, the present analysis might modestly contribute to the radical rethinking of microfinance and financial inclusion. There is little reason to believe that regulat-

ing commercial microfinance changes the predatory nature of poverty finance. As shown in Chapter 11, curbing interest rates, limiting the number of creditors for each household, or prescribing a quota for income-generating loans neither limits the expansion of financialised microcredit nor challenges the pervasive crisis of social reproduction amongst subaltern classes. Of course, such measures have effects on individual households. But the structural violence of financialised microfinance is not exclusively, or even primarily, rooted in exorbitant interest rates and excessive borrowing of singular institutions. Instead, it becomes visible in the culmination of various types and forms of debt. The alienated, securitised debt of MFIs intersects with other types of indebtedness, deepens the vulnerability to various processes or expropriation, and facilitates the disciplining of a cheap labour force super-exploited in casualised wage work without offering any means to escape this subordinate position. In other words, it banks on and produces fractured lives.

The analysis of regimes of re/productive finance in modern India has shown how these multiple fractures that run through the social body, households, and individual lives are not only mediated by debt relations. These fractures can also turn into a powerful lever for collective mobilisation and fighting back against various modes of oppression. The analysis of the garment worker's strike in Bengaluru in 2016 hinted at the convergence of labour and debt struggles. This theme raises crucial questions about organising and mobilising a fragmented and segmented working class. Twentieth-century trade union strategies have focussed primarily on formal sector wage workers. For instance, 97 per cent of trade union membership in India is in the formal sector, although it employs only 35 million out of 460 million workers (George and Sinha 2017). Non-governmental organisations with diverse political affiliations, strategies, and ambitions have increasingly filled this gap since the 1980s, producing ambiguous outcomes.

The SHG model can be viewed as a novel form of organising the mass of informal sector workers both in rural and urban areas. This strategy has been discussed as ambiguous, torn between state and market capture because many organisations that facilitate SHGs view their work as apolitical development intervention helping the poor and depending on financial resources from donor agencies or the state. Thus, in most cases, the organisation of women's groups primarily fulfils the function of a supplementary to government welfare and has laid the foundations for the profitable expansion of commercial microfinance. However, there are also instances where political organisations consciously draw on these small-scale solidarity women's groups to organise a fragmented working class, fight neoliberal austerity policies, or challenge employers for decent work while remaining sensitive to patriarchal, caste-based, and racial oppression.

For example, the All-India Democratic Women's Association (AIDWA), the women's wing of the Communist Party of India (Marxist), organises more than 10 million labourers, with a substantial basis amongst the Dalit and Adivasi popu-

lation. It has consciously used the SHG model and the facilitation of savings and credit groups in many rural and urban areas as a means for politicising broader issues, like basic social provisioning, public employment, equal and minimum wages, land and housing rights (Biju and Kumar 2013; Chari-Wagh 2015). Likewise, some of the NGOs engaged with precarious migrant workers in urban agglomerations have moved from focusing their work on advocacy and access to government welfare to organising workers in labour struggles vis-à-vis both the state and employers (Joseph, Natrajan, and Lobo 2019; RoyChowdhury 2021). These experiences do not yet challenge the roots of modern regimes of re/productive finance, and they may be limited to the dynamics of solving problems for marginalised sections of society without challenging the broader relations of power and oppression. However, they might articulate with more radical approaches, like the continuous peasant insurgencies or recent mass mobilisations of peasants against the further corporatisation of Indian agriculture.

The status quo of market-based reproductive debt will likely continue if the uneven distribution of land ownership, the absence of livelihood opportunities beyond precarious subsistence, petty commodity production and wage labour, and the exclusion from commons, including provisioning of social infrastructure, persist. Challenging this entrenched constellation requires bridging the manifold fragmentations that run through the social body and the working class through broad-based mobilisation. In this context, the women's SHGs might provide a fertile ground for struggling against the tyranny of unpayable debts if linked to broader coalitions of left parties, social movements, trade unions, and civil society organisations interested in overcoming the neoliberal regime of re/productive finance. Studying history backwards is crucial for such endeavours. After all, the radical imagination is not only about envisioning the future differently. It is equally about "radical remembering" (Haiven 2014), understanding how the world has become what it is now by acknowledging this history as a lived experience and as a result of collective labour and class struggles thought broadly. Neither money's coercive and divisive mode of socialisation as second nature nor reproductive debts exist naturally or eternally. They are the result of specific social and historical processes and, as such, can be overcome.

These insights are also relevant beyond the Indian context. The financialisation of social reproduction and the violence of predatory lending to working-class households are essential features of contemporary capitalism. In recent years, the structural violence of chronic indebtedness has become a central theme for social movements and powerful political mobilisations across the world. In the neoliberal era, the class struggle from above pushes for the individualisation and externalisation of risks and responsibilities through credit and other financial services under the banner of democratising finance, exploiting working-class households financially *and* in the labour process. The class struggle from below is often limited to fighting for

better working conditions and pay or equal rights to access public services on the terrain of the state. However, the pervasiveness of chronic indebtedness amongst the global working poor might provide a more creative and radical approach to politicising these “unpayable debts from above” (Haiven 2020).

The oppressive nature of chronic indebtedness may be challenged by strategically inverting this relationship and claiming “unpayable debts from below” (Haiven 2020). For instance, the 2020 International Feminist Strike in Argentina has mobilised the masses against neoliberal austerity and pervasive household debt under the slogan “the debt is owed to us” (Cavallero and Gago 2021). Women were not demanding the right to work or become financially or otherwise included. Instead, they highlighted how their labour has been the cornerstone of producing wealth for centuries and how capitalist classes *owe them* (Cavallero and Gago 2021; Federici 2018). This relates to the broader shift in perspective that social reproduction feminism has called for. Moreover, it resonates with the critique of racial (finance) capitalism, which works through the production, exploitation, and accumulation of differences in the social body and the global proletariat. Debt struggles may thus prove a powerful form of contemporary class struggle, “turning of the tables on the powerful to insist that the oppressed and exploited are owed a debt that, importantly, cannot be repaid in the currency, value paradigm, or legal apparatus of the powerful” (Haiven 2020, 50). These unpayable debts can only be settled by dismantling those social relations and institutions of oppression and exploitation that create, maintain, and impose dependency on reproductive debt. In this sense, remembering the modern history of regimes of re/productive finance and the contemporary structural violence of reproductive debt in India might contribute to expanding the historical horizon towards a future of unpayable debts from below worth living and fighting for.

